



Press Office - La Fortaleza  
Tuesday, April 12, 2011  
787-721-9166

## **Puerto Rico Governor Fortuño Outlines Deficit-Reducing 2012 Budget**

*With Additional 40 Percent Cut to Deficit for FY 2012,  
Puerto Rico On Target to Balance its Budget Next Year*

**SAN JUAN, PR** – In his Tuesday night budget address to the Legislative Assembly, Puerto Rico Governor Luis Fortuño released a fiscal year 2012 budget that will cut an additional 40 percent from the deficit he inherited over two years ago, continuing a steady march to completely balance the budget for the U.S. territory in his first term in office.

“Although we still have a way to go, we have achieved extraordinary progress in stabilizing our public finances, on the way toward a completely balanced budget,” Governor Fortuño said.

When Gov. Fortuño took office in January 2009, the \$3.3 billion budget deficit that he inherited was the worst, proportionally, among the 50 states and Puerto Rico.

“Today, we are in position number 20. Thirty one states now have deficits that are worse than ours. And for this coming fiscal year, we will climb to position number 15, among all the states and Puerto Rico,” Fortuño said. “With the budget that I am presenting to you tonight, we will have reduced our deficit from the 43 percent that they left us, to only 7 percent, and next year we are well on our way to a balanced budget,” the Governor said.

In outlining priority areas in the FY2012 budget, including public security, health, and education, the Governor noted that Treasury revenue projections have gone up due to the palpable progress of the Island’s economic recovery. Fortuño said General Fund collections for the fiscal year that begins this July are projected to increase 6.4 percent more than the current fiscal year.

“The economy is improving. We’ve been seeing it in all the economic indicators: retail sales are increasing, auto sales are up, housing sales are accelerating, cement sales are up – which means the construction sector is improving – and thousands of new jobs are being created in the private sector,” Fortuño said.

Governor Fortuño contrasted Puerto Rico's improving budget outlook with that of the Federal Government, which is grappling with tough choices to address major fiscal challenges.

"They are now doing what we did two years ago. Thanks to the measures we took in this Administration, there will not be a government shutdown. As long as I am Governor, and with the support of the Legislative Assembly, we will continue to manage the people's money well," Fortuño said.

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(For more information on priority areas in Puerto Rico's 2012 budget, [click here.](#))