

118TH CONGRESS  
1ST SESSION

# H. R. 1702

To amend PROMESA to include certain ethics provisions to provide for the disqualification of certain advisors to the Financial Oversight and Management Board, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

MARCH 22, 2023

Mrs. GONZÁLEZ-COLÓN (for herself, Mr. TORRES of New York, and Mr. SOTO) introduced the following bill; which was referred to the Committee on Natural Resources

---

## A BILL

To amend PROMESA to include certain ethics provisions to provide for the disqualification of certain advisors to the Financial Oversight and Management Board, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. DISQUALIFICATION OF CERTAIN ADVISORS TO**  
4 **THE FINANCIAL OVERSIGHT AND MANAGE-**  
5 **MENT BOARD.**

6 Section 109 of PROMESA (48 U.S.C. 2129) is  
7 amended by adding at the end the following:

8 “(c) DISQUALIFICATION OF CERTAIN ADVISORS.—

1           “(1) DEFINITION OF COVERED CONTRACT.—In  
2 this subsection, the term ‘covered contract’ means a  
3 contract with the territorial government or an in-  
4 strumentality of the territorial government, the per-  
5 formance of which is within the jurisdiction of the  
6 Oversight Board under section 204(b).

7           “(2) DISQUALIFICATION.—In accordance with  
8 the rules adopted by the Oversight Board under  
9 paragraph (3), any third-party advisory or con-  
10 sulting firm shall be disqualified from advising the  
11 Oversight Board for the duration of any period dur-  
12 ing which the firm has as a client, or provides advi-  
13 sory or other consulting services in any capacity to,  
14 an individual, corporation, association, organization,  
15 or other business entity, including a subsidiary, that  
16 is competing for, or is performing, a covered con-  
17 tract.

18           “(3) RULES.—For purposes of carrying out  
19 paragraph (2), the Oversight Board shall adopt rules  
20 to carry out the following:

21           “(A) To be eligible to advise or consult the  
22 Oversight Board with respect to the review,  
23 procurement, or performance of a covered con-  
24 tract, a third-party advisory or consulting firm  
25 shall certify to the Oversight Board that the

1 third-party advisory or consulting firm is not  
2 disqualified from advising the Oversight Board  
3 under paragraph (2).

4 “(B) Any officer or employee of a third-  
5 party advisory or consulting firm who prepares,  
6 presents, or certifies any information or report  
7 with respect to the certification of the third-  
8 party advisory or consulting firm under sub-  
9 paragraph (A) for the Oversight Board, or any  
10 agent of the Oversight Board, that is inten-  
11 tionally false or misleading, or, on learning that  
12 any such information is false or misleading,  
13 fails to immediately advise the Oversight Board  
14 or an agent of the Oversight Board in writing,  
15 shall be subject to prosecution and penalties  
16 under law.

17 “(C) If, after an investigation conducted  
18 by the Oversight Board, the Oversight Board  
19 determines that a third-party advisory or con-  
20 sulting firm has provided services to the Over-  
21 sight Board in violation of paragraph (2), has  
22 failed to submit a certification required under  
23 subparagraph (A), or is in violation of subpara-  
24 graph (B) (including any rules adopted under  
25 subparagraph (A) or (B)), the Oversight Board

1 shall immediately refer such information to the  
2 Attorney General for the covered territory and  
3 the Office of the United States Attorney for the  
4 covered territory.”.

○