

FAOCES

PUERTO RICO IS OPEN FOR BUSINESS

Coalition Policy Priorities for Federal Action

June 2026 · Washington, D.C.

PRESENTED IN COALITION WITH





OUR COALITION



The Associations Behind FACES

Four private-sector institutions uniting to advance Puerto Rico's federal agenda



Est. 1886 · Non-profit

Puerto Rico Chamber of Commerce

The "Voice and Action of Private Enterprise" — the only organization uniting every sector of the Island's private business, and its primary advocate before government. Convener of FACES.

★ **130+ years · the Island's largest business network**



Est. 1928 · Non-profit

PR Manufacturers Association

Unites Puerto Rico's manufacturing and service industries to advance competitiveness and shape industrial policy. Proposed the creation of PRIDCO in 1939.

★ **Largest manufacturers' association in Puerto Rico**



Est. 1973 · Law 75

CPA Society of Puerto Rico

The professional college of all Certified Public Accountants in Puerto Rico — membership is mandatory to practice. Serves professional excellence while protecting the public interest.

★ **Every licensed CPA on the Island · tax & accounting authority**



Est. 2009 · Non-profit

Medicaid & Medicare Advantage Products Assn.

Brings together Puerto Rico's leading Medicaid and Medicare Advantage plans — First Medical, Humana, MCS, MMM/PMC, Menonita & Triple-S — to close the federal health-funding gap.

★ **Members cover nearly 3 million residents**



Margaret Ramírez Báez

President, Puerto Rico Chamber of Commerce

KEY MESSAGE

Presenting the history and advocacy efforts of the Puerto Rico Chamber of Commerce and speaking on federal funds — their proper use and importance to the Island's recovery and growth.

ABOUT

Attorney and President of the Puerto Rico Chamber of Commerce (2025–2026), leading a 'Growth and Freedom' agenda built on private property rights and free enterprise. Founder of the law firm LegalmentePR LLC, she is also an executive at Air Flamenco and Flamenco Cargo and owner of ProntoCare, and holds a JD, a Master's in Finance, and a BBA.



OUR
INSTITUTION



The Puerto Rico Chamber of Commerce

The Voice & Action of Private Enterprise — uniting the Island's private sector since 1886



Voice of Enterprise

The defining voice and action of Puerto Rico's organized private sector.



Founded in 1886

More than a century as the Island's leading private-sector institution.



Convener of FACES

Architect of Puerto Rico's unified private-sector advocacy in Washington.



Every Private Sector

The only organization uniting every sector of the Island's private enterprise.



Largest Network

The Island's largest and most diverse community of businesses.



Growth & Freedom

A pro-business agenda built on property rights and free enterprise.



OUR HISTORY



More Than a Century of Service

Watch the story of Puerto Rico's leading business institution



The History of the Puerto Rico Chamber of Commerce



PUERTO RICO CHAMBER OF
COMMERCE



FEDERAL AFFAIRS CHAMBER EDUCATIONAL SERIES

History & Efforts

Lcdo. José Julio Aparicio · President-Elect & FACES Founder

Top of the Hill · Washington, D.C. · June 23, 2026



José Julio Aparicio

President-Elect, PR Chamber — FACES Founder

KEY MESSAGE

Presenting the history and mission of FACES — the federal-advocacy initiative he created within the Chamber — and its work advancing Puerto Rico's priorities before Congress.

ABOUT

Attorney, entrepreneur, and President-Elect of the Puerto Rico Chamber of Commerce. He is the creator and founder of the FACES federal-advocacy program and a serial founder across industries — from Knox Medical, which helped pioneer Puerto Rico's medical-cannabis sector, to Gentech Security, Red Rooster, and WininPR.



What is FACES?

FACES is the Puerto Rico Chamber of Commerce's federal advocacy program — built to establish sustained, meaningful relationships between Puerto Rico's organized private sector and the federal policymaking ecosystem in Washington, D.C.



Relationships

Year-round engagement with Members of Congress, key committee staff, and influential think tanks.



Education

Policy briefings, forums, and dialogue on Puerto Rico's most critical federal legislative priorities.

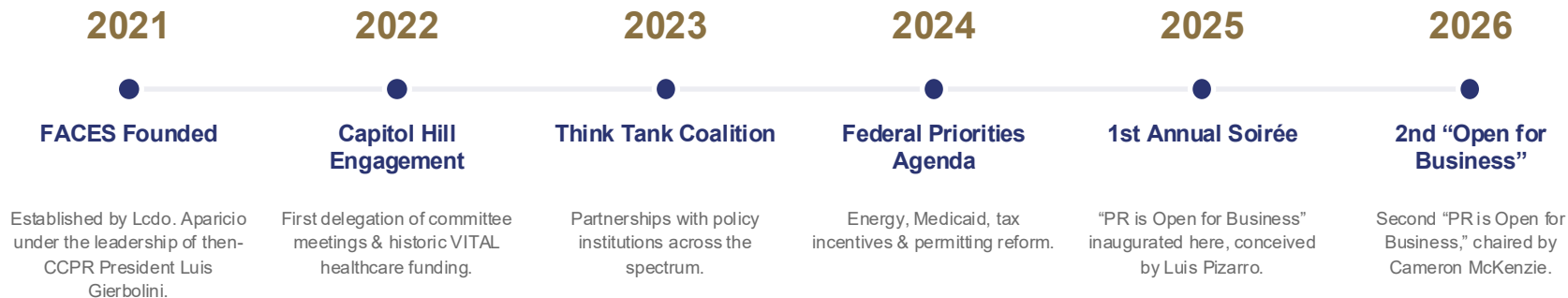


Advocacy

A unified, credible, bipartisan private-sector voice that Washington recognizes and respects.



Five Years of Building Bridges



“

Five years ago, we started FACES because Puerto Rico's private sector deserved its own seat at the federal table. Tonight, in our second year here, that seat is no longer a request — it is a fact.

— José Julio Aparicio
FACES Founder



What FACES Does



Sustained Relationships

Year-round engagement with Members of Congress, key committee staff, and influential think tanks — not crisis-driven visits.

★ Always at the table



Legislative Priorities

Medicaid cliff, energy grid reconstruction, tax incentives (Malliotakis Bill), GILTI reform & federal-funds accountability.

★ One unified agenda



Champions Recognition

Honoring federal allies who stand with Puerto Rico — building loyalty and deepening relationships year after year.

★ Allies for the long run



Private Sector Primacy

The business community leading the advocacy — organized, bilingual, bipartisan, and credible in every room in Washington.

★ Respected in every room



FACES' Greatest Accomplishment



VITAL — Universal Healthcare for Puerto Rico

Working alongside the MMAPA Coalition and PRFAA, FACES helped convince the United States Congress to allocate the federal resources necessary to fund Puerto Rico's Universal Healthcare Plan — VITAL. This landmark achievement brought coverage to hundreds of thousands of Puerto Ricans and stands as one of the most significant federal victories secured by the island's private-sector coalition.

★ **Hundreds of thousands now covered**



Our Focus for 2027: Achieving Parity with the States

Now that VITAL is funded through 2027, FACES' next mission is clear: gain full parity with U.S. states in Medicaid funding — to permanently expand VITAL, strengthen coverage, and ensure Puerto Rico's 3.1 million U.S. citizens receive the same federal health investment as any state in the nation.

★ **3.1 million U.S. citizens — equal footing**

PUERTO RICO CHAMBER OF COMMERCE

Let's Build Bridges.

Inspire Investment.

Show That Puerto Rico Is Ready to Lead.

FACES · FEDERAL AFFAIRS CHAMBER EDUCATIONAL SERIES

Puerto Rico Chamber of Commerce · camarapr.org

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PRIORITY · HEALTH

Puerto Rico's Healthcare System

Funding equity in Medicaid & Medicare Advantage for 3.1 million residents

FA**CES**



Solange de Lahongrais

President — MMAPA · on behalf of the Health Sector

BIOGRAPHY

Attorney and President of MMM Multihealth, which serves more than 280,000 Medicaid beneficiaries in Puerto Rico, and the first woman to preside over MMAPA. A magna cum laude graduate of the Pontifical Catholic University law school, she was appointed by the Governor in 2026 to a multisectoral working group advocating for fair federal health funding for the Island.

PRESENTING ON

Medicaid & Medicare Advantage Opportunities

Establishing a fair Medicare Advantage payment floor for Puerto Rico.



Luis Pizarro

On behalf of the Health Sector

BIOGRAPHY

Health-policy attorney and founder, President & CEO of FIDE LLC, and Immediate Past Chairman of the Puerto Rico Chamber of Commerce. He holds an LLM in Health Law from Loyola University Chicago and a BA from George Washington University, with more than a decade of leadership across Medicaid, Medicare, and private insurance.

PRESENTING ON

Medicaid & Medicare Advantage Opportunities

Puerto Rico's Medicaid and Medicare Advantage funding disparities and opportunities.

Demographics



Population
3.1 million

Medicaid
1 million

Medicare
Advantage
680,000

Medicare
Platino
(D-SNP)
307,000

65+ years

25% | **18%**
Puerto Rico | United States



Federal Poverty Levels

40% | **13%**
Puerto Rico | United States



Healthcare represents over one-third of Puerto Rico's economy, making it one of the island's most important economic sectors.

Medicaid



Combined Medicaid and Medicare programs support nearly two-thirds of residents.

Medicaid funding can run out even if healthcare needs remain.



Puerto Rico's Medicaid program receives near 50% less funding for Medicaid beneficiaries and over 90% less for Medicare Platino dual-eligibles compared to states.



Not Available
For Puerto Rico's residents

- . Medicare Savings Programs (MSP)
- . Supplemental Security Income (SSI)
- . Comprehensive Long-Term Services and Supports (LTSS)
- . Part D Low Income Subsidy
- . Partial (about 50%) Nutrition Assistance Program (NAP)

MA Medicare Advantage

Market Penetration



86%
Puerto Rico
Highest in USA
which is 51%

96%
Subscribed
Part A & B
Eligibles

10K to 17k Annual growth
New affiliates 2.2% yearly for the past 5 yrs.

MA funding below

40%

U.S. average

20%

U.S.V.I

- ✓ 99% of beneficiaries are enrolled in plans rated 4.5 Stars or higher, including 82% enrolled in 5-Star plans.
- ✓ Only 3.5% stay on Traditional Medicare
- ✓ Puerto Rico residents pay the same FICA taxes as mainland U.S. residents to support Medicare Part B

Medicare Advantage Solution

1

Establish a Minimum MA Payment Rate at USVI Levels

Raising Puerto Rico to the USVI benchmark level of \$967 PMPM would still make it the lowest-funded MA market in the country and 22% below Hawaii, which currently has the lowest state MA rates at \$1,237 PMPM.



An administrative correction for 2028 to set a payment floor at the USVI level would finally address this anomaly while creating a strong national model for Medicare Advantage. The time to continue working with HHS-CMS is **NOW** (June - August) while CMS is working on the 2028 proposed rule in the next 90 days.

About Medicaid

Medicaid Cliff Sept. 30 of 2027

- **48% of Puerto Rico's population relies on Medicaid for healthcare coverage with 60% less funding**
- **Puerto Rico has proven it can deliver quality, cost-effective care while maintaining strong accountability and program integrity standards.**
- **The issue is not performance—it is funding sustainability.**
- **Correcting the funding deficiencies will strengthen Puerto Rico's healthcare system, support economic growth, improve workforce stability, and enhance the ability of health plans to compete, innovate, and deliver high-quality care.**





PRIORITY · ENERGY

Puerto Rico's Electric Power Sector

Key private-sector concerns limiting investment, reliability & transformation

FA**CES**



Rafael Vélez

*President — PR Manufacturers Association
(PRMA)*

BIOGRAPHY

President of the Puerto Rico Manufacturers Association (since 2025) and a CPA. He is Founder and President of Atabey Capital and CEO of Caribbean Transmission Development Co., advancing a 700 MW submarine power-transmission cable between Puerto Rico and the Dominican Republic. A director of OFG Bancorp, he holds degrees from Babson College and Georgetown and completed IESE's Advanced Management Program.

PRESENTING ON

Energy Grid Reconstruction

Key private-sector concerns about Puerto Rico's electric power sector.



Key Private Sector Concerns — Electric Power Sector

Barriers limiting investment, reliability, and long-term energy transformation

Critical Issue	Current Situation	Impact on Industry & Investment
PREPA Bankruptcy	PREPA remains under bankruptcy proceedings and lacks a long-term sustainable financial structure.	Limits access to financing for infrastructure projects, increases system credit risk, and undermines investor confidence.
Slow Execution of Federal Reconstruction Funds	Billions allocated by FEMA continue to face complex approval, design, permitting, and reimbursement processes.	Delays grid modernization, prolongs operational vulnerabilities, and increases the economic impact of service interruptions.
T&D Operating Model Uncertainty	Ongoing political and regulatory uncertainty regarding the continuity of the private T&D operator.	Raises concerns about operational stability and continuity, and risks a return to historical, lower-performing management models.
Lack of Credit Support for New PPOAs	Developers of new-generation projects lack access to robust financial guarantees supporting PPOAs.	Complicates project financing, increases the cost of capital, and discourages participation in future energy procurements.
Insufficient Reliable Generation Capacity	The system relies heavily on aging generating units with high forced-outage rates and declining reliability.	Increases the risk of service interruptions and negatively impacts Puerto Rico's industrial competitiveness.
Lack of a Stable Long-Term Energy Policy	Frequent shifts in government priorities and regulatory policies create uncertainty for market participants.	Limits long-term investment planning and delays strategic investment decisions by the private sector.



PRIORITY · TAX INCENTIVES

A Strategic Pillar in U.S. Manufacturing

Puerto Rico's critical role in bioscience & supply-chain security

FA**CES**



Kenneth Rivera

*Past President — PR Chamber of Commerce ·
Past President — CPA Society of Puerto Rico*

BIOGRAPHY

Tax Partner at Galíndez LLC with more than three decades of experience. A CPA, attorney, and notary public who also holds the CVA, CGMA, and CM&AA designations, he is a Professor of Tax Law at the UPR School of Law, a past President of both the PR Chamber of Commerce and the PR Society of CPAs, and Secretary of the PR Manufacturers Association.

PRESENTING ON

Tax Incentives & the Importance of the Malliotakis Bill

The case for reshoring manufacturing to Puerto Rico and the Malliotakis (MMEDS) Bill.



MANUFACTURING



Puerto Rico as a Strategic Manufacturing Hub

- 12 of the top 20 global pharma/biotech companies operate in Puerto Rico
- #2 U.S. producer and exporter of pharmaceuticals
- 6 of the world's top 10 biologic products are produced on the Island
- 30+ medical device manufacturers
- Critical contributor to U.S. supply chain security



Reshoring Momentum and Competitive Advantages

- Eli Lilly: \$1.2B expansion
- Amgen: \$650M investment
- Stryker: \$12M expansion and new jobs
- Duty-free access to the U.S. market
- Strong fit for pharma, semiconductors, aerospace and defense



MANUFACTURING



Federal Partnership Opportunities

- Support the MMEDS (Malliotakis) Act (HR 3042) and the Supply Chain Security & Growth Act (HR 1328)
- Integrate tariff incentives and NCTI (formerly GILTI) relief
- Expand FDA fast-track pathways
- Increase military procurement opportunities
- Position Puerto Rico as a national reshoring hub



PRIORITY · TAX REFORM

Federal Tax Policy Opportunities

Strengthening U.S. competitiveness & investment in Puerto Rico

FA**CES**



David Rodríguez

President — CPA Society of Puerto Rico

BIOGRAPHY

Certified Public Accountant and Certified Internal Auditor, and President of the Puerto Rico Society of CPAs (2025–2026). He founded the CPA firm Sageza, LLC in 2010 and previously chaired the board of the Puerto Rico Chamber of Commerce (2016). A UPR graduate, he is also a business columnist and frequent media commentator on tax and economic matters.

PRESENTING ON

Tax Reform and GILTI Impact

Federal tax reform and the impact of GILTI / NCTI on Puerto Rico.



TAX



Federal Tax Policy Priorities for Puerto Rico

- Federal technical assistance to modernize and simplify Puerto Rico's tax system
- Improve tax administration, compliance, and investor certainty
- Private-sector proposal:
 - 4% income tax for individuals and corporations
 - 0% passive income tax (dividends, capital gains, interest)
 - 10% Sales and Use Tax
- Objective: create a growth-oriented and competitive tax environment



TAX



Federal Tax Changes to Promote Investment

- Pillar Two relief for foreign-owned companies operating in Puerto Rico
- Mitigate unintended OECD global minimum tax consequences
- Provide NCTI (formerly GILTI) relief for active Puerto Rico operations
- Support the Territorial Economic Recovery Act (HR 1426)



TAX



Capital Attraction and Economic Growth

- Allow Puerto Rico property to qualify for Section 1031 exchanges
- Promote investment in real estate, tourism, housing and redevelopment
- Increase domestic and foreign direct investment
- Support jobs, reshoring, and long-term economic sustainability



PRIORITY · FEDERAL FUNDS

Federal Funds: Proper Use & Importance

Turning allocations into completed projects, jobs & lasting capacity

FA**CES**



Margaret Ramírez

President — Puerto Rico Chamber of Commerce

BIOGRAPHY

Attorney and President of the Puerto Rico Chamber of Commerce (2025–2026), leading a ‘Growth and Freedom’ agenda built on private property rights and free enterprise. Founder of the law firm LegalmentePR LLC, she is also an executive at Air Flamenco and Flamenco Cargo and owner of ProntoCare, and holds a JD, a Master’s in Finance, and a BBA.

PRESENTING ON

Federal Funds: Proper Use & Importance

The proper use and strategic importance of federal funds for Puerto Rico.



Why Federal Funds Matter to Puerto Rico

- Federal funds are a major part of Puerto Rico's public finances.
- They support recovery, infrastructure, housing, broadband, and essential public services.
- Local businesses benefit through contracts, jobs, and increased economic activity.
- Federal funds should improve Puerto Rico's competitiveness and reduce the cost of doing business.
- The goal should be long-term economic capacity, not dependence on temporary assistance.



Proper Use: From Allocation to Execution

- Announcing funds is not enough — they must be disbursed and converted into completed projects, functioning services, and public benefit.
- Delays in approvals and disbursements slow Puerto Rico's broader recovery.
- Simplify repetitive or unnecessary procedures while maintaining compliance; keep FEMA, COR3, and CDBG-DR rules clear and accessible.
- Use funds efficiently and transparently — with public reporting on spending, project status, deadlines, and outcomes.
- Prevent fraud, waste, and abuse; avoid duplicative agency requirements; and assign clear responsibility when projects stall.



Local Business Participation & Infrastructure Priorities

- Puerto Rican businesses should have meaningful access to federally funded contracts.
- Procurement should be open, transparent, competitive, and inclusive of qualified local firms.
- Businesses need clear information on funding opportunities, deadlines, and compliance obligations.
- Federal funds should rebuild housing, modernize obsolete infrastructure, expand broadband, and improve resilience.
- Project awards should be updated when inflation, labor shortages, or supply-chain costs make original estimates insufficient.



Requests to the Executive Branch & Congress

EXECUTIVE BRANCH

- Accelerate disbursement of already-allocated funds.
- Eliminate unnecessary bureaucracy and improve agency coordination.
- Direct FEMA and agencies to update awards based on current costs.
- Require public reporting, performance metrics, and accountability.
- Promote transparent procurement that includes Puerto Rican businesses.

CONGRESS

- Protect funds already designated for Puerto Rico.
- Prevent funds from being rescinded, redirected, reduced, or allowed to expire.
- Ensure recovery funds remain available until projects are completed.
- Exercise oversight over delays, cost increases, and incomplete projects.
- Remove statutory or administrative barriers that slow reconstruction.