

PUERTO RICO

Commercial Vehicle Safety Plan
for the
Federal Motor Carrier Safety Administration's
Motor Carrier Safety Assistance Program
Fiscal Year 2017

Date of Approval: Jan 31, 2017

Final CVSP

Basic and Incentive Program Overview

The Basic and Incentive Program Overview part allows the State to provide a brief description of the mission or goal statement of the MCSAP Lead Agency, a description of the State's MCSAP Basic/Incentive Program structure, and to indicate how it meets the MCSAP minimum requirements as prescribed in 49 CFR 350.213(b). The MCSAP grant program has been consolidated to include Basic/Incentive, New Entrant, and Border Enforcement. These three separate grant programs are now considered focus areas in the CVSP. Each focus area will be addressed individually within the eCVSP system and will be contained within a consolidated CVSP.

1 - Mission or Goal Statement of Lead State Commercial Motor Vehicle Safety Agency

Instructions:

Briefly describe the mission or goal of the lead State commercial motor vehicle safety agency responsible for administering this Commercial Vehicle Safety Plan (CVSP) throughout the State.

NOTE: Please do not include a discussion of any safety activities conducted under any other FMCSA focus areas such as New Entrant and Border Enforcement or the High Priority grant program. There are separate sections within eCVSP where information on the New Entrant and Border Enforcement focus areas will be entered. High Priority grant opportunities will be applied for outside the eCVSP system.

The Puerto Rico Public Service Commission (henceforth "PR PSC") is the Commonwealth of Puerto Rico's (hereafter PR) Agency assigned with the task of regulating "For Hire" and Private transportation services. In 1984, PR PSC was named as the lead MCSAP Agency in PR responsible for administering the Commercial Vehicle Safety Plan (CVSP) throughout the State. This lead to the creation of the Office of Motor Carrier Safety and Hazardous Materials (herein on " PR MCSAP") within the PR PSC.

PR MCSAP agrees that CMV safety is a shared responsibility. Which is why it has adopted FMCSA's goal:

To reduce crashes, injuries and fatalities involving Commercial Motor Vehicles in Puerto Rico.

Our ultimate goal is to reduce the Fatality Rate to 0.00 per 100 Million vmt.

PR MCSAP will accomplish this goal by performing roadside inspection activities in High Risk crash corridors, therefore ensuring motor carriers are operating safely. Second, continue to promote inter-agency cooperation and coordination by performing traffic enforcement activities as means to prevent and deter unsafe Motor Carrier Practices.

There are several agencies that collaborate with our mission; and strive to improve Commercial Motor Vehicle (henceforth CMV) safety.

1. Puerto Rico Emergency Management Agency: It is the local PR's Agency responsible for the 9-1-1 Emergency Services Administration. It provides us with CMV related crash notification.
2. Puerto Rico Police Department: PR local law enforcement agency. It also provides CMV related crash notification, and post crash investigation. It participates in traffic enforcement initiatives that may include drug and alcohol detection and non CMV safety.
3. Puerto Rico Department of Transportation and Public Works: Agency in PR designated with the task of issuing driver's licenses and motor vehicle registrations. Agency will be key component in the PRISM interfacing.
4. Puerto Rico Ports Authority: Agency in PR that regulates the ports and cargo. With its assistance we are able to strike forces in the ports, where inter and intrastate cargo is both shipped and received.
5. Puerto Rico Highway and Transportation Authority: PR highway safety representatives. Along with PR MCSAP performs traffic enforcement activities dedicated to enforce Size and Weight restrictions in CMVs, and Incident Management. PR MCSAP collaborates with the development of the Highway Safety Plan.
6. Puerto Rico Traffic Safety Commission: Lead agency in the Traffic Records Committee. Multi-agency group that includes PR MCSAP, PR PD, PR DTOP, Department of Justice, Emergency Management Services collaborating to improve data sharing and collection.
7. Puerto Rico Environmental Quality Board: Agency assigned the task of regulating Hazardous Substances and Hazardous Waste in Puerto Rico. Partners in ensuring hazardous material transportation safety. It also notifies us in case they were alerted first of a hazardous spill while being transported.
8. Puerto Rico Tourism Department: State agency that presently regulates passenger carriers that perform tourism related services. Assists us in coordinating passenger carrier vehicle inspections, for them not to interfere with carrier operations, when performing some of the Strikeforce Activities.

2 - Basic and Incentive Program Structure

Instructions:

Briefly describe the State's commercial motor vehicle (CMV) enforcement program funded with Basic/Incentive funding and/or used to substantiate the Lead Agency's Maintenance of Effort (MOE). Include a description of the program structure (state and local agency participation, including responsibilities, a general overview of the number of FTE supporting the program and in what areas they contribute, etc.).

NOTE: Please do not include activities/FTE primarily assigned to and funded under another focus area such as New Entrant and/or Border Enforcement or another FMCSA grant program such as High Priority. There are separate sections within eCVSP where information on the New Entrant and Border Enforcement (if applicable) focus areas will be entered. High Priority grant opportunities will be applied for outside the eCVSP system.



The MCSAP Program within the PR PSC is currently staffed by twenty seven (27) employees. Twenty two (22) regular employees, two (2) under contract and three (3) supporting personnel dedicating 15% of the time in MCSAP related activities. The services are distributed among Headquarters (HQ) and four (4) Regional Offices (RO).

1. **Director** (1): State official assigned to manage the PR MCSAP Program. Responsible for personnel, scheduling and management. Monitors daily activities to ensure program effectiveness. Responsible for the overall inter-agency coordination, and educational activities. Certified to perform Level VI inspections. Along with the PR MCSAP IT Specialist and the Database Administrator will determine how to implement PRISM, SADIP and assist with FMCSA transition into a Cloud environment.
2. **Secretary** (1): Official responsible for handling correspondence, telephone calls, filing,clerical work, as well as, other duties as assigned such as providing support for the Director's administrative duties.
3. **Administrative Assistant** (1): Official responsible for purchasing, tracking inventory and other clerical duties in support to the Secretary.
4. ***Information Technology/Computer Specialist (This position is under contract)**(1): Official responsible for providing technical support to the program. Responsible for technical equipment (i.e. computers), office servers, as well as supporting software. Liaison with Volpe technical support.Responsible for data collection and Safetynet maintenance. Prepares quarterly reports and other duties as assigned. Every week, downloads inspections,reviews them for errors and uploads them into the system. Along with the PR MCSAP Director and the Database Administrator will coordinate how to implement PRISM, SADIP and assist with FMCSA transition into a Cloud environment.
5. ***Legal Technician/Attorney (This position is under contract)**(1): Official appointed by the agency to conduct investigations and administrative hearings regarding violations to the CMV's regulations. Acts as representative for the office in administrative and court proceedings, as required. Prepares annual compatibility review. Responsible for regular review of federal and state regulations, notifies any changes. Performs other administrative duties as assigned by the Director.
6. **Roadside Inspectors** (17): Roadside Inspectors are NAS Parts A and B certified. Four (4) of them are awaiting Cargo Tank and Passenger Training. Roadside Inspectors are officials designated to conduct CVSA North American Standard Inspections Levels I – V. There are two (2) inspectors who are certified to perform Level VI inspections in addition to the PR MCSAP Director. Inspectors are authorized to impose fines, and place vehicles and/ or drivers Out of Service. Responsible for investigating accidents where a CMV was involved. Provide education support as needed. Out of these seventeen (17) Roadside Inspectors, there are 2 Official Inspectors, with supervision responsibilities over the remaining Roadside Inspectors.
7. **Safety Investigators** (2): Personnel designated to audit companies on CMV Safety/HM Regulation compliance. Authorized to impose fines including placing vehicles or drivers out of service. Provide education support as needed. Once the program is in place PR MCSAP will coordinate Investigate Safety Analysis Training with NTC. The Safety Investigators will continue performing Roadside Inspections in order to maintain their certifications, while the program is implemented.
8. ***Accountant** (1): **Dedicate 15% of the time** to perform MCSAP related activities such as preparing PR MCSAP Federal Financial Reports and voucher review.
9. ***Payroll Specialist** (1): **Dedicate 15% of the time** to perform MCSAP related activities relating to ensure accurate processing and recording payroll and other expenses related to CVSP activities.
10. ***Database Administrator** (1): **Dedicate 15% of the time** to perform activities in support of the MCSAP program such as assist the IT with the maintenance of the computer system. Also provides technical support when a broader expertise is required beyond the IT's capabilities. Along with the PR MCSAP Director and IT Specialist will determine how to implement PRISM,ITD, SADIP and assist with FMCSA transition into a Cloud environment.

3 - Basic and Incentive Minimum Requirements - Driver Activities

Instructions:

Use the radio buttons in the table below to indicate the activities that the State will execute to meet the requirements of 49 CFR §350.213(b) in this Fiscal Year's CVSP. All statements must be answered using the radio buttons or the CVSP will be considered incomplete.

1. If a State marks any responses as "None, Not Planned", it must explain how it satisfies the minimum requirements in the narrative section below.
2. If the State marks any boxes as "Planned", it should provide further information in the narrative section below indicating the purpose of the proposed policy and when the State expects to fully implement it.
3. If the State marks all responses as "Existing", no further explanation is required.

Existing	Planned	None, Not Planned	Promote activities in support of the national program elements including the following:
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Activities aimed at removing impaired CMV drivers from the highways through adequate enforcement of restrictions on the use of alcohol and controlled substances and by ensuring ready roadside access to alcohol detection and measuring equipment.
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	Provide basic training for roadside officers and inspectors to detect drivers impaired by alcohol or controlled substance.
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Breath testers are readily accessible to roadside officers and inspectors either at roadside or a fixed facility location.
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Criminal interdiction activities, in conjunction with an appropriate CMV inspection, including human trafficking and activities affecting the transportation of controlled substances by any occupant of a CMV, and training on appropriate strategies for carrying out those interdiction activities.
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Provide training for roadside officers and inspectors to detect indicators of controlled substance trafficking.
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Ensure drug interdiction officers are available as a resource if an officer/inspector suspects controlled substance trafficking.
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Engage in drug interdiction activities in conjunction with inspections including interdiction activities that affect the transportation of controlled substances.

Enter explanation of activities:

1. The Puerto Rico Police Department is the Agency in Puerto Rico with full jurisdiction over alcohol and controlled substances. The PR PSC has petitioned local Congress to amend PR Motor Vehicle in order to allow PR PSC inspectors to enforce Alcohol and Controlled Substance Abuse laws and regulations over those fall under its jurisdiction. In the meantime, PR MCSAP will coordinate at least one (1) traffic enforcement activities aimed at removing impaired drivers from the roadways within the duration of this grant period of performance. Drug and Alcohol Interdiction Training was conducted during this calendar year. Since PR MCSAP performs traffic enforcement only with inspections, the information collected will be available in Safetynet.
2. Existing. N/A
3. The Puerto Rico Police Department is the Agency in Puerto Rico with full jurisdiction over alcohol and controlled substances. The PR PSC has petitioned local Congress to amend PR Motor Vehicle in order to allow PR PSC inspectors to enforce Alcohol and Controlled Substance Abuse laws and regulations over those fall under its jurisdiction. As soon as this becomes a fact, breath testers will be acquired, and complete this activity to include certification to use them.
4. All PR MCSAP enforcement activities include an inspection. The Puerto Rico Police Department is the Agency in Puerto Rico with full jurisdiction over human trafficking activities including the ability to make arrests. This activity will be performed in conjunction with the PR PD.
5. The Puerto Rico Police Department is the Agency in Puerto Rico with full jurisdiction over alcohol and controlled substances. The PR PSC has petitioned local Congress to amend PR Motor Vehicle in order to allow PR PSC inspectors to enforce Alcohol and Controlled Substance Abuse laws and regulations over those fall under its jurisdiction. However, PR MCSAP will coordinate activities aimed at assisting roadside inspectors to detect indicators of controlled substance trafficking.
6. The Puerto Rico Police Department is the Agency in Puerto Rico with full jurisdiction over alcohol and controlled substances. PR MCSAP will coordinate traffic enforcement activities in conjunction with PR PD who has drug interdiction officers able to assist in this activity.
7. All of PR MCSAP's traffic enforcement activities include an inspection. However it is the PR PD who at the moment has jurisdiction over alcohol and controlled substances interdiction. The PR PSC has petitioned local Congress to amend PR Motor Vehicle in order

to allow PR PSC inspectors to enforce Alcohol and Controlled Substance Abuse laws and regulations over those fall under its jurisdiction. In the meantime, PR MCSAP will coordinate traffic enforcement activities aimed at removing impaired drivers from the roadways.

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4 - Basic & Incentive Minimum Requirements - Federal Registration & Financial Responsibility Activities**Instructions:**

Use the radio buttons in the table below to indicate the activities that the State will execute to meet the requirements of 49 CFR §350.213(b) in the upcoming Fiscal Year. All statements must be answered using the radio buttons or the CVSP will be considered incomplete.

1. If a State marks any responses as "None, Not Planned", it must explain how it satisfies the minimum requirements in the narrative section below.
2. If the State marks any boxes as "Planned", it should provide further information in the narrative section below indicating the purpose of the proposed policy and when the State expects to fully implement it.
3. If the State marks all responses as "Existing", no further explanation is required.

Existing	Planned	None, Not Planned	Federal Registration and Financial Responsibility activities including:
<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	Activities to enforce federal registration (such as operating authority) requirements under 49 U.S.C. 13902, 49 CFR Part 365, 49 CFR Part 368, and 49 CFR 392.9a by prohibiting the operation of (i.e., placing out of service) any vehicle discovered to be operating without the required operating authority or beyond the scope of the motor carrier's operating authority.
<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	Activities to cooperate in the enforcement of financial responsibility requirements under 49 U.S.C. 13906, 31138, 31139, and 49 CFR Part 387 (if adopted by a State).

Enter explanation of activities:

1. Operating Authority requirements are not applicable to Puerto Rico.
2. Part 387 as it applies to Puerto Rico. In order to perform this type of activity, Puerto Rico is analyzing its Applicability/ implementation.

Basic and Incentive Program Effectiveness Summary - Past Performance

The Program Effectiveness Summary - Past Performance part provides a 5 year trend analysis based upon national performance objectives found in 49 CFR Part 350. For each section, insert information in the tables to describe goals and objectives from previous CVSPs along with actual outcomes.

1 - State Fatality Reduction Trend Analysis: 2011 - 2015

Instructions:

Complete the table below to document the State's safety performance goals and outcomes over the past five measurement periods. Include the beginning and ending date of the state's measurement period, the goals, and the outcome. Please indicate the specific goal measurement used including source and capture date, e.g., large truck fatal crashes per 100 million vehicle miles traveled (VMT). All columns must be completed.

1. Insert the beginning and end dates of the measurement period used, (e.g., calendar year, Federal fiscal year, State fiscal year or any consistent 12 month period for which data is available).
2. FMCSA views the total number of fatalities as a key national measurement. Insert the total number of fatalities during the measurement period.
3. Insert a description of the state goal as expressed in the CVSP (e.g., rate: large truck fatal crashes per 100M VMT, actual number of fatal crashes, actual number of fatalities, or other). If you select 'Other' as the goal measurement, explain the measure used in the narrative box below.
4. Insert the actual outcome as it relates to the goal as expressed by the state. States may continue to express the goal as they have in the past five years and are not required to change to a different measurement type.
5. If challenges were experienced while working toward the goals, please provide a brief narrative including details of how the State adjusted the program and if the modifications were successful.

Goal measurement as defined by your State: Large Truck Fatal Crashes per 100M VMT

State Defined Measurement Period (Include 5 Periods)		Fatalities	Goal As Expressed In CVSP (State Defined Measurement)	Outcome (As It Relates To The Goal Column)
Begin Date	End Date	Number of Lives		Indicate Actual Outcome
10/01/2014	09/30/2015	8	0	0.04
10/01/2013	09/30/2014	3	0	0.02
10/01/2012	09/30/2013	8	0	0.04
10/01/2011	09/30/2012	2	0	0.01
10/01/2010	09/30/2011	0	0	0

Enter the source and capture date of the data listed in the table above:

Source: MCMIS Crash Reports FY 2011 - 2015 Data Snapshot: 07/22/2016, Crash Records Information up to 03/31/2016 Capture Date: 08/13/2016

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

A. Difficulties achieving the goal:

1. Having an approved Crash Report that complies with the Model Minimum Uniform Crash Criteria Guideline (MMUCC).

B. Corrective Action:

1. PR MCSAP is collaborating with the Puerto Rico Traffic Records Coordinating Committee. This committee is responsible for drafting the State Highway Safety Plan and a PR PD Crash report that complies with MMUCC standards.
2. Additional steps taken while report is completed:
 - a) PR MCSAP inspectors are performing post crash investigations and recording the data into ASPEN.
 - b) The information is transferred into Safetynet and uploaded to FMCSA systems.
 - c) The information is retrieved by PR MCSAP administrative personnel which is used to identify trends and crash corridors.
 - d) Director uses above information to allocate resources into monthly calendar.

C. Additional Information:

1. Information available for FY 2015 indicated that crashes in previously identified High Risk Corridors decreased by 26% compared to previous year.

2 - State Motorcoach/Passenger Fatality Reduction Trend Analysis: 2011 - 2015

Instructions:

Complete the table below to document the State's safety performance goals and outcomes over the past five measurement periods. Include the beginning and ending date of the state's measurement period, the goals, and the outcome. Please indicate the specific basis of the goal calculation (including source and capture date), e.g., large truck fatal crashes per 100 million vehicle miles traveled (VMT). All columns must be filled in with data.

1. Insert the beginning and end dates of the measurement period used, (e.g., calendar year, Federal fiscal year, State fiscal year or any consistent 12 month period for which data is available).
2. FMCSA views the total number of fatalities as a key national measurement. Insert the total number of fatalities during the measurement period.
3. Insert a description of the state goal as expressed in the CVSP (e.g., rate: large truck fatal crashes per 100M VMT, actual number of fatal crashes, actual number of fatalities, or other). If a State did not establish a goal in their CVSP for a particular measurement period, do not enter a value in the Goal column for that period.
4. Insert the actual outcome as it relates to the goal as expressed by the state. States may continue to express the goal as they have in the past five years and are not required to change to a different measurement type.
5. If you select 'Other' or 'N/A' as the goal measurement, explain the measure used in the narrative box below.

Goal measurement as defined by your State: Other Bus Fatal Crashes per 100M VMT

State Defined Measurement Period (Include 5 Periods)		Fatalities	Goal As Expressed In CVSP (State Defined Measurement)	Outcome (As It Relates To The Goal Column)
Begin Date	End Date	Number of Lives		Indicate Actual Outcome
10/01/2014	09/30/2015	0	0	0
10/01/2013	09/30/2014	0	0	0
10/01/2012	09/30/2013	0	0	0
10/01/2011	09/30/2012	0	0	0
10/01/2010	09/30/2011	0	0	0

Enter the source and capture date of the data listed in the table above:

Source: MCMIS Crash Reports FY 2011 - 2015 Data Snapshot: 07/22/2016, Crash Records Information up to 03/31/2016 Report: 08/13/2016 Source: MCMIS Bus Crash Involvement Reports FY 2014 & 2015 Data Snapshot: as of 07/01/2016 Report: 08/13/2016

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

1. **Goal:**

a) Zero (0) Motorcoach/Passenger Vehicle related fatalities.

2. **Additional Information:**

- According to the FY 2015 Final Performance Report, PR MCSAP performed 1,245 Bus Roadside Inspections and another 875 Level V Roadside inspections in coordination with the PR Tourism Department.
- In FY 2015 fifteen (15) Strikeforce activities were conducted in coordination with the PR PD and PR Tourism Department. One thousand seven hundred and twenty (1,720) man hours were spent in such interagency activities.

3 - State Hazardous Materials Fatality Reduction Trend Analysis: 2011 - 2015

Instructions:

Complete the table below to document the State's safety performance goals and outcomes over the past five measurement periods. Include the beginning and ending date of the state's measurement period, the goals, and the outcome. Please indicate the specific basis of the goal calculation (including source and capture date), e.g., large truck fatal crashes per 100 million vehicle miles traveled (VMT). All columns must be filled in with data.

1. Insert the beginning and end dates of the measurement period used, (e.g., calendar year, Federal fiscal year, State fiscal year or any consistent 12 month period for which data is available).
2. FMCSA views the total number of fatalities as a key national measurement. Insert the total number of fatalities during the measurement period.
3. Insert a description of the state goal as expressed in the CVSP (e.g., rate: large truck fatal crashes per 100M VMT, actual number of fatal crashes, actual number of fatalities, or other). If a State did not establish a goal in their CVSP for a particular measurement period, do not enter a value in the Goal column for that period.
4. Insert the actual outcome as it relates to the goal as expressed by the state. States may continue to express the goal as they have in the past five years and are not required to change to a different measurement type.
5. If you select 'Other' or 'N/A' as the goal measurement, explain the measure used in the narrative box below.

Goal measurement as defined by your State: Other Hazardous Material Large Trucks and Buses Fatal Crashes per 100M VMT

State Defined Measurement Period (Include 5 Periods)		Fatalities	Goal As Expressed In CVSP (State Defined Measurement)	Outcome (As It Relates To The Goal Column)
Begin Date	End Date	Number of Lives		Indicate Actual Outcome
10/01/2014	09/30/2015	1	0	0.01
10/01/2013	09/30/2014	1	0	0.01
10/01/2012	09/30/2013	1	0	0.01
10/01/2011	09/30/2012	0	0	0
10/01/2010	09/30/2011	0	0	0

Enter the source and capture date of the data listed in the table above:

Source: MCMIS Crash Reports FY 2011 - 2015 Data Snapshot: 06/24/2016, Crash Records Information up to 08/14/2016 Report: 08/14/2016

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

1. Fatalities:

- a) FY 2015 was as a result of Driver Unsafe behavior (i.e. speed)
- b) FY 2014 was early in the morning and the Vehicle did not see a person sleeping in the area designated to have the vehicle while delivering fuel.
- c) FY 2012 involved a Non CMV.

2. Problems encountered:

- Number of OOS Violations increased 14.20% from FY 2014 to FY 2015.
- Unknown number of CMV carrying hazardous materials in Puerto Rico.
- Limited licensing requirements for hazardous materials drivers.
- Drivers with Limited English Proficiency, therefore may have limited understanding of hazardous material regulations.

3. Obstacles overcome:

- Even though the CDL does not apply to PR, PR MCSAP has implemented some procedures and licensing requirements applicable to HazMat Drivers.
- Every driver that operates a CMV transporting hazardous material has to have a driver's license category that matches the vehicle's weight, second the driver needs to attend an HM training course, then obtain an HM endorsement from the PR PSC, which is

recorded then into the driver's license.

- The company that offers the HM training course needs to be registered with the PR PSC and the course needs to be evaluated by the PR MCSAP Director.

4 - Traffic Enforcement Trend Analysis: 2011 - 2015

Instructions:

Please refer to the MCSAP Comprehensive Policy for an explanation of FMCSA's traffic enforcement guidance. Complete the table below to document the State's safety performance goals and outcomes over the past five measurement periods.

1. Insert the beginning and end dates of the measurement period used, (e.g., calendar year, Federal fiscal year, State fiscal year or any consistent 12 month period for which data is available).
2. Insert the total number of the measured element (traffic enforcement stops with an inspection, non-inspection stops, non-CMV stops).
3. Insert the total number of written warnings and citations during the measurement period. The number of warnings and citations do not need to be split out separately in the last column.

State Defined Measurement Period (Include 5 Periods)		Number Of CMV Traffic Enforcement Stops with an Inspection	Number of Citations and Warnings Issued
Begin Date	End Date		
10/01/2014	09/30/2015	2965	200
10/01/2013	09/30/2014	1922	277
10/01/2012	09/30/2013	412	425
10/01/2011	09/30/2012	776	0
10/01/2010	09/30/2011	705	0

Check if State does not conduct CMV traffic enforcement stops without an inspection.

Check if State does not conduct Non-CMV traffic enforcement stops.

Enter the source and capture date of the data listed in the table above:

Source: MCMIS Data Snapshot: 07/22/2016 1. The PR MCSAP Director coordinates Traffic Enforcement Activities and schedules them into the Roadside Inspectors' Monthly Work Calendar. 2. At the end of the day PR MCSAP Official Inspectors report activities to the PR MCSAP Director, and Roadside Inspectors enter data into ASPEN. 3. Enforcement Quarterly Report provided by the MCSAP Director.

5 - Outreach and Education Goals - Report on progress from the FY 2016 CVSP**Instructions:**

Please enter information to describe your year-to-date Outreach and Education activities from the FY2016 CVSP. Click on "Add New Activity" to enter information.

Activity #1**Activity: Describe Outreach and Education activity conducted:**

Carrier Safety Talks

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

20

Actual: Insert year to date progress (#, %, etc., as appropriate):

1

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Complete Information not available as some information is given in a virtual classroom environment.

Activity #2**Activity: Describe Outreach and Education activity conducted:**

CMV Safety Belt Education and Outreach

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

40

Actual: Insert year to date progress (#, %, etc., as appropriate):

1

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Information provided in the Carrier Safety Talks. (Complete Information not available as some information is given in a virtual classroom environment.)

Activity #3**Activity: Describe Outreach and Education activity conducted:**

State Trucking Association Meetings

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

2

Actual: Insert year to date progress (#, %, etc., as appropriate):

1

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Tow-truck Owners Outreach Event

Activity #4**Activity: Describe Outreach and Education activity conducted:**

State-sponsored outreach events

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

1

Actual: Insert year to date progress (#, %, etc., as appropriate):

0

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

No Information available at the time of the proposal.

Activity #5**Activity: Describe Outreach and Education activity conducted:**

Local educational safety events

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

1

Actual: Insert year to date progress (#, %, etc., as appropriate):

0

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

No Information available at the time of the proposal.

Activity #6**Activity: Describe Outreach and Education activity conducted:**

Teen safety events

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

1

Actual: Insert year to date progress (#, %, etc., as appropriate):

0

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

No Information available at the time of the proposal.

6 - State Specific Objectives – Report on Progress from the FY2016 CVSP**Instructions:**

Please enter information as necessary to describe year-to-date progress on your State-specific objectives from the FY2016 CVSP. Click on "Add New Activity" to enter information.

Activity #1**Activity: Describe State-specific activity conducted from previous year's CVSP.**

3.1- CRASH REDUCTION GOAL- 1. Roadside Inspections

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

2,500 Roadside Inspections in previously high risk corridors.

Actual: Insert year to date progress (#, %, etc., as appropriate):

1,200 Roadside Inspections in High Risk Corridors.

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

1. Problems encountered: (a) INCREASE IN FATALITY RATE: Federal Highway Administration issued its Highway Statistics 2014, on October 2015. In it Indicated that for FY 2014 the Annual Vehicle Miles travel for Puerto Rico had decreased to 14,564. This means that our fatality rate would increase from 0.02 % to 0.03% (prior to this the vmt was of 18,588) .

Activity #2**Activity: Describe State-specific activity conducted from previous year's CVSP.**

3.1- CRASH REDUCTION GOAL- 2. Traffic Enforcement Activities with the PR PD

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

4

Actual: Insert year to date progress (#, %, etc., as appropriate):

1 (12/04/2015)

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Difficulties achieving goal: Traffic Enforcement Activities performed in connection with other PR PSC inspectors. PR PD officers were not available at some of the activities due to calendar or emergency conflicts.

Activity #3**Activity: Describe State-specific activity conducted from previous year's CVSP.**

3.2- STATE SAFETY DATA QUALITY OBJECTIVE - 1. Interagency Coordination with the Traffic Records Committee to implement new MMUCC compliant Crash Reporting Form within the next 12 months

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

Approved Crash Reporting Form compliant with MMUCC Guidelines within the next twelve (12) months.

Actual: Insert year to date progress (#, %, etc., as appropriate):

Translation of the Model Crash Reporting Form into English and provided to FMCSA for suggestions and comments.

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Difficulties: 1. Crash Reporting Form draft has yet to be approved by Committee.

Activity #4**Activity: Describe State-specific activity conducted from previous year's CVSP.**

3.2- STATE SAFETY DATA QUALITY OBJECTIVE - 2. Provide a training session to the PR PD officers and other traffic enforcement officials regarding the information pertaining CMV section in the Crash Reporting Form.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

1

Actual: Insert year to date progress (#, %, etc., as appropriate):

0

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Difficulties achieving goal: 1. Since the Crash Reporting Form has yet to be approved, no training sessions can be held.

Activity #5

Activity: Describe State-specific activity conducted from previous year's CVSP.

3.2- STATE SAFETY DATA QUALITY OBJECTIVE - 3. Improve the Accuracy and timeliness of our own Roadside Inspection Reports.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

3 days into the Federal Network

Actual: Insert year to date progress (#, %, etc., as appropriate):

40.1 average upload days, Source: MCMIS Inspection Summary Report, Data Snapshot: 07/16/2016, Report last updated:07/15/2016, using SMS results as of 06/24/2016

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Difficulties achieving the goal: (a) This past year there were some issues with the VPN which made us unable to decrease the upload into the Federal Network.

Activity #6

Activity: Describe State-specific activity conducted from previous year's CVSP.

3.2- STATE SAFETY DATA QUALITY OBJECTIVE - 4. Perform Data entry sessions (formal and informal) for all inspectors.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

At least every six (6) months or as soon as problems are observed.

Actual: Insert year to date progress (#, %, etc., as appropriate):

1

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Reminders are provided when office meetings are held. However, a specific one (1) data entry session has been held in order to improve accuracy of information during FY 2016, so far.

Activity #7

Activity: Describe State-specific activity conducted from previous year's CVSP.

3.3 PASSENGER CARRIER ENFORCEMENT- 1. Roadside Inspections and Strike force Activities targeting unsafe driver behavior (including operating despite OOS Order) with PR PD and Tourism Office.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

Decrease in OOS Orders by 1% (from 18% reported in FY 2015).

Actual: Insert year to date progress (#, %, etc., as appropriate):

16.8% (Safetynet Report 07/16/2016)

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Problems encountered: There are still OOS Orders in Passenger Carrier Vehicles.

Activity #8

Activity: Describe State-specific activity conducted from previous year's CVSP.

3.3 PASSENGER CARRIER ENFORCEMENT- 2. Training, Certification and Continuing Education of our Inspection Personnel.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

Have all of our Enforcement Personnel certified/ continuing education in Passenger Vehicle Inspection Course (NTC).

Actual: Insert year to date progress (#, %, etc., as appropriate):

4 recently assigned inspectors to our division are awaiting certification.

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Difficulties achieving the goal: 1. Having our budget decreased means that 4 (four) of the recently assigned inspectors have yet to participate in the Passenger Vehicle Inspection Course.

Activity #9

Activity: Describe State-specific activity conducted from previous year's CVSP.

3.4- ENFORCEMENT OF FEDERAL OUT-OF-SERVICE ORDERS DURING ROADSIDE ACTIVITIES - 1. Perform OOS Order review whenever performing a Roadside Inspection.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

85% Catch Rate as required by FMCSA

Actual: Insert year to date progress (#, %, etc., as appropriate):

Unknown

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Difficulties achieving goal: 1. Economic restrictions imposed to all government agencies has resulted in no wireless access, i.e. programs to perform this activity. 2. Inspectors even though are performing activity have yet to report it into inspections conducted.

Activity #10

Activity: Describe State-specific activity conducted from previous year's CVSP.

3.5- HAZARDOUS MATERIALS TRANSPORTATION SAFETY- 1. OOS Orders for applicable Shipping Paper and Placard Violations.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

Lower Shipping Paper and Placard OOS Orders by 5% compared to FY 2015.

Actual: Insert year to date progress (#, %, etc., as appropriate):

Shipping Paper OOS violations increased 1%, Placard Violations decreased by 2%. (Data Source: MCMIS 07/22/2016 data snapshot)

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Partially achieved goal, since there was a decrease in Placard Violations, but an increase in Shipping Paper Violations.

Activity #11

Activity: Describe State-specific activity conducted from previous year's CVSP.

3.5- HAZARDOUS MATERIALS TRANSPORTATION SAFETY- 2. Multi-Agency Strike force Activities in coordination with FMCSA, PHMSA, and PR PSC LPG Office to encourage LPG Cylinder Compliance requirements.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

LPG Cylinder Compliance

Actual: Insert year to date progress (#, %, etc., as appropriate):

1 Multi-Agency activity.

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Activity Result: (a) 100 interventions (b) 7 Vehicles placed OOS. (c) Approximately \$950.00 in fines

Activity #12

Activity: Describe State-specific activity conducted from previous year's CVSP.

3.6- CMV SAFETY IMPROVEMENT- 1. Lower Medical Certificate Violations.

Goal: Insert goal from previous year CVSP (#, %, etc., as appropriate):

20%

Actual: Insert year to date progress (#, %, etc., as appropriate):

32%

Narrative: Describe any difficulties achieving the goal, problems encountered, obstacles overcome, lessons learned, etc.

Obstacles overcomes: 1. Baseline: FY 2013 - Medical Certificate Violations - 53% of driver violations (verified Data source: MCMIS 07/22/2016 data snapshot) 2. Public Education activities held were instrumental on achieving the goal since the information was emphasized and medical certificate blank forms were continuously handed out to anyone seeking information in the PR PSC.

Basic & Incentive CMV Safety Objectives

The CMV Safety Program Objectives part allows States to define their goals and objectives for this year's plan, address the national priorities contained in the Notice of Funding Availability (NOFA), and to identify any State-specific objectives for any safety or performance problems identified by the State. The State must address problems it believes will help reduce the overall number of CMV crash related fatalities and injuries.

1 - Crash Reduction Goal

Instructions:

The State must include a reasonable crash reduction goal for their State that supports FMCSA's mission to reduce the national number of crashes, injuries and fatalities involving commercial motor vehicle transportation. The State has flexibility in setting its goal. It can be based on raw numbers (e.g., total number of fatalities or crashes) or based on a rate (e.g., fatalities per 100 million VMT).

Problem Statement Narrative: Describe the identified problem including baseline data:

Identified Problem:

0.03 per 100M per VMT Fatality Rate.

Baseline Data:

Fiscal Year	Total Crashes	Fatal Crashes	Fatalities Per 100 M VMT	Injuries	Towaway
2014	20	3	0.02%	41	52
2015	37	8	0.04%	19	8
2016	17	4	0.03%	11	3

Data Source: MCMIS Report data snapshot as of 07/22/2016 including crash records through 03/31/2016.

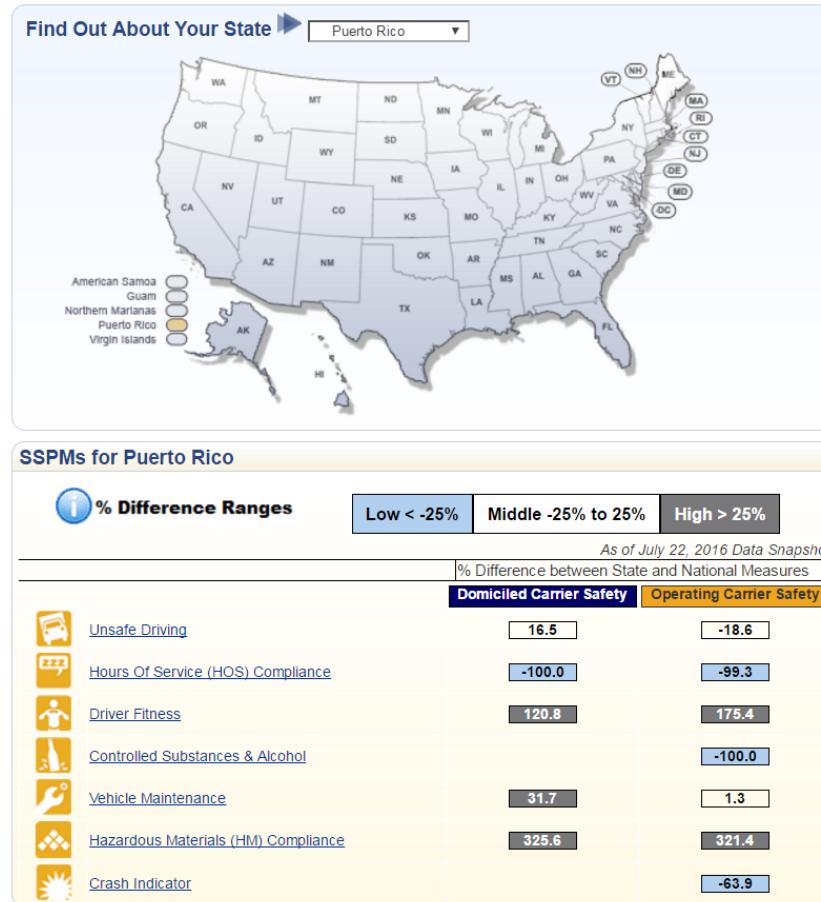
Information available at Safetynet the time of the proposal indicates that so far in FY 2016 most of the crashes have been attributed to Non CMVs unsafe driver behavior, CMV Driver errors, and Maintenance Problems.

The Federal Highway Administration updated its Annual Vehicle Miles traveled for Puerto Rico on its Highway Statistics Report for 2014, issued on October 2015. For FY 2014 the Annual Vehicle Miles travel for Puerto Rico had decreased to 14,564. This means that our fatality rate would increase from 0.02 % to 0.03% (prior to this the vmt was of 18,588)

FY 2016 Crash Reports review reveal:

1. 39% of Crashes were due to non CMV unsafe/ illegal Driver Behavior.
 - Falling asleep at the wheel
 - Operating in the "No Zone"

2. Crashes occurred within previously identified High Crash Corridors have decreased from 60% in FY 2015 to 31%.



Enter Data Source Capture Date:
07/22/2016

Enter Data Source:
MCMIS Report data snapshot as of 07/22/2016 including crash records through 03/31/2016

Enter Crash Reduction Goal
0.00 per 100M VMT

Identify each of the national program elements the State will utilize to meet the performance objective. The State will describe these activities in greater detail in the respective narrative sections of the CMV Safety Program Objectives and Commercial Vehicle Enforcement Activities.

Check all program elements that apply (minimum of 1):

- Conduct Driver and Vehicle Inspections (complete activity projections in the Commercial Vehicle Enforcement Activities section 1)**
- Conduct Traffic Enforcement Activities (complete activity projections in the Commercial Vehicle Enforcement Activities section 2)**
- Conduct Carrier Investigations (complete activity projections in the Commercial Vehicle Enforcement Activities section 3)**
- Conduct Public Education and Awareness (complete activities in the Commercial Vehicle Enforcement Activities section 4)**
- Conduct Effective Data Collection and Reporting (complete activities in the CMV Safety Program Objectives section 2)**

Program Activities: States must include activities related to this goal in the output estimates in the Commercial Vehicle Enforcement Activities part. However, States must also indicate in this objective the amount of effort (staff hours, FTE, inspections, traffic enforcement stops, etc.) that will be resourced directly for this purpose. For example, 3,000 of the 10,000 Level 1 inspections listed in the Commercial Vehicle Enforcement Activities Section 1 will be dedicated to this objective.

1. PR MCSAP will perform at least 3,500 Roadside Inspections and highly visible inspection activities in previously identified High Risk Corridors (PR-2, PR-3, PR-22, PR-52 and PR-66).
2. PR MCSAP will schedule at least 4 traffic enforcement activities in coordination with the Puerto Rico Police Department. One of the activities will include Non CMVs (PR PD has jurisdiction over Non CMVs).

Performance Measurements and Monitoring: The State will monitor the effectiveness of its CMV Crash Reduction Goal quarterly and annually by evaluating the performance measures and reporting results in the required SF-PPRs. Describe how the State will conduct ongoing monitoring of progress in addition to quarterly reporting.

Percent of Violation and Out-of-Service Orders in High Risk Corridors: PR MCSAPs Director will allocate Roadside Inspectors in High Risk Corridors as needed but no less than 300 staff hours per month.

Each inspector is responsible for entering inspections into ASPEN daily. At the end of the day, the Official Inspector will obtain the number of inspections performed and will submit the report to the Director by the end of the week. The Director will ensure the inspection numbers add up to those who appear in Safetynet. On a weekly basis the Computer Specialist will review inspections and crash reports for errors, uploading them into Safetynet.

Information will be included in the corresponding Quarterly Report sent to FMCSA (MCMIS), and used to reallocate resources into high incident areas. For this next year PR MCSAP wishes to decrease OOS Violations directly related to previously identified trends by 5% compared to FY 2016.

Percent of Fatalities in CMV related crashes: PR MCSAP inspectors assigned to investigate a crash involving a fatality are required to enter report into ASPEN within 48 hours of the crash. Afterwards, the report will notify the Official Inspector and/or Director in order for the report to be verified and uploaded into Safetynet by the Computer Specialist. Information will be included in the corresponding Quarterly Report sent to FMCSA, used in the reallocation of resources and shared with state partner agencies.

Our goal is to decrease Fatalities to 0.00 per 100M VMT.

Percent of Crashes in High Risk Corridors: PR MCSAP inspectors will fill out the ASPEN Crash Report completely, to include location of the Crash. The information regarding the crash reports will be analyzed and included into the corresponding Quarterly Report, and used to reallocate resources into high risk corridors. PR MCSAPs goal is to decrease crashes in High Risk Corridors in 2017 by 3%.

2 - State Safety Data Quality and Information Systems Objective

Instructions:

In the tables below, indicate your State's rating or compliance level within each of the Safety Data and Information Systems categories.

Under certain conditions, the FAST Act allows MCSAP lead agencies to use MCSAP funds for Operations and Maintenance (O & M) costs associated with Safety Data Systems (SSDQ), Innovative Technology Deployment (ITD, previously known as CVISN) and the Performance and Registration Information Systems Management (PRISM).

1. For SSDQ, if the State meets accuracy, completeness and timeliness measures regarding motor carrier safety data and participates in the national data correction system (DataQs).
2. For PRISM, O&M costs are eligible expenses subject to FMCSA approval.
3. For ITD, if the State agrees to comply with ITD program requirements and has complied with all MCSAP program requirements including achievement of at least Level 6 in PRISM, O & M costs are eligible expenses.

Instructions will be provided within the Spending Plan Narrative section regarding documentation of these costs within the CVSP.

State Safety Data Quality: Indicate your State's SSDQ rating and goal in the table below by utilizing the drop-down menus.

SSDQ Category	Goal from FY 2016 CVSP	Current SSDQ Rating	Goal for FY 2017
Crash Record Completeness	Good		Good
Fatal Crash Completeness	Good		Good
Crash Timeliness	Good		Good
Crash Accuracy	Good		Good
Crash Consistency	No Flag		No Flag
Inspection Record Completeness	Good		Good
Inspection VIN Accuracy	Good		Good
Inspection Timeliness	Good		Good
Inspection Accuracy	Good		Good

Enter the date of the A&I Online data snapshot used for the "Current SSDQ Rating" column:

Not Applicable. SSDQ Rating unavailable (07/25/2016)

Compliance table: Please verify the level of compliance for your State in the table below using the drop-down menu. If the State plans to include O&M costs, details must be in this section and in your Spending Plan. If 'no' is indicated in the verification column, please provide an explanation in the narrative box below.

Technology Program	Current Compliance Level according to FMCSA	Verification by State of Current Compliance Level
ITD	Not Active	No
PRISM	Not Active	No
SSDQ	Not Active	No

Data Sources:

- [FMCSA website ITD information](#)
- [FMCSA website PRISM information](#)
- [FMCSA website SSDQ information](#)

1. PR MCSAP has not rating or incorporated into the network. 2. Since no SSDQ rating is available, PR MCSAP does not currently have the basis to comply with PRISM. PR MCSAP (territory) is currently evaluating how to be included in those programs by 2020 deadline.

Problem Statement Narrative: Describe any issues encountered for any SSDQ category not rated as "Good" in the Current SSDQ Rating category column above (i.e. problems encountered, obstacles overcome, lessons learned, etc.). If the State is "Good" in all categories, no further narrative or explanation is necessary. If your State's PRISM compliance is less than step 6, describe activities your State plans to implement to achieve full PRISM compliance.

Achieve Full PRISM compliance within FAST Act deadline.

Problems encountered:

1. Puerto Rico has yet to approve a Crash Data Reporting Form that is compliant with the Model Minimum Uniform Crash Criteria Guideline. This represents one of the obstacles we are facing, when trying to obtain an SSDQ rating
2. The SSDQ has not been designed to capture Puerto Rico's data in the drop down menu or given a rating. Nonetheless, PR MCSAP is entering Crash Data and Roadside Inspections into ASPEN then uploaded into the Federal Network, still needs to work to improve timeliness.
3. PR MCSAP's IT division personnel needs to use this year to figure out if additional help is needed, whether adding employees or contracting out a company to assist in transition in compliance with PRISM.
4. To implement PRISM funds have to be obtained by submitting a High Priority Grant Proposal.

Program Activities: Describe any actions that will be taken to achieve a "Good" rating in any category not currently rated as "Good" including measurable milestones. Also, describe any actions that will be taken to implement full PRISM compliance.

1. Quarterly meetings (or as needed) between Administrative Personnel and IT Department to fully understand PRISM requirements and personnel capabilities. Draft a PRISM Compliance Plan. Quarterly staff meetings to follow up established benchmarks for full compliance.
2. Meetings with FMCSA staff to present compliance plan to request recommendations and assistance with SSDQ Rating.
3. Interagency coordination with the Puerto Rico Police Department and the Traffic Records Committee to implement the new Crash Reporting Form (MMUCC Compliant) within the grant performance period.
4. Provide training to the PR Police Officers and other Traffic Enforcement officials regarding the information pertaining CMV. PR MCSAP will expect to conduct at least one activity after the implementation of Crash Reporting Form.
5. Improve the accuracy and timeliness of our own Roadside Inspection Reports. PR MCSAP's goal is that Reports may be transmitted to the Federal Network within the next three days of performed.
6. Perform Data Entry Sessions (formal and informal) for all inspectors no less than every six months, or as soon as problems are observed.
7. Submit High Priority Proposal for PRISM implementation.

Performance Measurements and Monitoring: Describe all performance measures that will be used and include how the State will conduct ongoing monitoring of progress in addition to quarterly SF-PPR reporting.

1. Meeting after action reports available for all participating Staff to ensure follow up on decisions and recommendations.

2. Number Traffic Records Committee Meetings attended and reported in the Quarterly Report. PR MCSAP expects Crash Reporting Form (MMUCC compliant) will be implemented during this grant performance period and prior FAST Act PRISM Compliance date.
3. Police and Traffic Enforcement Officials Training will be monitored on a monthly basis and notified on the Quarterly Report. PR MCSAP will expect to conduct at least one training session when the Crash Reporting Form is implemented.
4. PR MCSAP will monitor the time it takes the Inspectors to input the inspection into ASPEN, forward it to the Computer specialist, have it reviewed for errors, corrected and transmitted into the Federal Network. The information will be included into the Quarterly Report. To this date PR MCSAP expects information to be available within three days after the roadside inspection is performed.
5. PR MCSAP's goal for FY 2017 is to perform at least one group data entry training (formal or informal) session in FY 2017.

3 - Passenger Carrier Enforcement

Instructions:

We request that States conduct Enhanced Investigations for motor carriers of passengers and other high risk carriers. We also ask that States plan to allocate resources to participate in the Enhanced Investigations training being offered by FMCSA. Finally, we ask that States continue to partner with FMCSA in conducting Enhanced Investigations and inspections at carrier locations.

Check this box if:

- As evidenced by the trend analysis data in Program Effectiveness Summary - Past Performance, State Motorcoach/Passenger Fatality Reduction Goals, the State has not identified a significant passenger transportation safety problem and therefore will not establish a specific passenger transportation goal in the current fiscal year. However, the State will continue to enforce the FMCSRs pertaining to passenger transportation by CMVs in a manner consistent with the MCSAP Comprehensive Policy as described either below or in the Commercial Vehicle Enforcement Activities part. If this box is checked, no additional narrative is necessary.

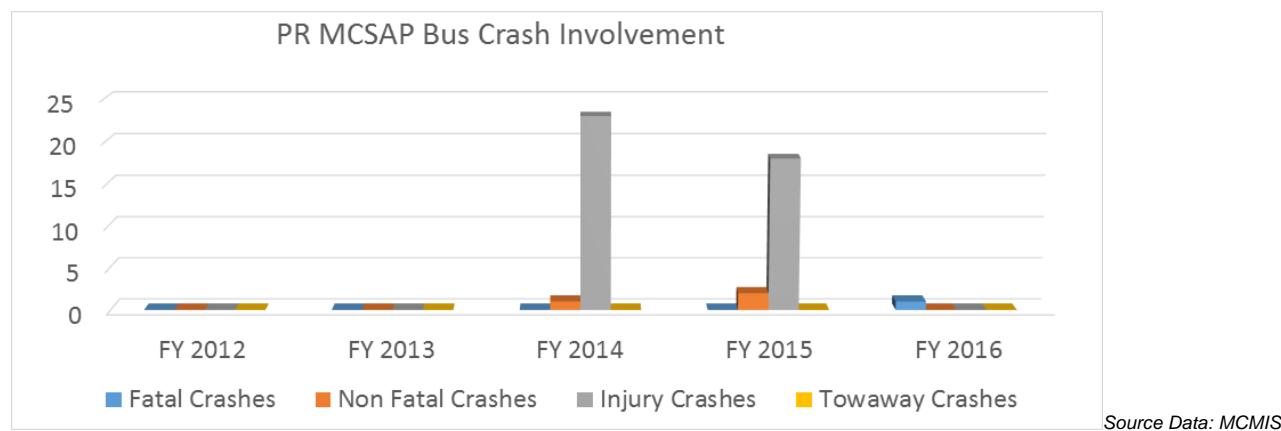
Problem Statement Narrative: Describe problem identified by performance data.

Problems identified:

1. Puerto Rico has experienced its first fatality associated with a Passenger Carrier Vehicles, during the second quarter of FY 2016.
2. Violations concerning vehicle maintenance are increasing.

Performance Objective: Enter performance objectives including baseline data and performance goal.

Baseline Data:



Data Snapshot: 07/22/2016

Passenger Transportation Safety: Bus Crash Involvement			
Year	Crashes	Fatal	Injuries
2014	1	0	1
2015	2	0	2
2016	1	1	0

Source Data: MCMIS

Data Snapshot: 07/22/2016

Passenger Carrier - Roadside Inspection Violation		
Year	Violations	% of Total Violations

2012	No Medical Certificate	15%
	Operating Vehicle not having req. operable lamps	9%
2013	No Medical Certificate	11%
	Operating Vehicle not having req. operable lamps	17%
2014	No Medical Certificate	7%
	Operating Vehicle not having req. operable lamps	20%
2015	No Medical Certificate	6%
	Operating Vehicle not having req. operable lamps	20%
2016	No Medical Certificate	3%
	Operating Vehicle not having req. operable lamps	20%

Source Data: MCMIS

Data Snapshot: 07/22/2016

Performance Objectives:

1. Reduce Vehicle Violations regarding Operable Lamps by 2% during the grant performance period.
2. Have four (4) Roadside inspectors, who were recently assigned to the division, trained and certified to perform Passenger Vehicle Inspections by the end of the grant performance period.

To meet this goal, the State intends to conduct activities under the following strategies and will describe these activities in greater detail in the respective sections in the CMV Safety Program Objectives and Commercial Vehicle Enforcement Activities parts.

Check all program elements that apply (minimum of 1):

- Conduct Driver and Vehicle Inspections (complete activity projections in the Commercial Vehicle Enforcement Activities section 1)**
- Conduct Traffic Enforcement Activities (complete activity projections in the Commercial Vehicle Enforcement Activities section 2)**
- Conduct Carrier Investigations [CSA] (complete activity projections in the Commercial Vehicle Enforcement Activities section 3)**
- Conduct Public Education and Awareness (complete activities in the Commercial Vehicle Enforcement Activities section 4)**
- Conduct Effective Data Collection and Reporting (complete activities in the CMV Safety Program Objectives section 2)**

Program Activities: Additional information regarding how these activities will be implemented.

1. Perform all Passenger Vehicle Inspections either Level I or Level V to comply with 2014 Policy.
2. Roadside Inspection and Strikeforce activities in targeting previously identified Passenger Carrier's violations, with emphasis to continued operation despite an OOS Order.
3. PR MCSAP will increase its staff hours to at least 1,400 staff hours to perform Roadside Inspections and Strikeforce Activities in conjunction with the PR PD and/or the PR Tourism Office.
4. Train and Certify four (4) roadside inspectors currently without Passenger Vehicle Inspection Training.

Performance Measurements and Monitoring: Describe all performance measures and how the State will conduct ongoing monitoring of progress in addition to quarterly SF-PPR reporting.

1. On a monthly basis, PR MCSAP will evaluate number of inspections, levels and vehicle violations. Director will use this data to adjust monthly working calendar.
2. On a quarterly basis PR MCAP will evaluate passenger carrier vehicle and driver violations to perform educational activities. Information collected will be evaluated further to verify if a specific company is not improving or when continually stopped same violations remain.
3. Once funds are approved PR MCSAP will evaluate Travel Cost Funds to determine viability of sending our four (4) inspectors stateside for Passenger Vehicle Training.

4 - Enforcement of Federal Out-of-Service Orders during Roadside Activities**Instructions:**

FMCSA has established an Out-of-Service catch rate of 85% for carriers operating while under an OOS order. In this section, States will indicate their catch rate is at least 85% by using the check box or complete the problem statement portion below.

Check this box if:

As evidenced by the data provided by FMCSA, the State identifies at least 85% of carriers operating under a federal Out-of-Service (OOS) order during roadside enforcement activities and will not establish a specific reduction goal. However, the State will maintain effective enforcement of Federal OOS orders during roadside inspections and traffic enforcement activities. If this box is checked, no additional narrative is necessary..

Enter your State's OOS Catch Rate percentage if below 85%:

0

Performance Objective: Enter performance objective(s).

PR MCSAP will conduct enforcement activities and improve reporting standards to be able to accomplish the 85% catch rate as required by FMCSA.

Problem identified:

At the time of this proposal, information is not available, which is why number reported is 0. Even though this activity is being conducted, it is not being reported into Aspen. Economic restrictions posed to government agencies in Puerto Rico has resulted on having no wireless access to be able to perform this activity.

To meet this goal, the State intends to conduct activities under the following strategies and will describe these activities in greater detail in the respective sections in the CMV Safety Program Objectives and Commercial Vehicle Enforcement Activities parts.

Check all program elements that apply (minimum of 1):

- Conduct Driver and Vehicle Inspections (complete activity projections in the Commercial Vehicle Enforcement Activities section 1)**
- Conduct Traffic Enforcement Activities (complete activity projections in the Commercial Vehicle Enforcement Activities section 2)**
- Conduct Carrier Investigations [CSA] (complete activity projections in the Commercial Vehicle Enforcement Activities section 3)**
- Conduct Effective Data Collection and Reporting (complete activities in the CMV Safety Program Objectives section 2)**

Program Activities: Please describe policies, procedures, and/or technology that will be utilized to identify OOS carriers at roadside, and how you will conduct quality assurance oversight to ensure that inspectors are effectively identifying OOS carriers and preventing them from operating.

1. Meet with government officials and demonstrate the need for wireless access.
2. Obtain wireless access provider within required standards.
3. Meet with inspectors once the wireless access is available and train them to enforce OOS Orders.
4. Director and IT personnel to monitor inspector reporting Enforcement of OOS Orders after a month of use and establish a baseline to meet 85% Catch rate standards.
5. IT and Database Administrator will examine if wireless access meets our needs.

Performance Measurements and Monitoring: Describe all performance measures and how the State will conduct ongoing monitoring of progress in addition to quarterly SF-PPR reporting.

1. The Director will evaluate inspections to determine if the OOS Citations reported for operating under an OOS Order are being performed.
2. After the first quarter where information has been provided, the director will use the information to establish benchmarks to achieve 85% catch rate.

5 - Hazardous Materials Transportation Safety

Instructions:

Describe the state's efforts to address hazardous materials transportation safety, if applicable. Select the box below indicating that data does not indicate a hazardous materials problem OR complete the problem statement, performance objective, Activity Plan and Performance Measure.

Check this box if:

As evidenced by the trend analysis data indicated in the Program Effectiveness Summary - Past Performance section 3, State Hazardous Materials Fatality Reduction Goals, the State has not identified a significant hazardous materials safety problem that warrants a specific state objective. As a result, the State will not establish a specific hazardous materials crash reduction goal. However, the State will continue to enforce the FMCSRs pertaining to hazardous materials transportation by CMVs in a manner consistent with its enforcement for all CMVs. If this box is checked, no additional narrative is necessary.

Problem Statement Narrative: Describe problem identified by performance data.

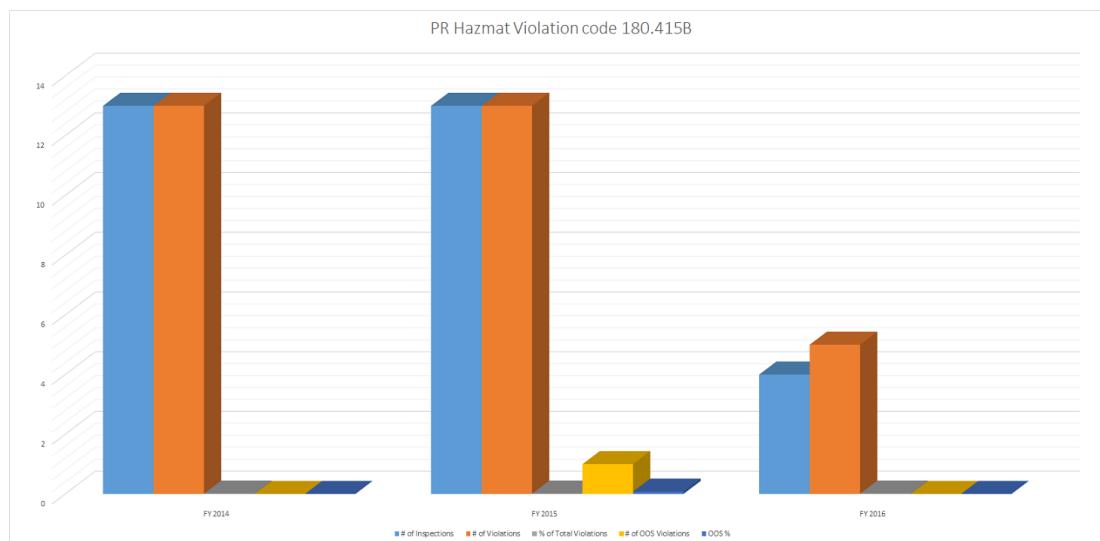
Problem identified:

1. Fatalities for the last couple of years due to CMV driver's unsafe driver behavior, and non CMV involvement.
2. HM Inspections with OOS Violations and the HM Violation Rate are increasing.
3. Placard and Shipping Paper violations continue to occur in PR. OOS % rates are high.
4. Strong HM Enforcement program has resulted in a Poor Safety Performance in HM Compliance Category.
5. LPG Cylinder violations to the 49 CFR 178 still occur. Drivers, and the LPG Industry are not well trained as to identify marking, testing and LPG Cylinder recertification requirements, among other violations, prior to shipping or transporting LPG Cylinders on our roads.

Cargo Tank Problems Identified:

The only identified violation in accordance with "FMCSA Top Twenty Cargo Tank Facility Violations" is 180.415

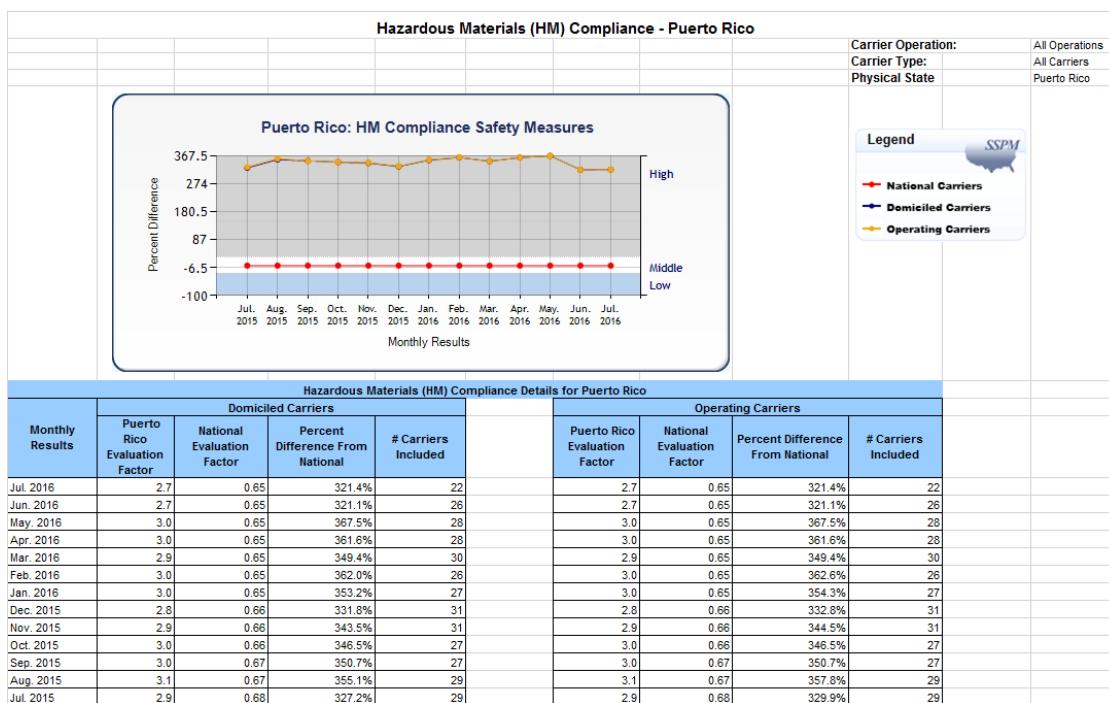
Performance Objective: Enter performance objectives including baseline data and performance goal.



PR MCSAP intends to perform roadside inspections and traffic enforcement activities to reduce Shipping Paper and Placard Violations by 2% from FY 2015 rates.

HM TRANSPORTATION SAFETY					
FY	HM INSPECTIONS	# SHIPPING PAPER VIOLATIONS	OOS RATES	# PLACARD VIOLATIONS	OOS RATES
2014	1,462	75	33%	125	25%
2015	1,163	76	31%	164	27%
2016	477	27	38%	68	25%

Data Source: MCMIS data snapshot as of 07/22/2016



To meet this goal, the State intends to conduct activities under the following strategies and will describe these activities in greater detail in the respective sections in the CMV Safety Program Objectives and Commercial Vehicle Enforcement Activities parts.

Check all program elements that apply (minimum of 1):

- Conduct Driver and Vehicle Inspections (complete activity projections in the Commercial Vehicle Enforcement Activities section 1)**
- Conduct Traffic Enforcement Activities (complete activity projections in the Commercial Vehicle Enforcement Activities section 2)**
- Conduct Carrier Investigations [CSA] (complete activity projections in the Commercial Vehicle Enforcement Activities section 3)**
- Conduct Public Education and Awareness (complete activities in the Commercial Vehicle Enforcement Activities section 4)**
- Conduct Effective Data Collection and Reporting (complete activities in the CMV Safety Program Objectives section 2)**

Program Activities: Provide additional information regarding how these activities will be implemented.

1. Roadside Inspections and Strikeforce activities will be conducted emphasizing Hazardous Materials transportation. Shipping Paper and Placard violations if applicable will be fined or placed OOS to promote compliance.
2. Coordination with FMCSA, PHMSA, the PR LPG Office to build a plan to encourage and monitor compliance with LPG Cylinder requirements.
3. Provide training for two (2) recently assigned inspectors who lack certification.

Performance Measurements and Monitoring: Describe all performance measures and how the State will conduct ongoing monitoring of progress in addition to quarterly SF-PPR reporting.

1. The data will be evaluated on a quarterly basis by the Director who will decide to reallocate resources as needed. This will also assist in determining if a Hazardous Material refresher course is needed and coordinate it with NTC.
2. The quarterly data will be used to adjust Public Educational Activities to promote Placard and Shipping Paper compliance. Hazardous materials schools will be contacted to emphasize Shipping Paper and Placard regulations.
3. Activities in coordination with FMCSA, PR PSCs LPG Inspectors, PHMSA, and the PR PD.
4. All PR MCSAP inspectors trained to perform HM Inspections, refresher course for the rest of enforcement personnel.

6 - State-Identified Objective (Optional)**Instructions:**

Describe any other identified State-specific objectives.

State Objective #1**Enter the title of your State-Identified Objective.**

CMV SAFETY IMPROVEMENT

Problem Statement Narrative: Describe problem identified by performance data.

Medical Certificate violation issues represent a relatively high percentage of driver violations for Large Trucks, Hazardous Material and Passenger Carrier Drivers.

Performance Objective: Enter performance objectives including baseline data and goal.

Lower Medical Certificate Violations to 20% within twelve months. Our ultimate goal will be to lower violations to 0. FY 2013: 40% FY 2014: 38% FY 2015: 39%, OOS Rate: 5% FY 2016: 37%, OOS Rate: 2% A CMV Operator who is rendered unfit due to a medical condition represents a safety risk and must be addressed aggressively.

To meet this goal, the State intends to conduct activities under the following strategies and will describe these activities in greater detail in the respective sections in the CMV Safety Program Objective and Commercial Vehicle Enforcement Activities parts.

Check all program elements that apply (minimum of 1):

- Conduct Driver and Vehicle Inspections (complete activity projections in the Commercial Vehicle Enforcement Activities section 1)
- Conduct Traffic Enforcement Activities (complete activity projections in the Commercial Vehicle Enforcement Activities section 2)
- Conduct Carrier Investigations [CSA] (complete activity projections in the Commercial Vehicle Enforcement Activities section 3)
- Conduct Public Education and Awareness (complete activities in the Commercial Vehicle Enforcement Activities section 4)
- Conduct Effective Data Collection and Reporting (complete activities in the CMV Safety Program Objectives section 2)

Program Activities: Describe the activities that will be implemented including level of effort, if not described in Enforcement of Federal Out-of-Service Orders during Roadside Activities (Section 4).

1. Perform Roadside Inspections and traffic enforcement activities paying special attention to Medical Certificate Compliance.

Performance Measurements and Monitoring: Describe all performance measures and how the State will conduct ongoing monitoring of progress in addition to quarterly SF-PPR reporting.

1. The Director will evaluate the number of violations issued in this area on a quarterly basis to reallocate resources to increase inspection and / or traffic enforcement activities. 2.The Director will forward this information to the PR PSC Public Education Coordinator to ensure Medical Certificate requirements are covered in educational activities. 3.The PR PSC Education Coordinator will ensure Medical Certificate forms are available at all events held by the PR PSC Educational Department.

Basic & Incentive Enforcement Activities

The Commercial Vehicle Enforcement Activities part allows the States to provide specific targets for their inspection, traffic enforcement, carrier investigation, and outreach and education goals. The State will use this section to describe the specific national program element activities (per 49 CFR 350.109) that it will use to meet the goals. In completing this section, the State need not repeat the broad program objectives or performance measurements established in the previous goals section of the plan.

*Note: The State can access detailed counts of its core MCSAP performance measures, such as roadside inspections, traffic enforcement activity, review activity, and data quality by quarter for the current and past two fiscal years using the **State Quarterly Report and CVSP Data Dashboard** on the A&I Online website. The Data Dashboard is also a resource designed to assist the State with preparing their MCSAP-related quarterly reports and is located at: <http://ai.fmcsa.dot.gov/StatePrograms/Home.aspx> (user id and password required).*

1 - Driver/Vehicle Inspection Program - Overview and Performance Goals

Instructions for Overview:

Describe components of the State's general Roadside and Fixed-Facility Inspection Program that are not already detailed as part of a specific program goal. Include the day to day routine for inspections and explain resource allocation decisions (i.e., Number Of FTE, where inspectors are working and why).

Enter narrative description of the State's overall inspection program including a description of how the State will monitor its program to ensure effectiveness and consistency.

Roadside Inspection Locations are: *PR-1, Guaynabo *PR-2, Mayagüez *PR-3, Ceiba *PR-3, Luquillo *PR-3, Rio Grande *PR-22, Vega Alta *PR-52, Caguas South *PR-52, Ponce *PR-111, Moca *PR-167, Toa Alta *Barranquitas *Carolina *Corozal *CZL, Guaynabo *Isla Grande *Los Colobos, Carolina *Muñiz Base *Naranjito *Peñuelas *Trujillo Alto *Yabucoa. Puerto Rico has only one (1) Fixed Inspection Site located in the municipality of Salinas (Salinas Weight Station).

PR MCSAP conducts Level I - Level V Roadside Inspections with a view of reducing CMV Crashes and Fatalities. Inspections are the cornerstone of our program.

According to MCMIS reports during FY 2015 Inspectors conducted 7,736 Roadside Inspections, and 1,895 were level III (25%). So far in FY 2016 only 23% of Roadside Inspections have been Level III. For the past several years PR MCSAP has been unable to reach the 33% goal for Level III inspections. When conducting Level III inspections, when visible vehicle defects are observed, require us to change Inspection Levels from Level III to Levels I or II. Our goal is to increase total level of Inspections, in compliance with federal requirements.

Instructions for Performance Goals:

*Please complete the following tables indicating the number of inspections that the State anticipates conducting during Fiscal year 2017. Please enter inspection goals by agency type (separate tabs are used for the Lead Agency and Funded agencies). **You are required to complete/review information on the first 3 tabs (as applicable). The "Summary" tab is totaled by the eCVSP system.***

Note: States are strongly encouraged to conduct at least 33% Level 3 inspections of the total inspections conducted. If the State chooses to do less than 33% Level 3 inspections, it will be required to provide an explanation in the Summary tab.

Lead Agency

Lead Agency is: PUERTO RICO PUBLIC SERVICE COMMISSION

Enter the total number of certified officers in the Lead agency: 20

FY 2017 Driver/Vehicle Inspection Goals					
	Estimated Performance Goal				
Inspection Level	Non-Hazmat	Hazmat	Passenger	Total	Percentage by Level
Level 1	1345	350	411	2106	27.00%
Level 2	1966	304	70	2340	30.00%
Level 3	1657	273	20	1950	25.00%
Level 4	480	44	22	546	7.00%
Level 5	34	103	721	858	11.00%
Level 6	0	0	0	0	0.00%
Sub-Total Lead Agency	5482	1074	1244	7800	

Funded Agencies

Complete the following information for each MCSAP Basic funded agency, other than the lead agency in your State. A separate table must be created for each funded agency. Click 'Save" after each table entry.

Enter the name of the Funded Agency:

Enter the total number of certified officers in this funded agency:

FY 2017 Driver/Vehicle Inspection Goals					
	Estimated Performance Goal				
Inspection Level	Non-Hazmat	Hazmat	Passenger	Total	Percentage by Level
Level 1				0	%
Level 2				0	%
Level 3				0	%
Level 4				0	%
Level 5				0	%
Level 6				0	%
Sub-Total Funded Agencies	0	0	0	0	

Non-Funded Agencies

Enter the number of non-funded agencies:	
Enter the total number of non-funded certified officers:	

Summary

Total FY 2017 Driver/Vehicle Inspection Goals For Lead, Funded and Non-Funded Agencies					
MCSAP Lead Agency: PUERTO RICO PUBLIC SERVICE COMMISSION					
# certified officers: 20					
Funded Agencies:					
# certified officers: 0					
Number of Non-Funded Agencies:					
# certified officers:					
Estimated Performance Goal					
Inspection Level	Non-Hazmat	Hazmat	Passenger	Total	Percentage by Level
Level 1	1345	350	411	2106	27.00%
Level 2	1966	304	70	2340	30.00%
Level 3	1657	273	20	1950	25.00%
Level 4	480	44	22	546	7.00%
Level 5	34	103	721	858	11.00%
Level 6	0	0	0	0	0.00%
Total ALL Agencies	5482	1074	1244	7800	

If the goal for level 3 inspections is less than 33%, briefly explain why the 33% will not be met:

2 - Traffic Enforcement

Instructions:

Describe the State's level of effort (number of personnel/FTE) it proposes to use for implementation of a statewide CMV (in conjunction with and without an inspection) and/or non-CMV traffic enforcement program. If the State conducts CMV and/or non-CMV traffic enforcement activities only in support of the overall crash reduction goal, describe how the State allocates traffic enforcement resources (i.e., number of officers, times of day and days of the week, specific corridors or general activity zones, etc.). Traffic Enforcement activities should include officers who are not assigned to a dedicated Commercial Vehicle Enforcement unit but conduct commercial vehicle/driver enforcement activities. If the State conducts non-CMV traffic enforcement activities, the State will conduct these activities in accordance with the MCSAP Comprehensive Policy.

20 Roadside inspectors plus MCSAP Director activities related to Traffic Enforcement.

Please indicate using the radio buttons the Traffic Enforcement Activities the State intends to conduct in FY 2017 in the table below.

Yes	No	Traffic Enforcement Activities	Enter the Goals (Number of Stops, not Tickets or Warnings; these goals are NOT intended to set a quota.)
<input checked="" type="radio"/>	<input type="radio"/>	CMV with Inspection	3261
<input type="radio"/>	<input checked="" type="radio"/>	CMV without Inspection	
<input type="radio"/>	<input checked="" type="radio"/>	Non-CMV	
<input checked="" type="radio"/>	<input type="radio"/>	Comprehensive and high visibility in high risk locations and corridors (special enforcement details)	30

Describe components of the State's traffic enforcement efforts that are not already detailed as part of a specific program goal including a description of how the State will monitor its traffic enforcement efforts to ensure effectiveness, consistency, and correlation to FMCSA's national traffic enforcement priority.

PR MCSAP's goal is to increase by 10% Inspections related to Traffic Enforcement Activities to those performed in FY 2015. Puerto Rico Traffic Enforcement Activity Summary FY 2012- 776 FY 2013- 412 FY 2014- 1,922 FY 2015- 2,965 FY 2016- 1,356* data as of 07/22/2016 *Source: MCMIS data snapshot as of 07/22/2016 PR MCSAP does not conduct Traffic Enforcement Activities without an Inspection. Since PR MCSAP inspectors are not police officers they do not have jurisdiction over Non-CMV vehicles. There will be at least one activity coordinated with the PR PD to cover Non CMV vehicles, however other PR PSC personnel will only hand informational brochures while MCSAP inspectors will still perform inspections on CMV's

3 - Carrier Investigations**Instructions:**

Describe the State's implementation of FMCSA's interventions model to the maximum extent possible for interstate carriers and any remaining or transitioning compliance review program activities for intrastate motor carriers. Include the number of personnel and FTE assigned to this effort.

Performance Objective: Enter performance objective(s) including the number of Interventions/Investigations from the previous year and the goal for FY 2017

PR MCSAP will establish a Safety Assessment and Enforcement Program (SAEP), tailored to Puerto Rico and conduct Safety Assessments within the grant period of performance.

Program Activities: Describe components of the State's carrier investigation efforts that are not already detailed as part of a specific program goal. Include the number of personnel/FTE participating in this activity.

1. Develop State Safety Assessment Policies and Procedures.
2. Request comments regarding Safety Assessment Policies and Procedures Form to the FMCSA PR Division prior to its implementation.
3. Select two (2) officers to become Safety Investigators from the available pool of candidates.
4. Train the officers to become Safety Investigators.
5. Perform Safety Assessments to certify all Roadside Investigators.

Performance Measurements and Monitoring: Describe all measures the State will use to monitor progress towards the annual goals. Further, describe how the State measures qualitative components of its carrier investigation program (not just outputs).

1. Development of State Safety Assessment Program Policies and Procedures within the next first year of the grant performance period.
2. FMCSA PR Division submits comments/approval to PR MCSAP Safety Assessment Policies and Procedures.
3. Training and Certification of Officers within the grant performance period.
4. Selection of Safety Investigators.

Note: The Carrier Investigation Goals table is designed to collect State projections for the number of investigation activities estimated for FY 2017. The State may still conduct traditional motor carrier safety compliance reviews of intrastate motor carriers. Therefore, the CVSP may contain projections for both CSA investigations and compliance reviews of intrastate carriers.

Complete the table below indicating the number of investigations that the State anticipates conducting during this Fiscal Year. Note: if your State does not conduct reviews/investigations, you are not required to complete this table.

Our State does not conduct reviews/investigations.

FY 2017 Carrier Investigation Goals		
Review/Investigation Type	Interstate Goals	Intrastate Goals
Rated and Non-rated Reviews (Excludes CSA & SCRs)		
Non-HM Cargo		0
Passenger		0
HM		0
Rated and Non-rated Reviews (Excludes CSA & SCRs) Total	0	0
CSA Off-Site Investigations		
Non-HM Cargo CSA Off-Site		
Passenger CSA Off-Site		
HM CSA Off-Site		
CSA Off-Site Investigations Sub-total	0	0
CSA On-Site Focused Investigations		
Non-HM Cargo CSA On-Site Focused		
Passenger CSA On-Site Focused		
HM CSA On-Site Focused		
CSA On-Site Focused Investigations Sub-total	0	0
CSA On-Site Comprehensive		
Non-HM Cargo CSA On-Site Comprehensive		
Passenger CSA On-Site Comprehensive		
HM CSA On-Site Comprehensive		
CSA On-Site Comprehensive Sub-total	0	0
CSA Investigations (all Types) Total	0	0
HM-Related Review Types		
Security Contact Reviews (SCRs)		
Cargo Tank Facility Reviews		
Shipper Reviews		
HM-Related Review Types Total	0	0
ALL REVIEW TYPES GRAND TOTAL	0	0

Add additional information as necessary to describe the carrier investigation estimates:

PR MCSAP is developing a State Safety Assessment & Enforcement Program (SAEP) (which will be a mix between Safety Audit + CR+ CSA) PR MCSAP is still in its early stages which will begin with Intrastate Carriers and Non HM. During the first stages Carriers will not be fined, but will be treated as an educative stage, as long as the violation is not deemed critical. Once the program is in place 2 Safety

Investigators will be dedicated to this activity.

4 - Public Education & Awareness

Instructions:

A public education and awareness program is designed to provide information on a variety of traffic safety issues related to CMVs and non-CMVs which operate around large trucks and buses. Describe the type of activities the State plans to conduct, including but not limited to passenger transportation, hazardous materials transportation, and share the road safely initiatives. Include the number of FTE that will be participating in this effort.

Note: the number of specific activities accomplished should be reported in each quarterly performance progress report (SF-PPR).

Performance Objective: To increase the safety awareness of the motoring public, motor carriers and drivers through public education and outreach activities such as safety talks, safety demonstrations, etc.:

The PR PSC Public Education Division will increase public education and awareness activities by 10% compared to FY 2016. Part of the Public Education Division's Outreach Plan include topics such as:

1. Share the Road Initiative
2. Unsafe and/or Illegal Driver behavior
3. Hazardous Materials Transportation requirements
4. General Safety Issues: such as Safety belt use requirements and Cellphone and Texting Use Prohibitions while driving.

In the table below, indicate if the State intends to conduct the listed program activities and the estimated number.

Yes	No	Public Education and Awareness Activities	Goals
<input checked="" type="radio"/>	<input type="radio"/>	Carrier Safety Talks	20
<input checked="" type="radio"/>	<input type="radio"/>	CMV Safety Belt Education and Outreach	25
<input checked="" type="radio"/>	<input type="radio"/>	State Trucking Association Meetings	1
<input checked="" type="radio"/>	<input type="radio"/>	State-sponsored outreach events	1
<input checked="" type="radio"/>	<input type="radio"/>	Local educational safety events	1
<input checked="" type="radio"/>	<input type="radio"/>	Teen safety events	1

Program Activities: Describe components of the State's public education and awareness efforts that it intends to perform.

N/A. All activities have been included above.

Performance Measurements and Monitoring: Describe all performance measures and how the State will conduct monitoring of progress. States must report the quantity, duration and number of attendees in their quarterly Performance Progress Report (SF-PPR):

1. The Public Education Division will post educational activities celebrated in the PR PSC Intranet Calendar, if unable it will forward the information via email to the PR MCSAP Director. It will record the date, type of activity, number of participants.
2. On a quarterly basis the Director will review the data and request additional activities or inclusion of other information based on available crash data.

New Entrant

1 - New Entrant Focus Area

Instructions:

The FAST Act consolidated several FMCSA grant programs. Interstate New Entrant safety audits, which were funded previously under a separate FMCSA grant program, are now a component of the MCSAP grant. The FAST Act affirms that conducting New Entrant safety audits is now a requirement to participate in the MCSAP. The Act also says that a State or a third party may conduct safety audits. If a State authorizes a third party to conduct safety audits on its behalf, the State must verify the quality of the work conducted and remains solely responsible for the management and oversight of the New Entrant activities. The Act allows a State to conduct Intrastate New Entrant Safety Audits at the State's discretion. However, States that choose to conduct intrastate safety audits must not negatively impact their interstate new entrant program.

Complete the following areas to describe your plan for this MCSAP focus area.

Goal: Reducing the number and severity of crashes, injuries, and fatalities involving commercial motor vehicles by reviewing new entrant interstate and, at the State's discretion, intrastate motor carriers to ensure that they have effective safety management programs.

Objective: Processing and Completing Safety Audits within the Statutory Time Limits

- Entry date into the New Entrant program (as shown in FMCSA data systems) September 30, 2013 or earlier: safety audit must be completed within 18 months.
- Entry date into the New Entrant program (as shown in FMCSA data systems) October 1, 2013 or later: safety audit must be completed within 12 months for all motor carriers and 120 days for motor carriers of passengers.

Enter New Entrant Agency:

N/A

Strategies: Include a description of the strategies that will be utilized in order to meet the program objective above. The applicant must provide any challenges or impediments you foresee that may prevent your successful completion of the objective.

N/A

Activity Plan: A description of the activities the applicant believes will help achieve the objectives. If group audits are planned, include an estimate of the number of group audits.

Performance Measurement Plan: A description of how the applicant will measure progress toward meeting the objective, such as quantifiable and measureable outputs (staffing, work hours, carrier contacts, inspections, etc.). The measure must include specific benchmarks that can be reported on in the quarterly progress report, or as annual outputs.

Critical Information Table: The following Critical Information Table (although not required) is provided below for your use to summarize the anticipated project activities.

Summary of Anticipated Activities		
Number of Safety Audits/Non-Audit Resolutions	Interstate	Intrastate
# of Safety Audits (Onsite)	0	0
# of Safety Audits (Offsite)	0	0
TOTAL Safety Audits	0	0
# of Non-Audit Resolutions	0	0

Spending Plan

B&I Spending Plan

What is a Spending Plan?

The Spending Plan explains the 'what', 'how', and 'why' of a line item cost in carrying out grant project goals and objectives. Use these instructions to develop your application spending plan.

What does a Spending Plan do?

A spending plan is a narrative explanation of each budget component which supports the costs of the proposed work. The spending plan should focus on how each item is required to achieve the proposed project goals and objectives. It should also justify how costs were calculated. The spending plan should be clear, specific, detailed, and mathematically correct.

The spending plan is one of the first places FMCSA reviews to confirm the allowability, allocability, necessity, reasonableness and consistent treatment of an item. A well-developed spending plan is an effective management tool; a plan that doesn't represent a project's needs makes it difficult to recommend for funding and assess financial performance over the life of the project.

The spending plan serves a number of critical functions:

- Describes your need for or necessity of an expense;
- Documents how reasonable the request is, conveys your judgment as well as the feasibility of the project in context of available and proposed resources.
- Helps FMCSA review high-risk cost items to decide funding.

1 - Spending Plan: Personnel**What different types of costs do I need to put in my Spending Plan?**

Below is the spending plan. You may add additional lines to the table, as necessary. Remember to include clear, concise explanations in the narrative on how you came up with the costs and how the costs are necessary.

The Federal Share and State Share columns are not automatically calculated based on the Total Eligible Costs. These are freeform fields and should be calculated and entered by State users. You are not required to include 15 percent State share for each line item, including Overtime. You are only required to contribute up to 15 percent of the total costs, which gives you the latitude to select the areas where you wish to place your match.

Unlike in previous years' CVSPs, planned Maintenance of Effort (MOE) expenditures are now to be included in the spending plan narrative for FY 2017. Your planned MOE expenditures will be auto-populated into the Spending Plan from the narrative sections.

Personnel costs are your employee salaries working directly on a project. Include the number and type of personnel, the percentage of time dedicated to the project, number of hours in a work year, hourly wage rate, and total cost. It is not necessary to list all individual personnel separately by line. You may use average or actual salary and wages by personnel category (e.g., Trooper, Civilian Inspector, Admin Support, etc.). You may add as many additional lines as necessary to reflect your personnel costs.

The Hourly Rate column is where the State will enter the hourly pay rate that you have determined for each position.

If Overtime (OT) is going to be charged to the grant, please add the OT amounts that will be charged under the award (not to exceed 15% of the total award amount).

Identify the method of accounting used by the State: Cash Accrual

Allowable amount for Overtime (15% of total award amount without justification): \$217,007.00

Personnel Spending Plan Narrative								
Salary Information								
Position(s)	# of Staff	% of Time	Work Year Hours	Hourly Rate	Total Eligible Costs	85% Federal Share	15% State Share	Planned MOE Expenditures
Director	1	100	1	\$56,568.00	\$56,568.00	\$48,082.80	\$8,485.20	\$0.00
Secretary	1	100	1	\$36,252.00	\$36,252.00	\$30,814.20	\$5,437.80	\$0.00
Administrative Assistant	1	100	1	\$28,500.00	\$28,500.00	\$24,225.00	\$4,275.00	\$0.00
Off. Inspector II	1	100	1	\$35,292.00	\$35,292.00	\$29,998.20	\$5,293.80	\$0.00
Inspector IV	1	100	1	\$33,924.00	\$33,924.00	\$28,835.40	\$5,088.60	\$0.00
Inspector III	1	100	1	\$31,788.00	\$31,788.00	\$27,019.80	\$4,768.20	\$0.00
Inspector II	1	100	1	\$32,316.00	\$32,316.00	\$27,468.60	\$4,847.40	\$0.00
Inspector I	1	100	1	\$31,536.00	\$31,536.00	\$26,805.60	\$4,730.40	\$0.00
Off. Inspector II	1	100	1	\$33,324.00	\$33,324.00	\$28,325.40	\$4,998.60	\$0.00
Inspector III	1	100	1	\$16,116.00	\$16,116.00	\$13,698.60	\$2,417.40	\$0.00
Accountant	1	100	1	\$3,192.00	\$3,192.00	\$2,713.20	\$478.80	\$0.00
Safety Investigators	2	100	1	\$14,136.00	\$28,272.00	\$24,031.20	\$4,240.80	\$0.00
Database Administrator	1	100	1	\$6,552.00	\$6,552.00	\$5,569.20	\$982.80	\$0.00
Payroll Specialist	1	100	1	\$3,627.00	\$3,627.00	\$3,082.95	\$544.05	\$0.00
Inspector I	7	100	1	\$14,136.00	\$98,952.00	\$84,109.20	\$14,842.80	\$0.00
Inspector I	1	100	1	\$26,280.00	\$26,280.00	\$22,338.00	\$3,942.00	\$0.00
Inspector II	1	100	1	\$28,224.00	\$28,224.00	\$23,990.40	\$4,233.60	\$0.00
Inspector II	1	100	1	\$25,440.00	\$25,440.00	\$21,624.00	\$3,816.00	\$0.00
Sub-Total Salary					\$556,155.00	\$472,731.75	\$83,423.25	\$0.00
Overtime Information								
Overtime		100	2080		\$0.00	\$0.00	\$0.00	\$0.00
Sub-Total Overtime					\$0.00	\$0.00	\$0.00	\$0.00
TOTAL PERSONNEL					\$556,155.00	\$472,731.75	\$83,423.25	\$0.00

Enter detailed explanation of how you came up with the personnel costs:

- Please note that our personnel gets paid a monthly salary not by the hour. In order to display correct salary information, work year hours indicate "1" including employees who only dedicate 15% of their time to MCSAP related activities.)
- Two (2) employees, IT and Legal Technician are contract employees and salaries are not included in this section.

All employees are Full time employees therefore the workweek should be considered as 37.50 hours, i.e. 260 work days. Seven and a half (7.50) hours per day equivalent to 37.50 hours per week, and 1,950 hours per year. 7.5 hours a day x 5 days a week = 37.50 hours per week; 37.50 hours a week x 52 weeks a year= 1,950 hours per year]. Three employees only dedicate 15% time to the MCSAP program.

- **Permanent Employees:** Hours worked total one thousand four hundred sixty six point twenty five hours (1,466.25) per year. Holidays, annual and sick leave for tenure employees amount to sixty four and a half days i.e. four hundred eighty three point seventy five hours (483.75) per year. 1,950 – 483.75= 1,466.25
- **Term Employees:** Hours worked total one thousand four hundred ninety six point twenty five (1,496.25) per year. Holidays, annual and sick leave for term employees amount to sixty and a half (60.50) days i.e. four hundred fifty three point seventy five (453.75) hours per year. 1,950 – 453.75= 1,496.25

Employee Rate: 36,356 hours/year. *Time indicated is hours dedicated to MCSAP eligible activities only.

1. Administrative: (3,445.50 hours/year)

- 2 employees (100% of their time)-----1,466.25 x 2= 2,932.50 hours
- Accountant (approximately 11.26% of his time)-----220 hours
- Payroll Specialist (15% of the time) -----293hours

2. Information Technology (293 hours/year)

- Database Administrator (15% of the time)-----293 hours

3. Enforcement: (29,625.00 hours/year) Twenty (20) employees [19 inspectors + Director] work full time on MCSAP enforcement and compliance activities. However only the Director and 9 inspectors are permanent employees. Six Roadside Inspectors 1, 3 Safety Investigators and 1 inspector 3 are Term employees.

- 10 Permanent employees (100% time)-----1,466.25 x 10= 14,662.50 hours
- 10 Term employees (100% time)-----1,496.25 x 12= 14,962.50 hours

Standard Benefits (Holidays, Annual and Sick Leave):

10 Permanent employees (100% MCSAP) + 2 employees (15% MCSAP)= 5,230 hours

10 term employees (100% MCSAP) = 4,537 hours

Annual Leave: All employees accumulate two and a half (2.5) days of annual leave per month. That means a total of thirty (30) days a year. That translates into two hundred twenty five (225) hours per year.

Sick Leave: All employees accumulate one and a half (1.5) days of Sick Leave per month. That means a total of one hundred thirty five (135) hours per year. Holidays in FY 2016, Permanent employees have sixteen and a half (16.50) days that are considered holidays. 16.50 days x 7.5 hours per day = 123.75 hours per year. Term employees have twelve and a half (12.50) days considered holidays. 12.50 days x 7.5 hours per day = 93.75 hours per year

2 - Spending Plan: Fringe Benefits

Fringe costs are benefits paid to your employees, including the cost of employer's share of FICA, health insurance, worker's compensation, and paid leave. Only non-federal grantees that have an accrual basis of accounting may have a separate line item for leave, which will be entered as the projected leave expected to be accrued by the personnel listed within Narrative Section 1 – Personnel. Reference 2 CFR 200.431(b) for the proper management of leave expenditures. Include how the fringe benefit amount is calculated (i.e., actual fringe benefits, rate approved by HHS State Wide Cost Allocation or cognizant agency). Include a description of the specific benefits that are charged to a project and the benefit percentage or total benefit cost.

The costs of fringe benefits are allowable if they are provided under established written leave policies; the costs are equitably allocated to all related activities, including Federal awards; and, the accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the non-Federal entity or specified grouping of employees. Depending on the state, there are set employer taxes that are paid as a percentage of the salary, such as Social Security, Federal Unemployment Tax Assessment, Medicare, State Unemployment Tax, and State Disability Insurance. For each of these standard employer taxes, under Position you may list "All Positions"; the benefits would be the respective standard employer taxes, followed by the respective rate with a base being the total salaries for Personnel in Narrative Section 1 and the base multiplied by the respective rate would give the total for each standard employer taxes. Workers' Compensation is rated by risk area. It would be permissible to enter this as an average, usually between sworn and unsworn, but any grouping that is reasonable and clearly explained in the narrative is allowable. Health Insurance and Pensions can vary greatly and it too can be averaged and like Workers' Compensation, can sometimes be broken into sworn and unsworn.

Fringe Benefits Spending Plan Narrative						
Position(s)	Fringe Benefit Rate	Base Amount	Total Eligible Costs	85% Federal Share	15% State Share	Planned MOE Expenditures
Director	100	\$17,412.16	\$17,412.16	\$14,800.34	\$2,611.82	\$0.00
Secretary	100	\$12,864.97	\$12,864.97	\$10,935.22	\$1,929.75	\$0.00
Administrative Assistant	100	\$10,800.61	\$10,800.61	\$9,180.52	\$1,620.09	\$0.00
Off. Inspector II	100	\$11,746.36	\$11,746.36	\$9,984.41	\$1,761.95	\$0.00
Inspector IV	100	\$12,245.02	\$12,245.02	\$10,408.27	\$1,836.75	\$0.00
Inspector III	100	\$11,676.20	\$11,676.20	\$9,924.77	\$1,751.43	\$0.00
Inspector II	100	\$11,816.81	\$11,816.81	\$10,044.29	\$1,772.52	\$0.00
Inspector I	100	\$11,609.10	\$11,609.10	\$9,867.73	\$1,741.37	\$0.00
Off. Inspector II	100	\$11,222.28	\$11,222.28	\$9,538.94	\$1,683.34	\$0.00
Inspector III	100	\$6,639.79	\$6,639.79	\$5,643.82	\$995.97	\$0.00
Accountant	100	\$362.29	\$362.29	\$307.95	\$54.34	\$0.00
Safety Investigators	100	\$18,337.55	\$18,337.55	\$15,586.92	\$2,750.63	\$0.00
Database Administrator	100	\$2,097.02	\$2,097.02	\$1,782.47	\$314.55	\$0.00
Payroll Specialist	100	\$1,447.53	\$1,447.53	\$1,230.40	\$217.13	\$0.00
Inspector I	100	\$36,675.10	\$36,675.10	\$31,173.83	\$5,501.27	\$0.00
Inspector I	100	\$9,931.05	\$9,931.05	\$8,441.39	\$1,489.66	\$0.00
Inspector II	100	\$10,727.11	\$10,727.11	\$9,118.04	\$1,609.07	\$0.00
Inspector II	100	\$9,985.73	\$9,985.73	\$8,487.87	\$1,497.86	\$0.00
Sub-Total Fringe Benefits			\$207,596.68	\$176,457.18	\$31,139.50	\$0.00

Enter detailed explanation of how you came up with the fringe benefits costs:

PR MCSAP makes the following deductions as per Federal and State Laws:

1. Pension: As per state Law 15.28% (of the salary) (for employees who dedicate 15% of the time only 15% is charged to MCSAP).
2. Health Plan: A standard contribution of \$1,680.00 is made per year per employee (for employees who dedicate 15% of the time only 15% is charged to MCSAP). No deductions are made from this portion.
3. SS/Medicare: As per State and Federal Laws standard contributions are made to Social Security and Medicare of 7.65%. (for employees who dedicate 15% of the time only 15% is charged to MCSAP).
4. OWCP(workers compensation): As per State and Federal Laws standard contribution of 3.70% (disability). (for employees who dedicate 15% of the time only 15% is charged to MCSAP).
5. Summer Bonus: to each permanent employee \$250.00 (total of 11 employees) (for employees who dedicate 15% of the time only 15% is charged to MCSAP). Social Security (7.65%) and OWCP (3.70%) deductions/charges apply.
6. Christmas Bonus: \$ 1,125.00 for permanent employees (10 employees)and \$600.00 for non permanent or management level employees (16 employees). (for employees who dedicate 15% of the time only 15% is charged to MCSAP). Social Security (7.65%) and OWCP (3.70%) deductions/charges apply.

2025 - 09/30/16 mramos

Laws stating Puerto Rico's government employees Bonus Policies have been Attached. See 2014 PR Law Num. 66 (pg.51), which states the current bonus policy.

However the PR PSC Human Resources Director indicated that the Union negotiated with the current governor and if the electricity consumption were to decrease their bonus (Christmas and Summer) will not be reduced to the amount indicated on Law 66. They would honor the amount indicated on page 52 of the collective bargaining agreement (included under the title PR PSC Per Diem)(in Spanish).

3 - Spending Plan: Travel

Travel costs are funds for field work or for travel to professional meetings. Provide the purpose, number of persons traveling, number of days, and estimated cost for each trip. If details of each trip are not known at the time of application submission, provide the basis for determining the amount requested.

Travel Cost Spending Plan Narrative						
Purpose	# of Staff	Days	Total Eligible Costs	85% Federal Share	15% State Share	Planned MOE Expenditures
Routine MCSAP related Travel	20	192	\$53,760.00	\$45,696.00	\$8,064.00	\$0.00
Conference Travel (5): CVSP Annual Meeting, CVSA Conference, COHMED Conference, NAIC, CVSA Workshop	2	6	\$21,420.00	\$18,207.00	\$3,213.00	\$0.00
Training Travel (Passenger Vehicle Inspection, CSA Training)	4	6	\$16,440.00	\$13,974.00	\$2,466.00	\$0.00
Sub-Total Travel			\$91,620.00	\$77,877.00	\$13,743.00	\$0.00

Enter detailed explanation of how you came up with the travel costs:

BUDGET FOR TRAVEL: \$91,620.00

Federal 85%: \$77,877.00

State 15%: \$13,743.00

*The Budget for Travel is estimated. All travel for professional meetings and conferences occur in the continental U. S. which we are not able to reach via vehicle. Expenses will have to include airfare and hotel accomodations which will vary depending date and location.

2746 - 12/20/16 mramos

Documents have been merged as requested by Comment 2636. Additionally, Response 1994 and this one will be included in the Narrative portion under this section.

1994 - 09/29/16 mramos

Documents requested have been uploaded but not merged. Applicable sections have been highlighted. (Please note both regulations are in Spanish.) 1. State IRS Regulation Number 37 (Applicable to all Puerto Rico government employees.) 2. PR PSC Per Diem Regulations (Collective Bargaining Agreement, PR Public Service Commission).

A. ROUTINE TRAVEL : \$53,760.00

1. Federal 85%: \$45,696.00

2. State 15%: \$8,064.00

Nineteen (19) inspectors and the Director (1) performing 100% MCSAP enforcement and compliance work entitled to per diem

benefits. Based on the formula indicated in the Personnel Spending Plan Narrative, Permanent employees work a total of 195.5 days and term employees work a total of 199.5 days per year. Subtracting the average days they remain at the office, they spend an average of 192 performing enforcement and compliance work.

Per diem: \$4.00 for breakfast, \$8.00 for lunch, \$9.00 for dinner

ROUTINE MCSAP TRAVEL				
Expense	Personnel	Amount	Days	Total
Per Diem	12 Inspectors	\$12.00	192	\$27,648.00
Per Diem	8 Inspectors	\$17.00	192	\$26,112.00
192 days x 12 employees x \$12.00 for inspectors who work the shift from 6:00 am until 14:30				
192 days x 8 employees x \$17.00 for inspectors who work the shift from 11:00 am until 19:30			\$53,760.00	

B. CONFERENCES: \$21,420.00

- **Federal 85%:** \$18,207.00
- **State 15%:** \$3,213.00

1. CVSP Annual Meeting:

*To discuss next year's proposal parameters/requirements.

CVSP ANNUAL MEETING				
Expense	Personnel	Amount	Days	Total
Airfare	Director + 1 Inspector	\$800.00	0	\$1,600.00
Per Diem	Director + 1 Inspector	\$140.00	4	\$560.00
Accomodations	Director + 1 Inspector	\$250.00	4	\$1,000.00
Registration	Director + 1 Inspector	\$0.00	0	\$0.00
Incidentals	Director + 1 Inspector	\$200.00	0	\$200.00
TOTAL				\$3,360.00

*accomodations will be shared. Established government Per diem rate is \$70.00 per person per day.

2. CVSA Conference:

CVSA CONFERENCE				
Expense	Personnel	Amount	Days	Total
Airfare	Director + 1 Inspector	\$800.00	0	\$1,600.00
Per Diem	Director + 1 Inspector	\$70.00	6	\$840.00
Accomodations	Director + 1 Inspector	\$250.00	6	\$1,500.00
Registration	Director + 1 Inspector	\$0.00	0	\$0.00
Incidentals	Director + 1 Inspector	\$200.00	0	\$200.00
TOTAL				\$4,140.00

*accomodations will be shared. Established government Per diem rate is \$70.00 per person per day.

3. COHMED Conference:

*To keep Radioactive Inspector's Certification.

COHMED CONFERENCE				
Expense	Personnel	Amount	Days	Total
Airfare	Director+2 Inspectors= 3	\$800.00	0	\$2,400.00
Per Diem	Director+2 Inspectors= 3	\$1,260.00	6	\$1,260.00
Accomodations	Director+2 Inspectors= 3	\$250.00	6	\$3,000.00
Registration	Director+2 Inspectors= 3	\$0.00	0	\$0.00
Incidentals	Director (1)	\$200.00	0	\$200.00
TOTAL				\$6,860.00

*accomodations will be shared. Established government Per diem rate is \$70.00 per person per day. Incidentials paid to Director

4. NORTH AMERICAN INSPECTORS CHAMPIONSHIP

NORTH AMERICAN INSPECTORS CHAMPIONSHIP				
Expense	Personnel	Amount	Days	Total
Airfare	Inspector (1)	\$800.00	0	\$800.00
Per Diem	Inspector (1)	\$70.00	6	\$420.00
Accomodations	Inspector (1)	\$250.00	6	\$1,500.00
Registration	Inspector (1)	\$0.00	0	\$0.00
Incidentals	Inspector (1)	\$200.00	0	\$200.00
		TOTAL		\$2,920.00

* Established government Per diem rate is \$70.00 per person per day.

5. CVSA WORKSHOP

CVSA WORKSHOP				
Expense	Personnel	Amount	Days	Total
Airfare	Director + 1 Inspector	\$800.00	0	\$1,600.00
Per Diem	Director + 1 Inspector	\$140.00	6	\$840.00
Accomodations	Director + 1 Inspector	\$250.00	6	\$1,500.00
Registration	Director + 1 Inspector	\$0.00	0	\$0.00
Incidentals	Director + 1 Inspector	\$200.00	0	\$200.00
		TOTAL		\$4,140.00

*accomodations will be shared. Established government Per diem rate is \$70.00 per person per day.

c. TRAINING: \$16,440.00

- Federal 85%: \$13,974.00
- State 15%: \$2,466.00

1. PASSENGER VEHICLE INSPECTION:

PASSENGER VEHICLE INSPECTION				
Expense	Personnel	Amount	Days	Total
Airfare	4 Inspectors	\$800.00	0	\$3,200.00
Per Diem	4 Inspectors	\$280.00	6	\$1,680.00
Accomodations	4 Inspectors	\$250.00	6	\$4,500.00
Registration	4 Inspectors	\$0.00	0	\$0.00
Incidentals	4 Inspectors	\$200.00	0	\$200.00
		TOTAL		\$9,580.00

*3 rooms, same gender will be share a room whenever possible. Incidentals paid to only one person

2. CSA PHASE III TRAINING:

CSA PHASE III TRAINING				
Expense	Personnel	Amount	Days	Total
Airfare	Director+2 Safety Investigators= 3	\$800.00	0	\$2,400.00
Per Diem	Director+2 Safety Investigators= 3	\$1,260.00	6	\$1,260.00
Accomodations	Director+2 Safety Investigators= 3	\$500.00	6	\$3,000.00
Registration	Director+2 Safety Investigators= 3	\$0.00	0	\$0.00

Incidentals	Director (1)	\$200.00	0	\$200.00	
			TOTAL		\$6,860.00

* Two rooms (\$250.00 each) accomodations will be shared. Established government Per diem rate is \$70.00 per person per day. Incidentals paid to Director

4 - Spending Plan: Equipment

Equipment costs only include those items which are tangible, nonexpendable, personal property having a useful life of more than one year and acquisition cost of \$5,000 or more per unit. Include a description, quantity and unit price for all equipment. If the expense is under the threshold of \$5,000 per item, it belongs under "Supplies". However, if your State's equipment threshold is below \$5,000, check the box and provide the amount of your equipment threshold.

The actual "Cost per Item" for MCSAP grant purposes is tied to the percentage of time that the team will be dedicated to MCSAP activities. For example, if you purchase a vehicle costing \$20,000 and it is only used for MCSAP purposes 50% of the time, then the "Cost per Item" in the table below should be shown as \$10,000. A State can provide a more detailed explanation in the narrative section.

Indicate if your State's equipment threshold is below \$5,000: Yes No
If threshold is below \$5,000, enter threshold level:

Equipment Cost Spending Plan Narrative						
Item Name	# of Items	Cost per Item	Total Eligible Costs	85% Federal Share	15% State Share	Planned MOE Expenditures
Other Inspection Vehicle Equipment (Lights and Sirens)	1	\$17,149.99	\$17,149.99	\$5,100.00	\$900.00	\$11,149.99
Sub-Total Equipment			\$17,149.99	\$5,100.00	\$900.00	\$11,149.99

Enter detailed explanation of how you came up with the equipment costs:

****Costs have been estimated: In order to reflect estimated costs, a "1" has been placed in the "# of Items" column.****

- Vehicle and Truck Lights and Siren Replacement: \$17,149.99. Out of the total costs, \$6,000.00 will be charged to CVSP Budget, and \$11,149.99 will be borne by the MOE.

5 - Spending Plan: Supplies

Supplies are tangible personal property other than equipment (which can include laptop computers and printers). Include the types of property in general terms. It is not necessary to document office supplies in great detail (reams of paper, boxes of paperclips, etc.) A good way to document office supplies is to indicate the approximate expenditure of the unit as a whole. Do include a quantity, unit of measurement (e.g., month, year, each, etc.) and unit cost.

The actual "Cost per Item" for MCSAP grant purposes is tied to the percentage of time that the item will be dedicated to MCSAP activities. For example, if you purchase an item costing \$200 and it is only used for MCSAP purposes 50% of the time, then the "Cost per Item" in the table below should be shown as \$100. A State can provide a more detailed explanation in the narrative section.

Supplies Cost Spending Plan Narrative							
Item Name	# of Units/Items	Unit of Measurement	Cost per Unit	Total Eligible Costs	85% Federal Share	15% State Share	Planned MOE Expenditures
Office Supplies	52	box	\$250.00	\$13,000.00	\$4,250.00	\$750.00	\$8,000.00
Uniforms and Other Related Supplies	85	box	\$200.00	\$17,000.00	\$4,250.00	\$750.00	\$12,000.00
Computers	5	Item	\$2,000.00	\$10,000.00	\$0.00	\$0.00	\$10,000.00
Printers	5	item	\$1,600.00	\$8,000.00	\$3,400.00	\$600.00	\$4,000.00
Other (Inspection Tools, books, etc.)	20	box	\$450.00	\$9,000.00	\$1,700.00	\$300.00	\$7,000.00
Hotspots	12	year	\$240.00	\$2,880.00	\$2,448.00	\$432.00	\$0.00
SIM Cards (Internet)	3	year	\$120.00	\$360.00	\$306.00	\$54.00	\$0.00
Sub-Total Supplies				\$60,240.00	\$16,354.00	\$2,886.00	\$41,000.00

Enter detailed explanation of how you came up with the supplies costs:
SUPPLIES COST BUDGET NARRATIVE:

Basic Budget:-----\$60,240.00

Federal 85%:-----\$16,354.00
 State 15%:-----\$2,886.00

MOE: -----\$41,000.00

- General office supplies (copy paper, pens, pencils etc..):** for an office with twenty four (24) MCSAP employees: **\$250.00 per week approximately.** Costs for 100% dedicated MCSAP employees including contract employees who and when working the office. Any costs over grant amount will be borne by MOE.
- Uniforms and Other related supplies:** for an office with twenty two (22) 100% dedicated PR MCSAP employees, \$5,000.00. Any costs not covered by the grant will be borne by the MOE. **Costs included not allowable for Contract Employees (2) or those who only dedicate 15% of their time (4).**
- Computers:** as needed to replace old technology, appx \$2,000.00 per unit. **Costs will be borne by MOE.**
- Portable printers located at vehicles to replace broken units,** \$1,600.00 per unit estimated costs. **Any costs over grant amount will be borne by MOE.**
- Other Inspection Tools:** Annual replacement of Regulatory Books and Guides, \$11,000 approximately. **Any costs over grant amount will be borne by MOE.**
- Hotspots:** 12 units that will be installed in the vehicles, to provide internet service to access FMCSA's systems to determine OOS units and validity of US DOT's numbers. 12 units @ 20.00 per month for 12 months unit rent= \$2,880.00 per year.
- SIM Cards:** 3 units that will be used by the PR MCSAP Director and 2 Official Supervisors to have 24/7 internet access in order to use ASPEN/ Safetynet and FMCSA's Systems. 3 units @ \$10.00 per month for 12 months unit rent = \$360.00

6 - Spending Plan: Contractual

Contractual includes subgrants and contracts, such as consulting costs. Include the rationale for the amount of the costs. The narrative should provide the name of the subgrantee or vendor if known at the time that the application is being developed. If the name of the subgrantee or vendor is not known, enter "unknown at this time" and give an estimated time when it is expected. You do need to include specific contract goods and/or services provided, the related expenses for those goods and services, and how the cost of the contract represents a fair market value, which includes stating that the contract is procured through established state procurement practices. Entering the statement "contractual services" will not be considered as meeting the requirement for completing this section.

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award.

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

For applicants with subgrantee agreements: Whenever the applicant intends to provide funding to another organization as a subaward, the grantee must provide a narrative and spending plan for each subgrantee organization. The eCVSP allows applicants to submit a narrative and spending plan for each subgrantee. Provide a separate spending plan for each subgrant, regardless of the dollar value and indicate the basis for the cost estimates in the narrative.

Contractual Cost Spending Plan Narrative				
Description of Services	Total Eligible Costs	85% Federal Share	15% State Share	Planned MOE Expenditures
Legal Technician	\$30,000.00	\$25,500.00	\$4,500.00	\$0.00
Single Audit	\$15,000.00	\$12,750.00	\$2,250.00	\$0.00
IT	\$25,000.00	\$21,250.00	\$3,750.00	\$0.00
AJP LLC (Advertisement)	\$10,000.00	\$0.00	\$0.00	\$10,000.00
Sub-Total Contractual	\$80,000.00	\$59,500.00	\$10,500.00	\$10,000.00

Enter detailed explanation of how you came up with the contractual costs:

1. **Legal Technician:** consultant will be providing services to assist MCSAP Director with CVSP grant proposal application, Quarterly and Annual Performance Reports. Other services to include Regulation adoption compliance. Services performed will not exceed (100) hours per month @25.00 per hour for a maximum of twelve (12) months.
2. **Single Audit:** performed to comply with regulations set for entities that receive Federal Funding.
3. **IT:** consultant will be assisting be providing support services with ASPEN and Safetynet. Consultant will upload inspection and crash reports into Safetynet/A&I. Consultant will also perform financial duties related to voucherizing/claiming reimbursements.
4. **AJP LLC:** consultant that performs duties related with educational campaigns. **Costs will be covered by the MOE.**

2470 - 10/27/16 mramos

To my knowledge the PR PSC adheres to Federal Procurement Standards cited in 2 CFR 200.317-326 in selecting vendors. 2. Audit expense has been relocated to indirect costs and will be distributed among all programs.

7 - Spending Plan: Other Costs

Other direct costs do not fit any of the aforementioned categories, such as rent for buildings used to conduct project activities, utilities and/or leased equipment, employee training tuition, etc. You must include a quantity, unit of measurement (e.g., month, year, each, etc.) and unit cost. You must itemize ALL "Other" direct costs.

If the State plans to include O&M costs, details must be provided in this section and the costs included in the Other Costs area of the Spending Plan Narrative. Please indicate these costs as ITD O&M, PRISM O&M, or SSDQ O&M.

Indicate if your State will claim reimbursement for Indirect Costs: Yes No If yes please fill in table below.

Item Name	Total Eligible Costs	85% Federal Share	15% State Share	Planned MOE Expenditures
Indirect Costs	\$342,008.00	\$290,706.80	\$51,301.20	\$0.00

Other Costs Spending Plan Narrative							
Item Name	# of Units/Items	Unit of Measurement	Cost per Unit	Total Eligible Costs	85% Federal Share	15% State Share	Planned MOE Expenditures
Training Costs (tuition, books)	1	training cost	\$1,400.00	\$1,400.00	\$340.00	\$60.00	\$1,000.00
CVSA Decals	2000	units	\$1.50	\$3,000.00	\$1,700.00	\$300.00	\$1,000.00
Conferences Costs (Registration fees,CVSA dues, etc.)	1	training	\$20,800.00	\$20,800.00	\$4,590.00	\$810.00	\$15,400.00
Fuel Costs	45000	liter	\$1.00	\$45,000.00	\$38,250.00	\$6,750.00	\$0.00
Maintenance of Vehicles not Under Contract	1	maintenance	\$33,625.33	\$33,625.33	\$16,813.08	\$2,967.02	\$13,845.23
Fleet	1	maintenace	\$3,066.43	\$3,066.43	\$0.00	\$0.00	\$3,066.43
Marking	1	unit	\$8,000.00	\$8,000.00	\$0.00	\$0.00	\$8,000.00
Office Rent	1	annual	\$84,476.69	\$84,476.69	\$53,105.19	\$9,371.03	\$22,000.00
Printer Rent	1	Unit	\$10,800.00	\$10,800.00	\$4,590.00	\$810.00	\$5,400.00
Toll	1	annual	\$5,000.00	\$5,000.00	\$2,125.00	\$375.00	\$2,500.00
Communications (Internet Service)	1	year	\$5,520.00	\$5,520.00	\$4,692.00	\$828.00	\$0.00
Lan Service (Internet Security Control)	1	year	\$1,800.00	\$1,800.00	\$1,530.00	\$270.00	\$0.00
Sub-Total Other Costs				\$222,488.45	\$127,735.27	\$22,541.05	\$72,211.66

Enter detailed explanation of how you came up with the other costs:

Indirect Costs

PR MCSAP Indirect Costs are calculated based on Personnel (Payroll Costs) and Fringe Benefits. At this moment the IDC have not been negotiated so calculations are based on last negotiated IDC as a placeholder (as an estimate) until new IDC are negotiated. These costs will not be charged until then.

Other Costs Budget Narrative:

1. **Training Costs:** Associated with any NTC or other approved FMCSA related training for our dedicated 100% MCSAP personnel belonging to our Enforcement and Compliance, Information Technology, Legal or Administrative Divisions. **Costs over amount on grant will be borne by the MOE**
2. **CVSA Decals:** 100% dedicated MCSAP activities. 2,000 used/shipped around 500 per quarter (estimated use). \$1.50 per unit, costs may increase or decrease depending quantities used per quarter. **Costs over amount on grant will be borne by the MOE.**
3. **Conference Costs (CVSA Dues):** PR MCSAP is a CVSA Member and participates actively in its Committees. Two roadside inspectors as well as the PR MCSAP Director are Certified to perform Level VI inspections and have to be re certified annually. **Costs over amount on grant will be borne by the MOE.**
4. **Fuel Costs:** For 100% dedicated 16 MCSAP vehicles @ \$3,750.00 per month approximately (costs may vary depending on fuel price).
5. **Maintenance of Vehicles not under Contract:** Commercial Motor Vehicle (1) dedicated 100% to MCSAP activities.
6. **Fleet Cost (Mileage/Repairs):** \$3,066.43 per year. Vehicle 100% MCSAP activities. **Costs will be borne by the MOE.**
7. **Marking:** Maintain MCSAP Markings for 100% dedicated 16 MCSAP vehicles. **Costs will be borne by the MOE.**
8. **Office Rent:** Main Office and four Regional Offices Space Rental dedicated to 100% MCSAP activities. **Costs over amount on grant will be borne by the MOE.**
9. **Printer Rent:** Printer located at Main Office and four Regional Offices dedicated 100% MCSAP activities. Costs over amount on grant will be borne by the MOE.
10. **Tolls:** For 100% dedicated 16 MCSAP vehicles when driving to and from inspection areas, High Risk Corridors and/or crash sites. Costs over amount on grant will be borne by the MOE.
11. **Internet Service:** monthly use fee for 15 units (hotspots and sim cards) @460.00 per month for 12 months (package).
12. **LAN Service:** monthly fee for internet security access control 15 units @\$10.00 per month for 12 months.

8 - Spending Plan**Instructions:**

The spending plan will be auto-populated from the relevant tables in the narrative. MOE is autopopulated from the Spending Plan Narrative sections. The Total Grant Expenditures column is automatically calculated based on the auto-populated Federal and State share amounts entered in the narrative tables.

ESTIMATED Fiscal Year Funding Amounts for MCSAP			
	85% Federal Share	15% State Share	Total Estimated Funding
Total	\$1,229,707.00	\$217,007.00	\$1,446,714.00

Allowable amount for Overtime (15% of total award amount without justification): \$217,007.00

Maximum amount for Non-CMV Traffic Enforcement (10% of Basic funding amount): \$122,971.00

Personnel (Payroll Costs)				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Director	\$48,082.80	\$8,485.20	\$56,568.00	\$0.00
Secretary	\$30,814.20	\$5,437.80	\$36,252.00	\$0.00
Administrative Assistant	\$24,225.00	\$4,275.00	\$28,500.00	\$0.00
Off. Inspector II	\$29,998.20	\$5,293.80	\$35,292.00	\$0.00
Inspector IV	\$28,835.40	\$5,088.60	\$33,924.00	\$0.00
Inspector III	\$27,019.80	\$4,768.20	\$31,788.00	\$0.00
Inspector II	\$27,468.60	\$4,847.40	\$32,316.00	\$0.00
Inspector I	\$26,805.60	\$4,730.40	\$31,536.00	\$0.00
Off. Inspector II	\$28,325.40	\$4,998.60	\$33,324.00	\$0.00
Inspector III	\$13,698.60	\$2,417.40	\$16,116.00	\$0.00
Accountant	\$2,713.20	\$478.80	\$3,192.00	\$0.00
Safety Investigators	\$24,031.20	\$4,240.80	\$28,272.00	\$0.00
Database Administrator	\$5,569.20	\$982.80	\$6,552.00	\$0.00
Payroll Specialist	\$3,082.95	\$544.05	\$3,627.00	\$0.00
Inspector I	\$84,109.20	\$14,842.80	\$98,952.00	\$0.00
Inspector I	\$22,338.00	\$3,942.00	\$26,280.00	\$0.00
Inspector II	\$23,990.40	\$4,233.60	\$28,224.00	\$0.00
Inspector II	\$21,624.00	\$3,816.00	\$25,440.00	\$0.00
Subtotal for Personnel	\$472,731.75	\$83,423.25	\$556,155.00	\$0.00

Fringe Benefit Costs (Health, Life Insurance, Retirement, etc.)				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Director	\$14,800.34	\$2,611.82	\$17,412.16	\$0.00
Secretary	\$10,935.22	\$1,929.75	\$12,864.97	\$0.00
Administrative Assistant	\$9,180.52	\$1,620.09	\$10,800.61	\$0.00
Off. Inspector II	\$9,984.41	\$1,761.95	\$11,746.36	\$0.00
Inspector IV	\$10,408.27	\$1,836.75	\$12,245.02	\$0.00
Inspector III	\$9,924.77	\$1,751.43	\$11,676.20	\$0.00
Inspector II	\$10,044.29	\$1,772.52	\$11,816.81	\$0.00
Inspector I	\$9,867.73	\$1,741.37	\$11,609.10	\$0.00
Off. Inspector II	\$9,538.94	\$1,683.34	\$11,222.28	\$0.00
Inspector III	\$5,643.82	\$995.97	\$6,639.79	\$0.00
Accountant	\$307.95	\$54.34	\$362.29	\$0.00
Safety Investigators	\$15,586.92	\$2,750.63	\$18,337.55	\$0.00
Database Administrator	\$1,782.47	\$314.55	\$2,097.02	\$0.00
Payroll Specialist	\$1,230.40	\$217.13	\$1,447.53	\$0.00
Inspector I	\$31,173.83	\$5,501.27	\$36,675.10	\$0.00
Inspector I	\$8,441.39	\$1,489.66	\$9,931.05	\$0.00
Inspector II	\$9,118.04	\$1,609.07	\$10,727.11	\$0.00
Inspector II	\$8,487.87	\$1,497.86	\$9,985.73	\$0.00
Subtotal for Fringe Benefits	\$176,457.18	\$31,139.50	\$207,596.68	\$0.00

Program Travel				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Routine MCSAP related Travel	\$45,696.00	\$8,064.00	\$53,760.00	\$0.00
Conference Travel (5): CVSP Annual Meeting, CVSA Conference, COHMED Conference, NAIC, CVSA Workshop	\$18,207.00	\$3,213.00	\$21,420.00	\$0.00
Training Travel (Passenger Vehicle Inspection, CSA Training)	\$13,974.00	\$2,466.00	\$16,440.00	\$0.00
Subtotal for Program Travel	\$77,877.00	\$13,743.00	\$91,620.00	\$0.00

Equipment				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Other Inspection Vehicle Equipment (Lights and Sirens)	\$5,100.00	\$900.00	\$6,000.00	\$11,149.99
Subtotal for Equipment	\$5,100.00	\$900.00	\$6,000.00	\$11,149.99

Supplies				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Office Supplies	\$4,250.00	\$750.00	\$5,000.00	\$8,000.00
Uniforms and Other Related Supplies	\$4,250.00	\$750.00	\$5,000.00	\$12,000.00
Computers	\$0.00	\$0.00	\$0.00	\$10,000.00
Printers	\$3,400.00	\$600.00	\$4,000.00	\$4,000.00
Other (Inspection Tools, books, etc.)	\$1,700.00	\$300.00	\$2,000.00	\$7,000.00
Hotspots	\$2,448.00	\$432.00	\$2,880.00	\$0.00
SIM Cards (Internet)	\$306.00	\$54.00	\$360.00	\$0.00
Subtotal for Supplies	\$16,354.00	\$2,886.00	\$19,240.00	\$41,000.00

Contractual (Subgrantees, Consultant Services, etc.)				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Legal Technician	\$25,500.00	\$4,500.00	\$30,000.00	\$0.00
Single Audit	\$12,750.00	\$2,250.00	\$15,000.00	\$0.00
IT	\$21,250.00	\$3,750.00	\$25,000.00	\$0.00
AJP LLC (Advertisement)	\$0.00	\$0.00	\$0.00	\$10,000.00
Subtotal for Contractual	\$59,500.00	\$10,500.00	\$70,000.00	\$10,000.00

Other Expenses				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Training Costs (tuition, books)	\$340.00	\$60.00	\$400.00	\$1,000.00
CVSA Decals	\$1,700.00	\$300.00	\$2,000.00	\$1,000.00
Conferences Costs (Registration fees,CVSA dues, etc.)	\$4,590.00	\$810.00	\$5,400.00	\$15,400.00
Fuel Costs	\$38,250.00	\$6,750.00	\$45,000.00	\$0.00
Maintenance of Vehicles not Under Contract	\$16,813.08	\$2,967.02	\$19,780.10	\$13,845.23
Fleet	\$0.00	\$0.00	\$0.00	\$3,066.43
Marking	\$0.00	\$0.00	\$0.00	\$8,000.00
Office Rent	\$53,105.19	\$9,371.03	\$62,476.22	\$22,000.00
Printer Rent	\$4,590.00	\$810.00	\$5,400.00	\$5,400.00
Toll	\$2,125.00	\$375.00	\$2,500.00	\$2,500.00
Communications (Internet Service)	\$4,692.00	\$828.00	\$5,520.00	\$0.00
Lan Service (Internet Security Control)	\$1,530.00	\$270.00	\$1,800.00	\$0.00
Subtotal for Other Expenses including Training & Conferences	\$127,735.27	\$22,541.05	\$150,276.32	\$72,211.66

Total Costs				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Subtotal for Direct Costs	\$935,755.20	\$165,132.80	\$1,100,888.00	\$134,361.65
Indirect Cost	\$290,706.80	\$51,301.20	\$342,008.00	\$0.00
Total Costs Budgeted	\$1,226,462.00	\$216,434.00	\$1,442,896.00	\$134,361.65

Comprehensive Budget

This Comprehensive Budget is a read-only document. It is a cumulative summary of the Spending Plans from each focus area by budget category.

ESTIMATED Fiscal Year Funding Amounts for MCSAP			
	85% Federal Share	15% State Share	Total Estimated Funding
Total	\$1,229,707.00	\$217,007.00	\$1,446,714.00

- The Total Federal Share budgeted does not equal 85% of the Total Grant Expenditures. Please revise the spending plan(s) to reflect an amount that is equal to 85%.

Cost Summary by Budget Category				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Personnel Total	\$472,731.75	\$83,423.25	\$556,155.00	\$0.00
Fringe Benefit Total	\$176,457.18	\$31,139.50	\$207,596.68	\$0.00
Program Travel Total	\$77,877.00	\$13,743.00	\$91,620.00	\$0.00
Equipment Total	\$5,100.00	\$900.00	\$6,000.00	\$11,149.99
Supplies Total	\$16,354.00	\$2,886.00	\$19,240.00	\$41,000.00
Contractual Total	\$59,500.00	\$10,500.00	\$70,000.00	\$10,000.00
Other Expenses Total	\$127,735.27	\$22,541.05	\$150,276.32	\$72,211.66
Total Costs				
	85% Federal Share	15% State Share	Total Grant Expenditures	Planned MOE Expenditures
Subtotal for Direct Costs	\$935,755.20	\$165,132.80	\$1,100,888.00	\$134,361.65
Indirect Costs	\$290,706.80	\$51,301.20	\$342,008.00	\$0.00
Total Costs Budgeted	\$1,226,462	\$216,434	\$1,442,896	\$134,362

NOTE: Total Costs Budgeted row: Federal Share value rounded down to nearest whole dollar and State Share value rounded up to the nearest whole dollar amount.

- The Total Federal Share budgeted does not equal 85% of the Total Grant Expenditures. Please revise the spending plan(s) to reflect an amount that is equal to 85%.

FY 2017 Certification of MCSAP Conformance (Commonwealth Certification)

I, Alejandro Garcia Padilla, Governor, on behalf of the Commonwealth of Puerto Rico (henceforth referred as Commonwealth, as requested by the Administrator as a condition of approval of a grant under the authority of 49 U.S.C. § 31102, as amended, do hereby certify as follows:

1. The Commonwealth has adopted commercial motor carrier and highway hazardous materials safety regulations, standards and orders that are compatible with the FMCSRs and the HMRs, and the standards and orders of the Federal Government.
2. The Commonwealth has designated the Puerto Rico Public Service Commission (henceforward referred to as PR PSC) as the Lead Commonwealth Agency to administer the Commercial Vehicle Safety Plan throughout the Commonwealth for the grant sought and to perform defined functions under the CVSP. The PR PSC has the legal authority, resources, and qualified personnel necessary to enforce the Commonwealth's commercial motor carrier, driver, and highway hazardous materials safety laws, regulations, standards, and orders.
3. The Commonwealth will obligate the funds or resources necessary to provide a matching share to the Federal assistance provided in the grant to administer the plan submitted and to enforce the Commonwealth's commercial motor carrier safety, driver, and hazardous materials laws, regulations, standards, and orders in a manner consistent with the approved plan.
4. The laws of the Commonwealth provide the Commonwealth enforcement officials right of entry (or other method a Commonwealth may use that is adequate to obtain the necessary information) and inspection sufficient to carry out the purposes of the CVSP, as approved, and provide that the Commonwealth will grant maximum reciprocity for inspections conducted pursuant to the North American Standard Inspection procedure, through the use of a nationally accepted system allowing ready identification of previously inspected CMVs.
5. The Commonwealth requires that all reports relating to the program be submitted to the Commonwealth, and the Commonwealth will make these reports available, in a timely manner, to the FMCSA on request.
6. The Commonwealth has uniform reporting requirements and uses FMCSA designated forms for record keeping, inspection, and other enforcement activities.
7. The Commonwealth has in effect a requirement that registrants of CMVs demonstrate their knowledge of the applicable Federal or Commonwealth CMV safety laws or regulations.
8. The Commonwealth must ensure that the total expenditure of amounts of the Commonwealth will be maintained at a level of effort each fiscal year in accordance with 49 CFR 350.301.

9. The Commonwealth will ensure that MCSAP funded enforcement of activities under 49 CFR 350.309 will not diminish the effectiveness of the development and implementation of the programs to improve motor carrier, CMV, and driver safety.
10. The Commonwealth will ensure that CMV size and weight enforcement activities funded with MCSAP funds will not diminish the effectiveness of other CMV safety enforcement programs.
11. The Commonwealth will ensure that violation sanctions imposed and collected by the Commonwealth are consistent, effective, and equitable.
12. The Commonwealth will (1) establish and dedicate sufficient resources to a program to provide FMCSA with accurate, complete, and timely reporting of motor carrier safety information that includes documenting the effects of the Commonwealth's CMV safety programs; (2) participate in a national motor carrier safety data correction program (DataQs); (3) participate in appropriate FMCSA systems including information technology and data systems; and (4) ensure information is exchanged in a timely manner with other Commonwealths.
13. The Commonwealth will ensure that the CVSP, data collection, and information data systems are coordinated with the Commonwealth highway safety improvement program under sec. 148(c) of title 23, U.S. Code. The name of the Governor's highway safety representative (or other authorized Commonwealth official through whom coordination was accomplished) is **Mr. Jose A. Delgado Ortiz**.
14. The Commonwealth has undertaken efforts to emphasize and improve enforcement of Commonwealth and local traffic laws as they pertain to CMV safety.
15. The Commonwealth will ensure that it has departmental policies stipulating that roadside inspections will be conducted at locations that are adequate to protect the safety of drivers and enforcement personnel.
16. The Commonwealth will ensure that MCSAP-funded personnel, including sub-grantees, meet the minimum Federal standards set forth in 49 CFR part 385, subpart C for training and experience of employees performing safety audits, compliance reviews, or driver/vehicle roadside inspections.
17. The Commonwealth will enforce registration (i.e., operating authority) requirements under 49 U.S.C 13902, 31134, and 49 CFR § 392.9a by prohibiting the operation of any vehicle discovered to be operating without the required registration or beyond the scope of the motor carrier's registration.
18. The Commonwealth will cooperate in the enforcement of financial responsibility requirements under 49 U.S.C. 13906, 31138, 31139 and 49 CFR part 387.
19. The Commonwealth will include, in the training manual for the licensing examination to drive a non-CMV and the training manual for the licensing examination to drive a CMV, information on best practices for safe driving in the vicinity of noncommercial and commercial motor vehicles.

20. The Commonwealth will conduct comprehensive and highly visible traffic enforcement and CMV safety inspection programs in high-risk locations and corridors.
21. The Commonwealth will ensure that, except in the case of an imminent or obvious safety hazard, an inspection of a vehicle transporting passengers for a motor carrier of passengers is conducted at a bus station, terminal, border crossing, maintenance facility, destination, or other location where motor carriers may make planned stops (excluding a weigh station).
22. The Commonwealth will transmit to its roadside inspectors the notice of each Federal exemption granted pursuant to 49 U.S.C. § 31315(b) and 49 CFR 390.32 and 390.25 as provided to the Commonwealth by FMCSA, including the name of the person granted the exemption and any terms and conditions that apply to the exemption.
23. Except for a territory of the United States, the States will conduct safety audits of interstate and, at the States' discretion, intrastate new entrant motor carriers under 49 U.S.C. § 31144(g). The State must verify the quality of the work conducted by a third party authorized to conduct safety audits under 49 U.S.C. §31144(g) on its behalf, and the State remains solely responsible for the management and oversight of the activities.
24. The Commonwealth willfully participates in the performance and registration information systems management program under 49 U.S.C. §31106(b) not later than October 1, 2020, or demonstrates to FMCSA an alternative approach for identifying and immobilizing a motor carrier with serious safety deficiencies in a manner that provides an equivalent level of safety.
25. In the case that the Commonwealth shares a land border with another country, the Commonwealth may conduct a border CMV safety program focusing on international commerce that includes enforcement and related projects or will forfeit all MCSAP funds based on border-related activities.
26. In the case that the Commonwealth meets all MCSAP requirements and funds operation and maintenance costs associated with innovative technology deployment with MCSAP funds, the Commonwealth agrees to comply with the requirements established in 49 CFR 350.319 and 350.329

Date

August 30, 2016

Signature

Gulfoor D. Ali

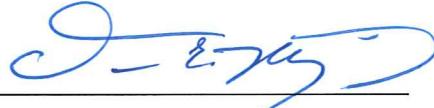
ANNUAL CERTIFICATION OF COMPATIBILITY

In accordance with 49 C.F.R. Parts 350.331, as **Chairman** for the **Puerto Rico Public Service Commission**, I do hereby certify the **Commonwealth of Puerto Rico's** compatibility with appropriate parts of the Federal Motor Carrier Safety Regulations (FMCSR) and the Federal Hazardous Materials Regulations (FHMR) as follows;

INTERSTATE MOTOR CARRIERS; and
49 C.F.R. Parts 171, 172,173,177,178,180,
390,391,392,393,395,396,397

INTRASTATE MOTOR CARRIERS; and
49 C.F.R. Parts 171, 172,173,177,178,180,
390,391,392,393,395,396,397

Signature:



Mr. Omar E. Negrón
CHAIRMAN

Date: July 20th, 2016

NEW LAWS AND REGULATIONS

In accordance with 49 C.F.R. Parts 350.213(m), as Chairman for the Puerto Rico Public Service Commission, I do hereby certify the Commonwealth of Puerto Rico has not enacted any new laws, regulations or policies affecting CMV Safety since the FY 2016 CVSP.

Signature:



Mr. Omar E. Negrón
CHAIRMAN

Date: July 20th, 2016

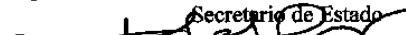
Estado Libre Asociado de Puerto Rico
DEPARTAMENTO DE HACIENDA
Área de Contabilidad Central de Gobierno

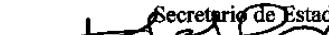
DEPARTAMENTO DE ESTADO

Núm. Reglamento **7501**

Fecha Rad: 8 de mayo de 2008

Aprobado: Hon. Fernando J. Bonilla

Por:  Secretario de Estado

 Francisco José Martí Caso
Secretario Auxiliar de Servicios

REGLAMENTO NÚM. 37

**REGLAMENTO DE
GASTOS DE VIAJE; Y PARA DEROGAR EL
REGLAMENTO NÚM. 7293 DE 14 DE FEBRERO DE 2007**

Aprobado el 5 de mayo de 2008

REGLAMENTO GASTOS DE VIAJE; Y PARA DEROGAR EL REGLAMENTO NÚM. 7293 DE 14 DE FEBRERO DE 2007

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Estado Libre Asociado de Puerto Rico
Departamento de Hacienda
Área de Contabilidad Central de Gobierno

Reglamento Núm. 37

REGLAMENTO DE GASTOS DE VIAJE; Y PARA DEROGAR EL REGLAMENTO NÚM. 7293 DEL 14 DE FEBRERO DE 2007

ARTÍCULO 1 - BASE LEGAL

Se promulga este Reglamento en virtud de las facultades conferidas al Secretario de Hacienda por el Artículo 14a de la Ley Núm. 230, de 23 de julio de 1974, según enmendada, Ley de Contabilidad del Gobierno de Puerto Rico (3 L.P.R.A. 283m).

La mencionada Ley establece, entre otras cosas, la política pública del Estado Libre Asociado de Puerto Rico con respecto a los desembolsos de fondos públicos y dispone de forma expresa que los reglamentos aprobados por el Secretario, en cumplimiento de dicho estatuto, tienen fuerza de Ley. Se promulga además, conforme a las disposiciones de la Ley Núm. 170 de 12 de agosto de 1988, Ley de Procedimiento Administrativo Uniforme, según enmendada.

ARTÍCULO 2 - PROPÓSITO

Este Reglamento tiene el propósito de establecer las normas a seguir por los funcionarios y empleados del Estado Libre Asociado con relación a los gastos incurridos en misiones oficiales dentro de los límites jurisdiccionales de Puerto Rico. Tiene como propósito, además, establecer el importe de las dietas, millaje y alojamiento que se pagará por concepto de dichas misiones.

ARTÍCULO 3 - APLICACIÓN

Este Reglamento aplica:

- a- A todos los funcionarios y empleados de las agencias de la Rama Ejecutiva del Estado Libre Asociado de Puerto Rico.
- b- A aquellas personas particulares que prestan algún servicio, remunerado o no, al Estado Libre Asociado de Puerto Rico y que acuerden con la agencia a la cual prestan servicios, o la ley aplicable así lo disponga, a recibir el reembolso de gastos de viaje a base de esta reglamentación.

Este Reglamento no aplica:

- a- A aquellos funcionarios para los cuales hay leyes especiales que establecen las normas a seguir y lo que se les pagará por sus viajes oficiales.
- b- A aquellos funcionarios y personas particulares nombradas para realizar misiones, dentro de Puerto Rico, encomendadas por la Rama Judicial, la Rama Legislativa y los municipios. Éstos se regirán por la reglamentación que establezca el Juez Presidente del Tribunal Supremo, en cuanto a la Rama Judicial; los Presidentes de las Cámaras Legislativas, en cuanto a éstas, el Contralor de Puerto Rico, respecto a su Oficina; y los alcaldes, en cuanto a los municipios. En aquellos casos en que éstos no hayan adoptado reglamentación sobre gastos de viaje, podrán regirse por las disposiciones de este Reglamento, hasta tanto emitan su propia reglamentación.

ARTÍCULO 4 - DEFINICIONES

Para propósitos de este Reglamento los siguientes términos tendrán los significados que se expresan a continuación:

- a- Agencia - Cualquier departamento, oficina, junta, comisión o cualquier instrumentalidad perteneciente a la Rama Ejecutiva del Estado Libre Asociado de Puerto Rico cuyos fondos estén bajo la custodia del Secretario de Hacienda.

No incluye a las corporaciones públicas que están autorizadas por ley a manejar sus fondos sin el control del Secretario de Hacienda, aún cuando dichas corporaciones públicas, por conveniencia, tengan sus fondos bajo la custodia del Secretario de Hacienda.

- b- Automóvil Privado - Vehículo de motor, excepto motoras, a nombre del empleado o su cónyuge o del arrendador (dueño del vehículo) en el caso de un arrendamiento, que la agencia autorice al empleado o persona a utilizar en misiones oficiales. No incluye vehículos registrados a nombre de otro familiar o persona particular. En el caso de arrendamiento deberá existir un contrato por escrito entre el arrendador y el funcionario o empleado o su cónyuge.

- c- Dieta - Importe que se le reembolsa a la persona que viaja en una misión oficial para cubrir los gastos de desayuno, almuerzo y comida en que incurran durante el desempeño de esa misión oficial. No incluye gastos de alojamiento, los cuales se pagarán

basándose en gastos incurridos mediante la presentación de facturas comerciales, recibos o las evidencias correspondientes.

- d- Misión Oficial - Cuando el funcionario o empleado por encomienda del jefe de la agencia o del supervisor inmediato realiza sus tareas y funciones asignadas a su puesto y otras compatibles fuera de su residencia oficial.
- e- Empleado - Funcionario o empleado.
- f- Gastos de Transportación - Incluye todos los gastos incurridos en misiones oficiales por concepto de transportación, ya sea en automóviles privados o de servicio público, trenes, aviones, ómnibus, taxis u otros medios de transporte, excepto motoras. Incluye también otros gastos incidentales al viaje necesarios para realizar la misión oficial, tales como acarreo, almacenaje, estacionamiento y peaje.
- g- Equipo - Bien mueble de la entidad gubernamental que no sea equipo, expediente, u otros materiales utilizados generalmente en la ejecución de los trabajos y que puedan ser trasladados por los empleados sin conllevar esfuerzo físico mayor.
- h- Proveedor - Persona particular que entra en acuerdo para prestar algún servicio a una agencia.

- i- Residencia Oficial - Lugar específico donde está ubicada la oficina en la cual el empleado está nombrado oficialmente o la persona particular entró en acuerdos para prestar sus servicios.
- j- Residencia Privada - Lugar específico dentro de los límites jurisdiccionales del municipio en que regular o permanentemente reside o se hospeda el empleado o la persona particular.
- k- Residencia Temporera - Lugar u oficina fuera de la residencia oficial o privada en donde el empleado o la persona particular lleva a cabo la misión oficial.
- l- Ruta Usual más Económica - Vía de rodaje más corta que usualmente se usa para trasladarse o regresar de la residencia temporera a la residencia oficial o privada.
- m- Secretario - Secretario de Hacienda.

ARTÍCULO 5 - ORDEN DE VIAJE

- a- El jefe de la agencia o su representante autorizado emitirá una Orden de Viaje autorizando que un empleado pueda ausentarse de su residencia oficial, dentro de los límites jurisdiccionales de Puerto Rico, con derecho al pago o reembolso de los gastos de viaje.
- b- La Orden de Viaje se emitirá mediante el Modelo SC 1231, *Orden de Viaje*, dentro de los límites jurisdiccionales de Puerto Rico.

En dicha Orden se indicará claramente el viaje a realizarse y el propósito del mismo, a menos que por razones de seguridad o de interés público no se considere aconsejable, en cuyo caso el funcionario que emita la misma determinará cuándo se aplica esta excepción. Se indicará, también, la clase de transportación que se autoriza y la fecha exacta en que se realizará el viaje, o la fecha aproximada cuando no se pueda determinar la misma.

- c- En los casos en que los deberes del empleado le requieran viajar frecuentemente dentro de los límites jurisdiccionales de Puerto Rico, se podrá emitir una Orden de Viaje de carácter permanente que cubra todo el tiempo que los deberes de dicho empleado le requiera viajar. En los casos de cambio en la residencia oficial o privada de cualquier funcionario a quien se le haya emitido una Orden de Viaje de carácter permanente, se emitirá una nueva Orden de Viaje o se podrá enmendar la orden original para incluir el cambio mencionado.
- d- No será necesario enviar al Departamento de Hacienda las órdenes de viaje que se expidan para realizar viajes dentro de los límites jurisdiccionales de Puerto Rico. Las mismas deberán permanecer en sus respectivas agencias.
- e- El supervisor inmediato y el jefe de la agencia, o su representante autorizado, certificarán en el Modelo SC 722, *Comprobante de Gastos de Viaje*, que entreguen los empleados, que se ha cumplido con todo lo dispuesto en este Reglamento.

- f- La Orden de Viaje se emitirá antes de que el empleado realice el viaje e incurra en gastos con derecho a reembolso, salvo en casos de urgencia.

En aquellos casos en que no medie una Orden de Viaje debido a una urgencia, el jefe de la agencia o su representante autorizado indicará, en el Comprobante de Gastos de Viaje en el cual se reclamó el reembolso, las circunstancias que justificaron el viaje sin la Orden de Viaje. La reclamación de dicho gasto deberá estar acompañada por la Orden de Viaje.

- g- Por la naturaleza de sus funciones, a los jefes de agencias no se les requerirá la emisión de una Orden de Viaje para realizar viajes dentro de los límites jurisdiccionales de Puerto Rico. En estos casos, la propia certificación de dichos funcionarios en el comprobante de gastos de viaje bastará para efectuarles el reembolso.

ARTÍCULO 6 - GASTOS DE SUBSISTENCIA

- a- A los empleados con residencia oficial en Puerto Rico autorizados a viajar dentro de los límites jurisdiccionales de la Isla en misiones oficiales, se les pagará la parte de la dieta que corresponda al desayuno, almuerzo y comida, de acuerdo con la hora de salida y regreso a su residencia oficial o privada, conforme a los importes que se indican a continuación:

	Salida antes de	Regreso después de	
Desayuno	6:30 am	8:00 am	\$4.00
Almuerzo	12:00 m	1:00 pm	8.00
Comida	6:00 pm	7:00 pm	<u>9.00</u>
Dieta Diaria			\$21.00

b- En los casos de empleados públicos con derecho a la negociación colectiva que hayan acordado un importe mayor en los convenios que los establecidos en este Reglamento prevalecerá el importe dispuesto en los convenios. En las instancias en que el reembolso de gastos de viaje no se haya negociado e implantado mediante convenio colectivo, así como en las que se haya establecido mediante convenio un reembolso menor, el importe será el dispuesto por este Reglamento.

c- El horario establecido en el Inciso (a) anterior, es para determinar la parte o partes de la dieta que tendrá derecho a reclamar el empleado conforme al período en el cual realiza la misión oficial independientemente de cual sea el horario establecido por las agencias como la jornada regular de trabajo.

Hay empleados que por la naturaleza del servicio prestado tienen una jornada de trabajo diferente a la diurna. En estos casos, el importe de la dieta a reembolsar se determinará de acuerdo a la hora de salida y regreso a la residencia oficial o privada.

d- En los casos en que la residencia temporera esté localizada cerca de la residencia oficial o privada del empleado, de manera que le permita a éste regresar a su residencia oficial o privada después de

realizada la labor encomendada, el empleado no tendrá derecho al pago de los gastos de alojamiento. Tendrá derecho a la parte de la dieta que corresponda a la comida sólo si la distancia a recorrer después de finalizada la labor encomendada, utilizando el medio de transportación autorizado, no le permita regresar a su residencia oficial o privada antes de las 7:00 p.m.

- e- Cuando la residencia temporera quede a una distancia de más de dos millas de la residencia oficial o privada el empleado tendrá derecho al reembolso de la parte de la dieta correspondiente al almuerzo.
- f- En caso de que a un empleado se le requiera, por necesidades del servicio o por circunstancias especiales que surjan durante una misión oficial, permanecer durante la hora del almuerzo en la residencia temporera se le reembolsará la parte de la dieta que corresponda al almuerzo aún cuando su residencia oficial o privada radique cerca de la residencia temporera. En estos casos, el supervisor inmediato certificará en el Comprobante de Gastos de Viaje las razones por las cuales éste se quedó en su residencia temporera.
- g- A los funcionarios con residencia oficial en Puerto Rico, se les computará la dieta desde el momento en que salgan de su residencia oficial o privada hasta el momento en que regresen a la misma.

- h- El importe establecido como dieta diaria provee para gastos tales como propinas y otros de naturaleza similar. Cuando los jefes de agencias o sus representantes autorizados paguen dietas basadas en gastos incurridos, se aceptarán importes razonables por propinas, en los casos en que sea imperativo el pago de la misma.

ARTÍCULO 7 – GASTOS DE ALOJAMIENTO

- a- Los empleados con residencia oficial en Puerto Rico, que sean designados a viajar en misiones oficiales tendrán derecho al reembolso de los gastos de alojamiento realmente incurridos mediante la presentación de facturas comerciales, recibos o evidencia de pago. No obstante, tanto las agencias como el Departamento de Hacienda podrán objetar aquellos gastos de alojamiento que se aparten de las normas de austeridad y modestia prevalecientes en el Estado Libre Asociado, o que se consideren extravagantes o excesivos, según estos términos se definen en la Ley Núm. 230.
- b- Cuando sea más económico y conveniente para el Estado Libre Asociado de Puerto Rico que el empleado o la persona regrese diaria o semanalmente a su residencia oficial o privada y éste, por razones personales, permanezca en la residencia temporera, sólo se le pagarán los gastos de viaje hasta un máximo que no excederá de los gastos de transportación en que hubiese incurrido, más la dieta aplicable, de haber regresado diaria o semanalmente.

- c- Cuando el empleado o la persona deba permanecer en la residencia temporera porque la misión encomendada lo requiera y decida, viajar diariamente o antes de terminada la semana de trabajo a su residencia oficial o privada, el importe a pagar por estos gastos de viaje no excederá la suma del costo por alojamiento más la dieta aplicable de haber permanecido en la residencia temporera. Para estos casos el importe a reembolsar por alojamiento diario será \$30. Si durante el transcurso de dicha misión oficial el empleado se hospeda y presenta evidencia de dicho pago, se reembolsará el importe del mismo de acuerdo al Inciso (a) anterior.
- d- El empleado que **viaje** durante la noche hacia su residencia temporera o que regrese a su residencia oficial o privada y por circunstancias imprevistas se vea en la necesidad de utilizar algún lugar de alojamiento, tendrá derecho al reembolso de dicho gasto. No obstante, deberá justificar en el Modelo SC 722 la razón de la circunstancia imprevista y presentar la evidencia correspondiente.

ARTÍCULO 8 - GASTOS DE TRANSPORTACIÓN

- a- Los empleados o personas designadas a viajar en misiones oficiales tendrán derecho al pago de los gastos de transportación realmente incurridos, excepto en los casos en que este Reglamento disponga otra cosa.
- b- No se reembolsarán los gastos de transportación incurridos por los empleados o por las personas al trasladarse desde su residencia privada a la residencia oficial o viceversa. Se excluyen de esta

disposición a las personas nombradas por la autoridad competente para ocupar cargos públicos que no sean de naturaleza regular, como miembros de juntas y comisiones, cuya única compensación por los servicios prestados sean las dietas establecidas por ley por cada día de reunión. En estos casos, tendrán derecho al pago de los gastos de transportación incurridos para trasladarse desde su residencia privada a la residencia oficial o sitio de reunión y viceversa. Cuando la bonificación por millaje a pagar se fije mediante ley, el reembolso de los gastos de viaje se hará conforme a las disposiciones de dicha Ley. De lo contrario, el cómputo de dichos gastos se hará según lo disponga este Reglamento.

- c- Cuando un empleado o persona salga desde su residencia privada directamente hacia la residencia temporera o cuando regrese a su residencia privada directamente desde la residencia temporera, la base que se usará para determinar el reembolso del gasto de transportación será la que sea más económica para el Estado Libre Asociado de Puerto Rico, o sea, la residencia oficial o la privada. Cuando una persona salga en una misión oficial desde su residencia oficial hacia una residencia temporera, se le reembolsarán los gastos de transportación en que realmente ha incurrido.
- d- En los casos en que la residencia temporera esté localizada en un punto intermedio dentro de la ruta usual que utiliza el empleado para trasladarse desde su residencia privada a su residencia oficial o viceversa, para reembolsar los gastos de transportación se usará

como base la que resulte más económica para el Estado Libre Asociado, la residencia oficial o la privada.

- e- Cuando el empleado se encuentre en una misión oficial y se le requiera trasladarse desde su residencia temporera hasta su residencia oficial, éste tendrá derecho al reembolso de los gastos de transportación incurridos por trasladarse desde su residencia temporera a dicha oficina o viceversa.
- f- No se reembolsarán gastos de transportación por distancia en exceso de la realmente recorrida. Si ésta excediera la ruta usual más económica, el reembolso de los gastos de transportación se computará a base de la ruta usual más económica. Cuando las exigencias y conveniencias del servicio lo requieran, podrán reembolsarse gastos de transportación a base de otra ruta, siempre que el jefe de la agencia o su representante autorizado justifique en el Comprobante de Gastos de Viaje las razones para utilizar dicha ruta. Las circunstancias de cada caso se determinarán de acuerdo a la fecha en que se efectúa el viaje, el tiempo disponible y la conveniencia del viaje desde el punto de vista de las necesidades del servicio.
- g- Cuando en los alrededores de la residencia temporera no haya facilidades adecuadas para ingerir alimento o de alojamiento, el funcionario tendrá derecho a reclamar el costo de la transportación en que incurra para trasladarse al lugar más cercano a comer o para alojarse, según sea el caso. En estos casos, el supervisor

inmediato deberá certificar en el Comprobante de Gastos de Viaje que el pago procede por la condición señalada.

- h- No deberán utilizarse aviones, taxímetros o automóviles fletados cuando haya medios de transportación más económicos, a menos que la misión encomendada no pueda ser ejecutada satisfactoriamente mediante el uso de éstos. Cuando se utilice un avión, taxímetro, lancha, automóvil fletado, tren o cualquier otro medio de transportación que no sea automóvil privado, se acompañará con la cuenta de gastos de viaje las facturas, recibos o evidencias correspondientes, a menos que de acuerdo con la práctica comercial del lugar en el cual se viaje, sea imposible obtener éstos.
- i- El costo de transportación de equipaje en exceso del peso o tamaño permitido por las compañías de transportación será reembolsado sólo cuando esté previamente autorizado por el jefe de la agencia por ser indispensable para la misión oficial.
- j- Los gastos de estacionamiento se reembolsarán a base de gastos incurridos y deberá incluirse con el Comprobante de Gastos de Viaje el recibo o la evidencia del pago realizado. En los casos en que se viaje a lugares donde existan parquímetros y éstos sean utilizados por el funcionario, será responsabilidad del Supervisor verificar el importe a reembolsar por el uso del mismo, de acuerdo a las fechas y horas en que se encomendó y realizó la misión oficial.

- k- Los gastos de transportación pagados a porteadores públicos serán reembolsados de acuerdo con las listas de tarifas de pasajes en vigor en la Comisión de Servicio Público.
- l- Cuando la residencia temporera quede a una distancia de dos millas o menos de la residencia oficial o privada, tendrá derecho al reembolso de los gastos de transportación y no a la parte de la dieta correspondiente al almuerzo.
- m- A los empleados que estén de vacaciones en un sitio fuera de su residencia privada y sean llamados al servicio a realizar una misión oficial, se les reembolsarán los gastos de transportación en que incurran, si éstos, una vez terminen su misión oficial, regresan al sitio donde estaban de vacaciones. En los casos de personas con residencia oficial y privada en Puerto Rico que estén de vacaciones en los Estados Unidos o el extranjero y se les requiera llevar a cabo una misión oficial en el sitio donde se encuentran de vacaciones, tendrán derecho al reembolso de los gastos de dietas y transportación en que incurran sólo desde dicho sitio hasta el lugar donde realizarán la misión oficial y viceversa.

ARTÍCULO 9 - USO DE AUTOMÓVIL PRIVADO

- a- Los jefes de agencias o sus representantes autorizados podrán autorizar a sus empleados a utilizar automóviles privados en misiones oficiales, siempre y cuando resulte más económico y ventajoso para el Estado Libre Asociado de Puerto Rico que si se utilizaran automóviles de servicio público.

- b- Para autorizar el uso de automóvil privado, los jefes de agencias usarán el Modelo SC 1232, *Solicitud y Autorización para Uso de Automóvil Privado*. No se podrá autorizar el uso de automóvil privado cuando la licencia de conductor del funcionario esté vencida o restringida. Se acompañará con la solicitud, copia de dicha licencia y de los vehículos a registrar. En los casos en que se pretenda registrar el vehículo del cónyuge o un vehículo que está en arrendamiento, tendrán que acompañar **copia del Certificado de Matrimonio con no más de 60 días de expedido** y copia del contrato escrito entre éste (arrendador) y el funcionario o empleado, respectivamente.
- c- El Departamento de Hacienda, mediante el tipo de seguro que considere más conveniente, salvaguardará la responsabilidad del Estado Libre Asociado de Puerto Rico contra posibles demandas por daños que se causen a la persona o propiedad privada como consecuencia de accidentes ocasionados por cualquier empleado autorizado a usar un automóvil privado en misiones oficiales.

En caso de accidente mientras se viaja en misiones oficiales, el funcionario, a través de la agencia para la cual presta sus servicios, deberá informar inmediatamente a la compañía aseguradora los daños causados en el accidente automovilístico. Para estos propósitos utilizará el formulario que le provea la compañía aseguradora concernida.

El empleado relacionado con el accidente entregará a su supervisor inmediato un informe escrito, conjuntamente con el formulario provisto por la compañía aseguradora, sobre cómo ocurrió el mismo para establecer la reclamación. Del supervisor entender que la reclamación procede, la firmará y enviará el original y una copia del formulario de reclamación al Área de Seguros Públicos del Departamento de Hacienda. Con la reclamación acompañarán una copia del Modelo SC 1232, donde se autorizó al funcionario a usar el automóvil privado en misiones oficiales.

Cuando la persona que sufrió el accidente quede incapacitada para informar lo ocurrido, será responsabilidad del supervisor inmediato informar el accidente a la compañía aseguradora y al Departamento de Hacienda.

En aquellos casos en que el supervisor inmediato considere que del accidente ocurrido pueda surgir una reclamación o demanda contra el Estado Libre Asociado de Puerto Rico, deberá notificarlo inmediatamente al Secretario de Justicia.

- d- Si el empleado utiliza el automóvil privado sin estar autorizado por el jefe de la agencia o su representante autorizado, éste sólo tendrá derecho al reembolso del costo del pasaje, según las listas de tarifas de pasajes mencionadas en el Artículo 8k anterior.
- e- El empleado autorizado a usar automóvil privado en misiones oficiales recibirá reembolsos de los gastos de transportación a razón de .40¢ por cada milla recorrida.

- f- Cuando un empleado autorizado a utilizar automóvil privado en misiones oficiales vaya de pasajero, no tendrá derecho al reembolso por concepto de millaje. Tendrá derecho a dicho reembolso, cuando conduzca su automóvil privado.
- g- El importe asignado para el pago del millaje incluye todos los gastos relacionados con el uso del automóvil privado, tales como gastos de garaje, gasolina, lubricantes, accesorios, reparaciones, depreciación, seguros y otros.
- h- En el caso de empleados autorizados a utilizar automóvil privado en misiones oficiales que viajen acompañados de otro empleado o proveedor, se le concederá por cada acompañante un reembolso de .02¢ adicionales por cada milla recorrida. Deberá incluir en el Modelo SC 722 el nombre del acompañante y la misión realizada.
- i- Cuando sea imprescindible para la prestación del servicio transportar equipo del Estado Libre Asociado de Puerto Rico se concederá un pago de .02¢ adicionales por cada milla recorrida para las primeras 100 libras. Para las próximas 100 libras o fracción de libras, se concederán .02¢ adicionales por cada milla, pero en ningún caso se pagarán más de .06¢ por milla recorrida, aún cuando el peso de la propiedad transportada exceda de 300 libras. Deberán identificar en el Modelo SC 722, el equipo transportado.
- j- Para determinar el importe a pagar por millaje se utilizará el **Cuadro Indicando Distancia Entre Pueblos** que emite la Autoridad de

Carreteras. Cuando se viaje de los límites jurisdiccionales de un pueblo a otros lugares que no aparezcan en dicho Cuadro, si para estos casos la agencia internamente no cuenta con tablas de millaje, la base para computar el importe a reembolsarse por millaje será el número de millas recorridas, según se determine de la lectura del cuentamillas del automóvil. La agencia determinará la razonabilidad de las millas reclamadas usando como guía las distancias en millas entre pueblos cercanos y experiencias anteriores o la forma que considere más conveniente.

ARTÍCULO 10 - SERVICIOS DE TELÉFONO

- a- Las llamadas telefónicas oficiales hechas durante una misión oficial dentro de los límites jurisdiccionales de Puerto Rico serán pagadas, hasta donde sea posible, con cargo a la agencia del empleado, si ésta acepta la misma. Cuando se solicite el reembolso de llamadas oficiales pagadas con fondos particulares del funcionario, justificará en el Comprobante de Pago y el supervisor certificará las razones que hubo para hacer las llamadas con fondos particulares.
- b- La agencia no reembolsará los gastos en que incurra el empleado por llamadas para solicitar vacaciones, extensión o información acerca de sus vacaciones o por cualquier llamada personal.
- c- Para reclamar el reembolso o para aceptar los gastos por llamadas telefónicas, relacionados con misiones oficiales, es necesario que se acompañe evidencia documental de estos gastos con la cuenta o Comprobante de Pago. No se reembolsarán gastos por llamadas

relacionados con asuntos personales. El hecho de que la persona use su título oficial no es razón suficiente para considerar el asunto como oficial.

ARTÍCULO 11 - RECIBOS

- a- Se requerirá recibos en los casos en que este Reglamento autorice el pago basado en gastos incurridos de alojamiento, estacionamiento, lancha, taxi y tren. No se requerirá recibo para solicitar el reembolso de las dietas establecidas en al Artículo 6 Inciso a. Tampoco se requerirá para reembolsar el gasto de peaje, excepto cuando el empleado o funcionario viaje en un vehículo oficial.
- b- Los recibos los expedirá el comerciante en la forma que éste acostumbra y **tendrán impreso el membrete de la compañía que lo expide.** Estos tendrán que indicar claramente el servicio prestado, la fecha en que se hizo el pago y la firma de la persona que emitió el recibo. Se podrán aceptar recibos mecanizados o de un sistema de pago automático en los casos en que sea una práctica de la industria utilizar dicho sistema como método de pago, como en los casos de estacionamientos. En estos casos no se requerirá que el mismo esté firmado.
- c- En aquellos casos en que no se puede obtener un recibo, el funcionario deberá explicar satisfactoriamente, al rendir el Comprobante, las razones por las cuales no pudo conseguir el

mismo. No constituye una explicación satisfactoria las molestias o dificultades que enfrente el funcionario para obtener un recibo.

ARTÍCULO 12 - TRASLADOS ADMINISTRATIVOS

- a- En aquellos casos en que por necesidades del servicio se traslade administrativamente a un empleado para prestar servicios temporera mente fuera de su residencia oficial y al lugar al cual fue trasladado se encuentre a una distancia de más de dos millas de su residencia oficial o privada, tendrá derecho al cobro del gasto de almuerzo establecido en el Artículo 6 Inciso a. También, tendrá derecho al pago de los **excesos incurridos** en gastos de transportación. La salida desde la residencia privada del funcionario será la base que se utilizará para determinar si hubo dicho exceso. Para reclamarlo, el millaje a recorrer desde su residencia privada a su puesto temporero deberá ser mayor que el de su residencia privada a su residencia oficial. La diferencia en el mismo será el exceso a pagar por motivo del traslado.
- b- Los traslados administrativos deben ser autorizados por escrito, indicando el período que cubre el mismo. Cuando el traslado administrativo exceda de 90 días, la agencia concernida deberá determinar si se justifica el que se prolongue el traslado administrativo o si procede tramitar el traslado oficial; y notificará al funcionario la acción correspondiente.

- c- Antes de efectuar un traslado administrativo, será responsabilidad de la agencia determinar si el funcionario incurrirá en gastos en exceso por motivo del mismo. De ser así, deberá emitir una Orden de Viaje y la Autorización para Uso de Automóvil Privado antes del traslado. Para reclamar el reembolso de los referidos gastos, el funcionario utilizará el Modelo SC 722.

- d- Si la agencia a la cual el funcionario fue trasladado administrativamente le asigna una misión oficial, dicha agencia será responsable de reembolsar los gastos incurridos. En estos casos, la agencia deberá emitir una Orden de Viaje y la Autorización de Automóvil Privado. La base que se utilizará para computar el millaje será el lugar donde el funcionario presta los servicios temporeralemente, como si ésta fuera la residencia oficial, o su residencia privada, lo que resulte más económico. Los reembolsos de gastos de viaje en misiones oficiales, se harán independientemente a los que recibe el empleado como resultado del traslado administrativo.

ARTÍCULO 13 - DISPOSICIONES GENERALES

- a- Al funcionario que se le emita una Orden de Viaje y el supervisor inmediato del empleado al cual se le asigna una misión oficial, velará porque éste, hasta donde sea posible, haga los arreglos para realizar el menor número de viajes en los casos en que las distintas gestiones oficiales puedan llevarse a cabo simultáneamente y alrededor de la misma fecha.

- b- El supervisor inmediato deberá justificar en el Comprobante, la necesidad y conveniencia para el servicio que un empleado realice una misión oficial en días feriados o no laborables. Dicha justificación no será necesaria cuando el empleado realice funciones que le requiera trabajar turnos rotativos en los cuales se trabaje en días feriados o no laborables. En estos casos, dichos días forman parte de su jornada regular de trabajo.
- c- La Ley Federal de Normas Razonables de Trabajo, según enmendada, hizo extensiva la compensación por horas trabajadas a los empleados públicos, por lo que el reembolso del gasto de almuerzo y el disfrute del tiempo compensatorio por trabajar durante la hora de almuerzo se consideran beneficios independientes uno del otro.
- d- Cuando algún empleado, durante el cumplimiento de su misión oficial, solicite una licencia por enfermedad que extienda el tiempo a permanecer por éste en su residencia temporera, tendrá derecho a dietas y alojamiento por el período que se prolongue la enfermedad, hasta un máximo de 14 días calendario, siempre y cuando presente evidencia al efecto.
- e- Cuando por motivos de su salud o por cualquier emergencia de un familiar cercano (cónyuge, hijos o padres) el empleado tenga que regresar de su misión oficial a su residencia privada, éste tendrá derecho a que se le reembolsen los gastos de viaje en que incurra

por dicho motivo, siempre que presente evidencia del motivo de dicho regreso y esté certificado por el supervisor inmediato.

- f- La asistencia a adiestramientos por encomienda de la agencia constituye una misión oficial para efectos del reembolso de los gastos de viaje.
- g- El reembolso de gastos de viaje se tramitará mediante el Modelo SC 722. El mismo tendrá en detalle cada viaje realizado diariamente. Los funcionarios someterán dicho Comprobante **mensualmente** a su supervisor inmediato para reclamar el reembolso de los gastos de viaje incurridos no más tarde del último día calendario del próximo mes. En los casos en que el último día calendario sea un día no laborable, el último día para estos propósitos será el próximo día laborable. De no someter el Comprobante de Gastos de Viaje dentro de ese período, perderá el derecho a reclamar el mismo.
- h- El supervisor será responsable y diligente en entregar dicho comprobante en la Oficina de Finanzas de su respectiva agencia en un período razonable, luego de recibir el mismo, de manera que los empleados puedan recibir el reembolso de los gastos incurridos con sus propios fondos a la mayor brevedad posible.
- i- Las agencias tramitarán los Comprobantes de Gastos de Viaje directamente a través del Sistema PRIFAS de este Departamento. Al cierre de año obligarán los fondos para esos propósitos. Para

efectuar reembolsos de gastos de viaje de los fondos obligados utilizarán el Modelo SC 735, *Comprobante de Pago*, acompañado del original del Modelo SC 722, como justificante del pago a realizarse.

- j- No se podrá desembolsar del presupuesto asignado a la Rama Ejecutiva, Legislativa y Judicial gastos de viajes y dietas a los cónyuges y familiares cercanos que acompañen a los Jefes de Departamentos y Empleados en misiones oficiales en Puerto Rico. Esta prohibición es extensiva a las Corporaciones Públicas y a cualquier otra instrumentalidad adscrita a las Tres Ramas. Esta disposición no aplica al Gobernador de Puerto Rico ni al Secretario de Estado. Tampoco aplicará al Juez Presidente del Tribunal Supremo de Puerto Rico ni a los Presidentes de las Cámaras Legislativas, siempre que previo al viaje oficial se evidencie que el desembolso responde directamente a un fin público. Se permitirá a los funcionarios a quienes no aplica la prohibición de gastos de viaje para cónyuges, designar a una persona que sustituiría al cónyuge en el caso de éstos no estar casados.
- k- Los miembros de la Policía asignados a proteger al Gobernador durante el período previo a su juramentación, tendrán derecho al pago o reembolso de los gastos de viaje en que incurran de acuerdo a las disposiciones de este Reglamento.
- l- Cuando un empleado autorizado a incurrir en gastos de representación esté en una misión oficial y reclame banquetes o

comidas oficiales, éste no podrá reclamar el pago de la dieta que corresponda al almuerzo o comida de los días en que se celebraron dichos banquetes o comidas oficiales.

- m- Cuando las agencias realicen actividades oficiales que provean la comida, los empleados que asistan a las mismas no tendrán derecho a reclamar el reembolso de la dieta. No obstante, si el empleado por alguna razón de peso no puede ingerir la misma, tendrá derecho al reembolso del importe de la parte de la dieta que corresponda. Deberá justificar en el Modelo SC 722 la razón por la cual no consumió la misma.
- n- Las disposiciones de este Reglamento no aplican a los casos en que las agencias efectúan pagos directamente a restaurantes u hospederías por concepto de comidas servidas a su personal. Dichos pagos no podrán exceder los importes que las personas tendrían derecho a recibir como reembolso de dietas, de acuerdo con los establecidos en este Reglamento. Sin embargo, si los jefes de agencia lo consideran necesario, podrán efectuar pagos mayores, siempre y cuando se justifique y el Secretario lo autorice. Esto se hará siguiendo las normas de austeridad y modestia que regulan los desembolsos de fondos públicos.
- o- El Departamento de Hacienda no autorizará, reembolsará o pagará gasto de viaje alguno que no se ajuste a las disposiciones de este Reglamento.

- p- Los funcionarios que realizaron misiones oficiales en o antes del 15 de marzo de 2007, y que cumplen con todas las disposiciones del Reglamento Núm. 37, Gastos de Viaje emitido el 9 de julio de 2003, tendrán un año luego de terminada la misión oficial, para someter los Comprobantes de Gastos de Viaje para que las agencias procedan con dicho reembolso.

ARTÍCULO 14 - IMPUGNACIÓN DE DETERMINACIONES DEL SECRETARIO

Cualquier empleado o persona autorizada para reclamar el pago por cualquiera de los conceptos autorizados por este Reglamento, que sea adversamente afectada por una determinación de cualquier agencia podrá presentar una querella, dentro del plazo de 30 días a partir de la fecha de la notificación de la decisión o determinación impugnada. La misma debe ser radicada en la Secretaría Auxiliar de Procedimientos Adjudicativos del Departamento de Hacienda, de conformidad con el Reglamento Para Establecer un Procedimiento Uniforme de Adjudicación para los Asuntos Bajo la Jurisdicción del Departamento de Hacienda que Deban ser Objeto de Adjudicación Formal de 13 de julio de 2007, aprobado por el Departamento de Hacienda en virtud de la Ley Núm. 170 de 12 de agosto de 1988, Ley de Procedimiento Administrativo Uniforme, según enmendada.

ARTÍCULO 15 - CLÁUSULA DE SEPARABILIDAD

Si cualquier Artículo, sección, parte, párrafo o cláusula de este Reglamento fuere declarado nulo por un tribunal de jurisdicción competente, la sentencia a tal efecto dictada no afectará ni invalidará el resto de este Reglamento y su efecto quedará limitado al Artículo, sección, parte, párrafo o cláusula así declarada.

ARTÍCULO 16 - DEROGACIÓN DE REGLAMENTACIÓN

Este Reglamento deroga el Reglamento Núm. 7293 radicado en el Departamento de Estado el 14 de febrero de 2007, conocido como Reglamento Núm. 37, Gastos de Viaje, aprobado el 9 de febrero de 2007.

ARTÍCULO 17 - VIGENCIA

Este Reglamento comenzará a regir treinta (30) días después de su presentación en el Departamento de Estado de conformidad con las disposiciones de la Ley Núm. 170 de 12 de agosto de 1988, según enmendada, denominada "Ley de Procedimiento Administrativo Uniforme del Estado Libre Asociado de Puerto Rico". ***El mismo tendrá fecha de efectividad retroactiva al 16 de marzo de 2007.***

Aprobado en San Juan, Puerto Rico el 5 de mayo de 2008

José Guillermo Dávila Matos
Secretario de Hacienda



Radicado en el Departamento de Estado el

8 de mayo de 2008

Convenio Colectivo



2012-2015

CONVENIO COLECTIVO

ENTRE

COMISION DE SERVICIO PÚBLICO
(CSP)

Y

SERVIDORES PUBLICOS UNIDOS DE PUERTO RICO
(SPUPR) LOCAL 3897 AFILIADA A AFSCME

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ARTICULO I (1)

Comparecencia

- De una parte: El Sindicato de la Comisión de Servicio Público del Estado Asociado de Puerto Rico (SPUPR), Servidores Públicos Unidos de Puerto Rico, afiliado a la Federación Americana de Empleados de Estados, Condados y Municipales (AFSCME), Local 3897, representada por sus oficiales debidamente autorizados, de ahora en adelante se denominará como la Unión.
- De la otra parte: La Comisión de Servicio Público, Agencia Gubernamental del Estado Libre Asociado de Puerto Rico, representada por su Presidente y oficiales debidamente autorizados, en adelante denominada como la Comisión.

ARTICULO II (2)

Declaración de Principios

La negociación colectiva constituye el medio eficaz para fijar términos de condiciones de trabajo equitativos para los empleados, fomentar la estabilidad en las relaciones de trabajo y propiciar el entendimiento y respeto mutuo entre las partes. A esos fines, las partes declaran que este Convenio tiene el alto interés público de promover los propósitos y objetivos aquí consignados.

El proceso de negociación es uno que permite a los empleados ejercer el derecho a organizarse para negociar sus condiciones de trabajo, dentro de los parámetros que se establecen en la Ley 45 del 25 de febrero de 1998, según enmendada. Esos parámetros se remiten a tres criterios esenciales, a saber: 1) acomodar, dentro de las realidades fiscales en que se desenvuelve el Gobierno, el costo correspondiente al mejoramiento de las condiciones de trabajo de los empleados públicos; 2) evitar interrupciones en los servicios que prestan las agencias gubernamentales; y 3) promover la productividad en el servicio público. Esta ley también está predicada en el principio de mérito, de modo que el sistema de relaciones obrero-patronales que se establezca responda a nuestra decisión de no discriminar por razón de raza, color, sexo, nacimiento, origen o condición social, ideas religiosas, ideas políticas, edad, condición de veterano, condición física o mental alguna.

Las partes armonizamos en este Convenio la práctica de la negociación colectiva con el sistema de personal basado en el mérito para dar cumplimiento a esta sabia política pública que reafirma la Ley de Relaciones del Trabajo para el Servicio Público, mejor conocida por Ley Núm. 45, supra. Nuestro interés,

entonces, es convertir la negociación en un instrumento efectivo para fortalecer la objetividad de la aplicación de la Ley Núm. 184 de 3 de agosto de 2004, conocida como la Ley para la Administración de los Recursos Humanos en el Servicio Público, y así garantizar que los beneficios otorgados por el principio de mérito y sus áreas esenciales sean disfrutados por todos los trabajadores.

Las partes reconocemos en esta iniciativa, que el Sistema de Administración de los Recursos Humanos del Estado Libre Asociado es dinámico. La negociación colectiva viene a facilitar el cumplimiento de aquellas disposiciones que contiene el principio de mérito. Vista desde esa perspectiva, la negociación colectiva hará posible que los trabajadores y la Comisión, se comprometan en mejorar la prestación de servicios públicos, aumentando su productividad y eficiencia, manteniendo el orden y disciplina, de forma tal que se construya un sistema de relaciones obrero-patronal efectivo, justa, económico, uniforme y rápido.

Entre otras cosas, esto nos permitirá establecer un procedimiento para resolver querellas que sea efectivo y funcione eficientemente. También, facilitará que las querellas se puedan resolver al nivel más bajo posible señalado en el procedimiento de quejas y agravios, y así ahorrarle dinero al pueblo de Puerto Rico. Finalmente, un contexto de relaciones laborales positivas permitirá que las personas responsables de acordar y administrar el Convenio tengan suficiente autoridad para llevar a cabo discusiones significativas y solucionar las controversias que puedan surgir.

Para dar cumplimiento a nuestros objetivos comunes, las relaciones entre los empleados de la Comisión y ésta, se basarán en el respeto a la dignidad del ser humano. Ambas partes mantendrán abierto los canales de comunicación efectivos provisto por este Convenio.

ARTICULO III (3) **Reconocimiento de la Unión**

- Sección 1 La Comisión de Servicio Público, en adelante la Comisión, reconoce a Servidores Públicos Unidos de Puerto Rico, CSP Local 3897, SPUPR afiliada a AFSCME, en adelante la Unión, como la representante exclusiva de todos los empleados comprendidos en la Unidad Apropriada a los fines de negociar colectivamente dentro del marco legal provisto por la Ley Núm. 45, supra.
- Sección 2 De aprobarse legislación que enmiende la Ley de Relaciones del Trabajo para el servidor público que afecte el reconocimiento a que se hace referencia en la Sección 1, la Comisión se obliga a no alterar las disposiciones establecidas en el presente Convenio.

- Sección 3 De la misma forma, la Comisión se compromete a reconocer a la Unión como representante exclusivo, en todos los asuntos establecidos en este Convenio.
- Sección 4 La Comisión no podrá reconocer, reunirse, discutir o conferenciar por ningún medio, incluyendo el electrónico, con otra organización obrera o sus representantes sobre asuntos relacionados, directa o indirectamente con salarios, horas, condiciones de trabajo o cualquier otra condición o asunto del empleo pertinente a la Unidad Apropriada representada por la Unión durante la vigencia del presente Convenio.
- Sección 5 A la firma de este Convenio, el patrono cesará el descuento de cuotas a favor de cualquier otra organización sindical, entidad comprendida por empleados cuyo puesto está ubicado dentro de la Unidad Apropriada, excepto aquellos requeridos por Ley y los aceptados por el (la) empleado (a).

ARTICULO IV (4)
Exposición de Motivos

- Sección 1 Este Convenio y todas aquellas reglas, reglamentos, cartas normativas, pertinentes a la administración de personal se otorga con el propósito de estimular y lograr un proceso continuo en las mejores relaciones entre la Comisión y los empleados que pertenecen a la Unidad Apropriada.
- Sección 2 La Comisión y la Unión se comprometen a mantener la paz laboral sobre la base del respeto, la justicia y la dignidad para lo que ambos recurrirán al Procedimiento de Quejas y Agravios provistos por este Convenio para solucionar cualquier problema o diferencia que pudiese surgir entre las partes durante la vigencia del Convenio.
- Sección 3 Las partes acuerdan dar cumplimiento a la Ley Núm. 45, supra, según enmendada y a cualquier otra Ley Federal o Estatal, con el fin de aplicar sus disposiciones a la administración del Convenio Colectivo vigente y al agotamiento de remedios allí contenido.
- Sección 4 La Comisión y la Unión convienen honrar los términos de este compromiso y garantizar una paz laboral permanente y constructiva.

ARTICULO V (5) **Unidad Apropriada**

Sección 1 Composición:

La Unidad Apropriada cubierta por este Convenio la componen todos los empleados de carrera, según determinado por la Comisión de Relaciones del Trabajo del Servicio Público.

Sección 2 Excluidos

Se excluyen el personal confidencial, de confianza, de supervisión, regulares y transitorios, según definidos por la ley y según se establece en la Certificación de la Comisión de Relaciones del Trabajo del Servicio Público.

Sección 3 La partes se reservan el derecho de requerirle a la otra la inclusión o exclusión de determinados puestos o clase de puesto de la Unidad Apropriada. Las partes se reunirán para tratar de llegar a un acuerdo, de surgir controversias someterán petición de clarificación de unidad a la Comisión de Relaciones del Trabajo del Servicio Público.

ARTICULO VI (6) **Integridad de la Unidad Apropriada**

Sección 1 La Comisión reconoce la integridad de la Unidad Apropriada y no tomara ninguna acción dirigida a socavarla de forma directa o indirecta.

Sección 2 La Comisión informara por escrito a la unión, en un término no mayor de treinta (30) días laborables, sobre cualquier transacción de personal que afecte a empleados comprendidos dentro de la Unidad Apropriada incluyendo, sin limitarse, a nuevos reclutados, promociones, traslados, descensos y licencias y sobre todo empleado cuyo nombramiento haya cambiado a estatus regular y dicho puesto pertenezca a la Unidad Apropriada.

Sección 3 Ningún empleado cuyo puesto este comprendido dentro de la Unidad Apropriada podrá ser nombrado en una plaza de supervisor, administrador, director, ejecutivo o de carácter de confianza o confidencial, sin su consentimiento expreso y escrito, el cual conllevará a las renuncias a los derechos adquiridos en este Convenio. La Comisión notificar al momento del nombramiento de dicha plaza al empleado con copia de la Unión. No se harán

nombramientos a personal de esta naturaleza con carácter retroactivo.

Sección 4 La Comisión no podrá conferir poderes y funciones de supervisor o administrador a empleados incluidos en la Unidad Apropiada, excepto en los siguientes casos de emergencia: renuncia, accidente, muerte, suspensión sumaria, maternidad por parto prematuro y en circunstancias extraordinarias que requieran acción inmediata para cubrir las necesidades del servicio, por un término que no excederá sesenta (60) días calendario. La designación temporera se hará por escrito y el empleado tendrá derecho a rechazar la misma.

Sección 5 Sujeto a las provisiones de este Convenio, la Comisión asignará el trabajo comprendido dentro de la Unidad Apropiada a los empleados comprendido en la misma.

Sección 6 Los supervisores, administradores, directores, ejecutivos o cualquier otro personal cuyo puesto tenga carácter de confianza o confidencial no podrán realizar labores que sustituyan a los miembros de la Unidad Apropiada disponibles, excepto en las circunstancias expresadas en la Sección 4 de este Artículo.

ARTICULO VII (7) **Mantenimiento de las Condiciones de Empleo**

Sección 1 Las partes reconocen su obligación mutua y permanente de negociar de buena fe sobre cualquier propuesta o asunto de salarios, horas y otros términos y condiciones de empleo que afecten los empleados que son miembros de la Unidad Apropiada. Los cambios a implantarse en las condiciones de empleo de la Comisión serán sometidos, discutidos y acordados por ambas partes en todos aquellos aspectos reconocidos en este Convenio Colectivo, leyes aplicables y reglamentos, como negociables bajo la Ley 45, según enmendada.

ARTICULO VIII (8) **Acuerdo de No-discrimen**

Sección 1 La Comisión y la Unión, acuerdan no discriminar en contra de ningún empleado comprendido en la Unidad Apropiada por razón de raza, sexo, incapacidad física, orientación sexual, credo, religión, color, estado civil, condición de padre o madre, edad, origen nacional, afiliación política o afiliación sindical.

- Sección 2 La Comisión se compromete a establecer y promover programas de acción afirmativa efectivos según lo manda la Ley de Derechos Civiles de 1964.
- Sección 3 La Comisión no discriminará en el empleo contra personas con impedimentos y le otorgará las garantías provistas por la Ley de Igualdad de Oportunidad en el Empleo y de la Ley ADA. Bajo ninguna circunstancia el impedimento del trabajador puede ser utilizado en su contra.
- Sección 4 Las partes acuerdan dar cumplimiento al principio de mérito contenido en la Ley Núm. 184, supra, según enmendada, y en la Ley 45 del 25 de febrero de 1998, según enmendada, y a cualquier otra ley federal o estatal para armonizar los derechos que estas provean a la administración del Convenio Colectivo negociado y al agotamiento de remedios allí contenido.
- Sección 5 La Comisión se compromete a no discriminar contra cualquier empleado que siendo parte de la Unidad Apropiada, decida someter una querella en el Procedimiento de Quejas y Agravios, Arbitraje o poner en práctica cualquiera de los derechos que concede la jurisprudencia en Puerto Rico.
- Sección 6 La Comisión se compromete a enmendar su Reglamento de Personal tomando en consideración las disposiciones de la Ley 45, supra, según enmendada. Dichas enmiendas no menoscabarán los acuerdos alcanzados en este Convenio. La Comisión notificará a la Unión cualquier enmienda que se realice por las razones antes mencionadas en esta sección.

ARTICULO IX (9) **Derechos de Administración**

- Sección 1 La Agencia tendrá la prerrogativa exclusiva de dirigir sus operaciones y a su fuerza trabajadora. La Agencia retendrá el control exclusivo de todos los asuntos relacionados a la operación, manejo y administración de la Agencia, así como todos aquellos poderes y prerrogativas tradicionalmente reservados a las Agencia, incluyendo, sin limitación, la facultad de tomar acciones disciplinarias y asignar funciones, según las necesidades del servicio.
- Sección 2 Dichos poderes no serán utilizados en forma arbitraria o caprichosa contra los empleados con el propósito de discriminar contra ninguno de éstos ni en violación a los dispuesto por este Convenio.

Sección 3 Lo anterior no constituirá una limitación a los empleados miembros de la Unidad Apropriada para que cuestionen las decisiones que entiendan menoscaben sus derechos o sean contrarias a la ley o a este convenio, en cuyo caso se utilizará el procedimiento de Quejas y Agravios contenido en el mismo.

ARTICULO X (10)
Descuento de Cuotas, Cargos o Contribuciones

- Sección 1** La Comisión se compromete a tramitar el descuento del salario y la transferencia a la Unión del monto de la cuota regular de cada empleado de Unidad Apropriada durante la vigencia de este Convenio la cuota será informada por escrito al patrono.
- Sección 2** La Comisión se compromete a deducir del salario del empleado la cuota regular y/o cualquier otro pago dispuesto en el Reglamento de la Unión y las disposiciones de la Ley 45, supra, según enmendada.
- Sección 3** Todo empleado de nuevo reclutamiento en un puesto de carácter regular, una vez aprobado el periodo probatorio y que no haya expresado por escrito su intención de desafiliarse de la Unión, pasará a formar parte de la Unidad Apropriada y será iniciado el trámite del descuento de la cuota regular y cualquier otro cargo que disponga el reglamento y la constitución de la Unión al cumplirse treinta (30) días calendarios desde la fecha que comenzó su periodo regular. La Comisión dentro del proceso de orientación al empleado que adviene a un puesto regular, no promoverá la no afiliación a la unión.
- Sección 4** La Comisión tendrá treinta (30) días calendario para informar por escrito a la Unión el nombre, número de seguro social, puesto, fecha de empleo y salario básico de entrada de los empleados de nuevo reclutamiento.
- Sección 5** La Comisión acuerda que cuando un empleado pase a formar parte de la Unidad Apropriada, informará al empleado de su obligación de pagar la cuota correspondiente como miembro de dicha unidad, efectivo a la fecha de su nombramiento con carácter regular.
- Sección 6** La Comisión vendrá obligada a proveerle a la Unión una lista de todos sus empleados en la Unidad Apropriada afiliados o representados por la entidad cada treinta (30) días por concepto de cuotas u otras deducciones. La lista debe incluir el nombre del empleado, su centro de trabajo y su puesto. La Comisión realizará, los trámites correspondientes en el Departamento de Hacienda, para que esta última realice los pagos directamente a la Unión.

- Sección 7 La autorización de descuento de cuotas por concepto de membresía y representación es irrevocable durante la efectividad del Convenio.
- Sección 8 Cuando un empleado ha sido suspendido, enviado a licencia o despedido y regrese a trabajar o ha sido reclasificado, siempre y cuando reciba renumeración retroactivamente, el patrono deberá deducir el monto de la cuota adecuada por el periodo que el empleado dejó de pagar de la forma que está dispuesto en este Convenio.
- Sección 9 Una vez la Oficina de Recursos Humanos tenga conocimiento de que los empleados regresan de alguna licencia sin sueldo, la Comisión reanudará de forma automática el descuento de cuotas.

ARTICULO XI (11)

Membresía

- Sección 1 Un afiliado es un empleado que es miembro del sindicato que paga las cuotas y recibe todos los beneficios de la organización sindical.
- Sección 2 Todos los empleados de la Unidad Apropriada, que a la efectividad de este Convenio son miembros de la Unión y todos los empleados que se conviertan en miembros posteriormente, de acuerdo a la Sección 3, Artículo 10, del Convenio deberán mantenerse como miembros de la Unión.
- Sección 3 El proceso de afiliación a la Unión y el de descuento de cuota serán de carácter continuo. Cualquier empleado comprendido dentro de la Unidad Apropriada y que no sea miembro, podrá solicitar su afiliación al sindicato en cualquier momento utilizando el formulario que para esos efectos haya desarrollado la Unión. La Comisión se compromete a iniciar en treinta (30) días el trámite del descuento de cuotas, de acuerdo a lo dispuesto en el Artículo de Descuentos de Cuotas, cargos o contribuciones de este Convenio.

ARTICULO XII (12)

Procedimiento de Quejas y Agravios

Sección 1 Definición

Una querella es cualquier controversia, disputa, queja, reclamación, presentada por escrito por un empleado grupo de ellos, o por la Unión relacionada a la interpretación, aplicación, definición o alegada violación de cualquier cláusula de este Convenio Colectivo o la Ley 45, supra.

Sección 2 Contenido de las Querellas

Las querellas contendrán, como mínimo, la siguiente información del querellado o querellantes:

1. nombre
2. clasificación del puesto
3. oficina y/o lugar de trabajo
4. fecha, hora y hechos y fundamentos que motivan la querella
5. remedio solicitado
6. disposición del Convenio que alegadamente se viola
7. fecha de entrega de la querella
8. certificación del trámite.

Esta información puede ser enmendada, en cualquier momento, antes dé inicio el proceso de arbitraje, siempre y cuando se mantenga el asunto central que provocó la querella.

Sección 3 Obligación hacia el Procedimiento

- Inciso 3.1 El procedimiento establecido en esta sección será el procedimiento exclusivo para el trámite de todas las querellas que surgen en el lugar del trabajo.
- Inciso 3.2 Todos los miembros de la Unidad Apropriada, incluyendo a los no afiliados, están obligados a utilizar este procedimiento.
- Inciso 3.3 Las partes reconocen su obligación de proveer toda la información relacionada con una querella o una potencial querella. Sin limitarse, eso incluye:
1. Toda la información y documentos relacionados con la controversia a discutirse;
 2. Toda la información necesaria para poder llevar a cabo una discusión amplia e informada de los asuntos relacionados con la querella;
 3. Si la petición es denegada, las partes pueden solicitar a la Comisión de Relaciones del Trabajo del Servicio Público citar testigos o requerir información y documentos, mediante el mecanismo que la Ley 45, SUPRA, provee;

4. Los documentos de carácter confidencial de la unión y la Comisión no están incluidos.
- Inciso 3.4 La Comisión y sus representantes se comprometen a no interferir, restringir o coartar a ningún empleado en el ejercicio de sus derechos al radicar una querella y jurisdiccionales para todas las partes.
- Inciso 3.5 Todos los términos de presentación y trámite de querella en todas las etapas serán improrrogables y jurisdiccionales para todas las partes.
- Sección 4 Las partes podrán retirar las querellas sometidas en este procedimiento en cualquier momento y sin sufrir perjuicio, excepto cuando la misma haya sido fundamentada en hechos falsos.
- Sección 5 Las partes podrán, por mutuo acuerdo, obviar cualquier de los pasos del procedimiento para adelantar la solución final de la querella o someterla a arbitraje de forma directa. En estos casos la parte justificará y expondrá las razones para obviar el procedimiento.
- Sección 6 Cualquiera de las partes puede solicitar a la otra la presentación, entrega o reproducción de documentos, libros, papeles, testigos pertinentes al caso. Cada parte puede estar presente durante las entrevistas.
- Sección 7 **Derechos de los empleados que radican querellas**
- La Comisión se compromete a garantizar los siguientes derechos a los empleados que estén en proceso de radicar una querella:
- A. El empleado coordinará con su supervisor una (1) hora para reunirse y conferenciar y preparar su querella con su delegado o representantes. De necesitar más tiempo el empleado así lo coordinará con su supervisor inmediato.
- B. El día fijado para atender la querella en el Comité de Conciliación; el (las) empleado y el (los) delegados tendrán tiempo para testificar ante dicho Comité. La comparecencia del empleado deberá ser requerida, justificada y certificada por el Comité de Conciliación. De no estar presente el Director, el Supervisor inmediato tomará la acción correspondiente a los efectos de cumplir con esta cláusula.
- Sección 8 La Comisión reconoce el derecho legal que tiene un empleado miembro de la Unidad Apropriada cubierto por este Convenio,

cuyos derechos civiles han sido violados en un caso de discriminación, de recurrir a los tribunales o al proceso de quejas y agravios. Una vez el empleado escoja los tribunales para elevar sus planteamientos no tendrá la oportunidad de traer estos a la consideración del Procedimiento de Quejas y Agravios, a menos que sea ordenado por el tribunal a agotar dicho proceso.

Sección 9 Todas las querellas deben ser resueltas utilizando el procedimiento descrito a continuación. Las partes podrán, por mutuo acuerdo, obviar cualquiera de los pasos del procedimiento para adelantar la solución final de la querella o someterla a arbitraje de forma directa. Las partes se esforzarán en solucionar prontamente cualquier queja, agravio o querella a nivel jerárquico más bajo de la organización donde ocurrió la controversia. En caso de que el director del centro del trabajo o el comité de conciliación no resolvieran la querella dentro del plazo provisto, la misma pasará al próximo paso del Procedimiento de Quejas y Agravios. Todo miembro de la unidad apropiada está obligado a utilizar este procedimiento.

Sección 10 Pasos del Procedimiento

Inciso 10.1 Paso 1 Director del Centro del Trabajo

1. La Unión, cualquier empleado o grupo de empleados, que se considere perjudicado por alguna acción de la Comisión, deberá presentar su queja a través del Delegado, por escrito, al Director de su centro de trabajo, dentro de los siete (7) días laborables siguientes a la ocurrencia del hecho que dio margen al agravio o queja con copia a la Oficina de Asuntos Laborales o funcionario designado.
2. El Director del centro de trabajo y el supervisor del empleado se reunirán con el querellante y con el Delegado para discutir y analizar la querella para tratar de resolverla. El Supervisor tendrá hasta siete (7) días laborables a partir de recibir la querella, para contestar la misma. La contestación a dicha querella se hará por escrito, entendiéndose que las partes suscribirán una certificación sobre el resultado de dicha reunión con copia a la Unión y a la Oficina de Asuntos Laborales o funcionario designado.
3. De resolverse satisfactoriamente para todas las partes, éstas suscribirán una certificación sobre los acuerdos alcanzados con copia a la Unión y a la Oficina de Asuntos Laborales o funcionario designado.

Inciso 10.2 Paso 2 Comité de Conciliación

1. En caso de que el Director del Centro de Trabajo no resuelva en el primer paso, conteste dicha queja, agravio o reclamación, o si habiendo contestado, a juicio del empleado, Delegado o la Unión dicha contestación o posición no fuera satisfactoria; el empleado o grupos de empleados, a través de un delegado u oficial de la Unión radicará, por escrito su queja ante el Comité de Conciliación, dentro del término de diez (10) días laborables a partir de la fecha en que recibió o debió haber recibido la contestación del primer paso. El escrito contendrá hechos, fundamentos y argumentos que sustenten la misma. El Comité de Conciliación recibirá, registrará, custodiará y decidirá sobre los casos radicados ante su consideración.
2. El Comité estará compuesto por dos (2) oficiales de la Unión y dos (2) oficiales de la Comisión. Dicho Comité realizará dos (2) reuniones dentro del periodo de quince (15) días para tratar de llegar a un acuerdo que ponga sin a la querella, queja, agravio o reclamación de existir alguna. Las reuniones solo se pondrán suspender por causa debidamente justificada por acuerdo entre sus integrantes y se suspenderán con notificación previa no menos de 24 horas antes de la fecha de la reunión. La programación de la reunión suspendida se hará dentro de un término de 24 horas.
3. Las partes firmarán una certificación sobre el resultado de la reunión de conciliación y la misma formará parte del expediente del caso. Las querellas o casos se verán en orden de fecha en que fueron radicados a menos que por consideraciones extraordinarias las partes acuerden darle prioridad a alguna otra.
4. Los miembros del Comité coordinará todo lo relacionado con las convocatorias de reuniones, agendas de casos a discutirse, citaciones y otros aspectos relacionados con este paso.
5. Terminada la última reunión, el Comité tendrá siete (7) días laborables para resolver las querellas.

Inciso 10.3 Paso 3 Arbitraje

1. De no resolverse satisfactoriamente la controversia en los pasos anteriores, las partes, individualmente o conjuntamente procederán a radicar por escrito la solicitud de arbitraje ante la Comisión de Relaciones del Trabajo del Servicio Público, en un periodo no mayor de quince (15) días laborables a partir de la fecha en que se suscribió la certificación del caso.
2. La parte que radique la querella ante la Comisión de Relaciones del Trabajo del Servicio Público tendrá la obligación de notificar a la otra parte, con copia de dicha querella según dispuesto por esta.
3. Las partes acuerdan someterse al procedimiento de arbitraje de conformidad con las disposiciones contenidas en el Reglamento de la Comisión de Relaciones del Trabajo del Servicio Público.
4. El laudo que el árbitro emita será final, obligatorio y conforme a derecho. Nada de lo aquí dispuesto faculta el árbitro para alterar, modificar, cambiar, añadir o suprimir disposición alguna de este Convenio Colectivo.

ARTICULO XIII (13)

Procedimientos Disciplinarios

- Sección 1 Una vez terminada una investigación y la Agencia determine iniciar un procedimiento disciplinario se formularán cargos específicos por escrito, incluyendo las disposiciones alegadamente infringidas, los hechos que motivan la misma, la sanción que se pretende imponer y las advertencias legales. Dicha notificación se hará al empleado y a la unión no más tarde de treinta (30) días calendarios siguientes a la fecha en que la Autoridad Nominadora tenga conocimiento oficial del correspondiente informe que da lugar a los cargos.
- Sección 2 La Comisión incorpora en este Convenio Colectivo la filosofía de aplicar medidas correctivas progresivas de acuerdo con los hechos de cada caso y tomando en consideración la gravedad de los hechos imputados al empleado.
- Sección 3 No se aplicarán acciones disciplinarias a ningún empleado dos (2) veces por los mismos hechos, transacción o evento ocurridos en la misma fecha.
- Sección 4 La Comisión ni la Unión tomarán represalias contra los empleados que decidan testificar a favor o en contra de otro empleado. Las

partes acuerdan que el Procedimiento de Quejas y Agravios debe llevarse durante horas laborables.

- Sección 5 Las partes expresan su total compromiso de cumplir con las responsabilidades establecidas en este Artículo en el manejo y trámite de una queja.
- Sección 6 La Comisión se compromete a atemperar sus manuales y reglamentos a lo acordado en este Convenio.

ARTICULO XIV (14)
Delegados y Representantes de la Unión

- Sección 1 La Unión tendrá derecho a nombrar (1) delegado en propiedad y (1) alterno en cada región o centro de trabajo. En el caso de la Oficina Central se nombrarán cuatro (4) delegados en propiedad y cuatro (4) alternos. Los delegados alternos sustituirán al delegado en propiedad cuando éste no esté disponible.
- Sección 2 Designación, funciones y responsabilidades de los delegados
- Inciso 2.1 Los delegados representarán a la Unión en el proceso de administrar este Convenio Colectivo entre la Comisión y sus representantes, en aquellos asuntos relacionados a las relaciones obrero-patronales, las disposiciones y los acuerdos en el mismo.
- Inciso 2.2 Los delegados representarán y orientarán a los empleados de la Unidad Apropriada, velarán por el fiel cumplimiento del Convenio Colectivo y asistirán a los empleados unionados en cuanto a quejas, querellas o reclamaciones. El representante del patrono informará al empleado afectado de su derecho a estar representado por un delegado. De igual manera, se reconoce el derecho del empleado de invocar su derecho a estar representado por su Delegado o Representante de la Unión. Cuando el empleado indique que no quiere representación del delegado o Representante de la Unión, el empleado hará constar por escrito su renuncia a este derecho. De surgir esta situación, el Delegado podrá solicitar participar de la reunión para fines de interpretación del Convenio Colectivo. Cuando se trate de medidas disciplinarias y el empleado renuncie a su derecho a

estar representado por un delegado, se continuará el proceso sin el delegado.

- Inciso 2.3 Se le concederá al delegado en propiedad o al alterno de estar sustituyendo al delegado en propiedad, una (1) hora durante tiempo laborable y podrá solicitar tiempo adicional de ser necesario al director de su oficina, sin afectar en forma alguna ningún tipo de beneficio ni su salario para atender asuntos relacionados con trámites y representación de querellas o para discutir con funcionarios de la Comisión asuntos relacionados y cubiertos por las disposiciones de este Convenio o para comunicar al patrono y sus representantes información proveniente del sindicato. En el caso específico de colocar anuncios u otra información en los tablones de edictos, designados para este propósito a la Unión, tendrá un periodo de quince (15) minutos.
- Inciso 2.4 Las reuniones entre el delegado y el empleado que necesitan sus servicios se harán normalmente en las inmediaciones del área de trabajo del empleado, excepto cuando precise una consulta con un Oficial de la Unión fuera de la agencia. El Delegado informará y coordinará con el director de su oficina esta salida y su propósito, antes de así hacerlo. En caso de necesitar un tiempo adicional al periodo de una (1) hora dispuesto en el inciso anterior, lo solicitar al director de su oficina.
- Sección 3 Ambas partes acuerdan que el procedimiento de querellas debe llevarse a cabo durante horas laborables, conforme a los términos establecidos en el Procedimiento de Quejas y Agravios.
- Sección 4 La Comisión se compromete a proveerle al Representante de la Unión o Delegado, que esté investigando o procesando una querella, el uso de un lugar apropiado para poder reunirse con los empleados, así como el acceso al uso de la fotocopiadora, teléfono y fax.
- Sección 5 La Comisión se compromete a que los empleados, cuya presencia sea necesaria y justificada, reciban tiempo libre acordado con paga durante sus horas de trabajo en que participen: de vistas en el proceso de quejas y agravios, reuniones entre la Unión y el patrono para modificar acuerdos suplementarios que surgen durante el término de este Convenio, o para participar en asuntos de interés

común en las relaciones obrero-patronal. Esos empleados podrán participar en esas reuniones en calidad de representantes, delegados, testigos, querellantes.

- Sección 6 Cuando los Delegados u Oficiales de la Directiva de la Unión necesiten ausentarse de su área o centro de trabajo con el propósito de atender un asunto comprendido dentro de sus funciones, según definidas en este artículo, se le concederá una (1) hora para realizar la tarea sin afectar su salario y sin cargo a ninguna licencia. En caso de necesitar un tiempo adicional al periodo de una (1) hora dispuesto en este inciso, lo solicitará al director de su oficina.
- Sección 7 La Comisión reconocerá que los Delegados y Delegados Alternos de la Unidad Apropriada, que la Unión haya informado por escrito previamente a la Comisión o su Representante.
- Sección 8 La Comisión reconoce que los empleados afiliados al sindicato tienen derecho a participar, durante horas de trabajo, y con paga durante medio (1/2) día laboral cada seis (6) meses de actividades convocadas por la Unión.
- Sección 9 Los miembros de la Directiva de la Unión tendrán el derecho siempre y cuando medie coordinación previa con el Director de la oficina, a tiempo libre con paga para participar de actividades sindicales bona fide, como son: las reuniones del sindicato, las reuniones de Comités de la Unión en el ámbito local, regional o nacional, los talleres, seminarios y congresos de capacitación sindical, negociaciones colectivas y negociación y ajuste en la administración del convenio, convenciones y asambleas nacionales e internacionales. El tiempo libre solicitado no podrá ser utilizado en forma negativa para el expediente del empleado.

ARTICULO XV (15) **Derechos de la Unión**

- Sección 1 La Comisión reconoce que el derecho de acceso a cualquier unidad de la agencia a los representantes de Unión para llevar a cabo actividades relacionados con la administración del Convenio, previa coordinación con la Comisión.
- Sección 2 El Presidente de la Unión coordinará con la Comisión un salón de reunión para el uso del sindicato y sus afiliados el día de la reunión con cinco (5) horas de anticipación a la fecha de su celebración.

Sección 3 La Comisión reconoce el derecho de la Unión a orientar aquellos nuevos empleados; que una vez aprobado el periodo probatorio pasen a formar parte de la Unidad Apropiada.

Sección 4 La Comisión reconoce, que durante situaciones de emergencia que afecten la salud y seguridad de los miembros de la unidad apropiada, el sindicato podrá llevar a cabo una reunión de sus miembros para prevenir, resolver o clarificar la situación.

Sección 5 La Comisión proveerá espacio en los tablones de edictos de la Oficina Central y en cada Oficina Regional, para acceso a dicho tablón se coordinará con el funcionario designado.

En estos espacios se fijarán anuncios sobre:

1. Convocatorias a reuniones y asambleas de la unión que indique fecha, sitio y hora y de dicha actividad.
2. Nombramientos de delegados y Comités.
3. Resultado de negociaciones, elecciones o asuntos que constituyan proyectos comunes de la Comisión y la Unión.
4. Actividades sociales, sindicales recreativas, educativas y culturales.
5. Laudos emitidos por la Comisión de Relaciones del Trabajo de Puerto Rico.

Sección 6 Se conviene que los avisos que se fijen no contendrán material político, religiosos o que propenda a difamar o denigrar la imagen de la Comisión o sus funcionarios.

ARTICULO XVI (16) **Derechos Reservados de la Comisión**

Sección 1 La Unión reconoce que en el ejercicio de las facultades que le confiere el Ordenamiento Jurídico de Puerto Rico a la Comisión de Servicio Público, éste retiene y retendrá el control exclusivo de todo lo concerniente a la dirección, operación, manejo y administración de la agencia, tal como lo dispone la Ley de Relaciones del Trabajo para el Servicio Público, según enmendada.

Sección 2 Lo anterior no constituirá una limitación a que los miembros de la Unidad Apropiada cuestionen las decisiones que entiendan menoscaban los derechos de los empleados o sea contraria a este

Convenio, en cuyo caso se utilizará el Procedimiento de Quejas y Agravios descrito en este Convenio.

- Sección 3 El Director o Supervisor inmediato será la persona responsable de dirigir, supervisar y evaluar a los miembros de la Unidad Apropiada, ningún empleado o miembro de la Unidad Apropiada actuarán en tal capacidad.

ARTICULO XVII (17)
Contabilidad de Tiempo Límite

- Sección 1 El tiempo límite en todos los procedimientos de este Convenio, incluyendo el Procedimiento de Quejas y Agravios, comienza a contar desde el día en que se recibe la comunicación escrita por medio de correo certificado, entrega de mensajero, fax o entrega personal.
- Sección 2 En el caso del correo regular, se comienza a contar a partir de tres (3) días laborables luego del unionado recibir la comunicación certificada.

ARTICULO XVIII (18)
Expediente de Personal

- Sección 1 El expediente de personal oficial de cada uno de los miembros de la Unidad Apropiada será el expediente existente bajo la custodia en la Oficina de Recursos Humanos en la Oficina Central de la Comisión.
- Sección 2 Todo empleado tendrá derecho a examinar su expediente en compañía del custodio de los expedientes de la Comisión. El empleado deberá radicar la solicitud de examen del expediente por lo menos con tres (3) días de antelación a la fecha en que se propone revisarlo. En el caso de que el empleado está incapacitado por razón de enfermedad física que le impida asistir personalmente a la revisión del expediente, éste podrá delegar en un familiar o su representante legal autorizado. En el caso de incapacidad mental, la persona que sea designada tutor por el Tribunal, o la persona que lo represente deben presentar la Sentencia del Tribunal a los efectos de su designación como tutor.
- Sección 3 Los empleados podrán obtener copia certificada de los documentos contenidos en sus expedientes. La solicitud de copia se hará por lo menos con cinco (5) días laborables de anticipación. En el plazo máximo de cinco (5) días laborables se entregará copia

certificada del documento solicitado, previo el pago de 15¢ (quince centavos) por página, por concepto del costo de reproducción.

- Sección 4 El empleado tendrá derecho a que se le suministre copia de todo documento que sea colocado en su expediente de personal que contenga información relativa a su persona. De no estar de acuerdo con algún documento en su expediente agotará los remedios que se establecen en el Convenio para su reclamación.
- Sección 5 La Comisión podrá hacer referencia en cualquier caso que envuelva acción disciplinaria contra un empleado, a documentos disciplinarios que envuelvan amonestación formal. Entiéndase, amonestación escrita, reprimenda escrita o suspensión de empleo y sueldo. Podrá además la Comisión hacer referencia a documentos relacionados a ausencias sin autorización (A.S.A). Sólo se tomarán en cuenta aquellas amonestaciones formales dentro del término de tres (3) años anteriores a la fecha de la comisión u omisión de hechos imputados. Del empleado resultar exonerado de los hechos imputados, se eliminará de su expediente cualquier documento relacionado al mismo.

ARTICULO XIX (19) **Procedimientos en las Transacciones de Personal**

- Sección 1 La Comisión se compromete, a notificar por escrito, al empleado y a la Unión, en un término de treinta (30) días naturales (1 vez al mes), cualquier transacción de personal que esté involucrado. Esta información será a través de la Oficina Central. Esta sección aplica sin limitarse a las siguientes transacciones de personal: ascensos, descensos, traslados, reubicaciones, bonificaciones, incentivos de productividad, ajustes al salario, pasos por mérito, despidos, reducción de personal, re-empleo, transferencias, licencias, regreso de licencias y suspensiones.
- Sección 2 La Unión podrá radicar quejas, querellas o reclamaciones a través del Procedimiento de Quejas y Agravios, acordadas por las partes relacionadas con estos asuntos, en representación de los empleados de la Unidad Apropriada.

ARTICULO XX (20) **Clasificación y Retribución de Puestos**

- Sección 1 El miembro de la Unidad Apropriada que entienda que sus derechos han sido afectados en materia de clasificación y retribución podrá someter su querella al Procedimiento de Quejas y Agravios provisto en este Convenio.

- Sección 2 Cualquier empleado miembro de la Unidad Apropriada, en su carácter personal o a través de su representante sindical, podrá meter una solicitud en la que expondrá por escrito todos los hechos y razones que a su juicio justifiquen su solicitud de revisión de clasificación. El empleado que en su carácter personal someta una solicitud deberá notificar a su delegado.
- Inciso 2.1 La solicitud será sometida al Supervisor inmediato para que la revise y anote sus comentarios. El Supervisor tendrá cinco (5) días laborables para enviar la solicitud y sus comentarios a la Oficina de Recursos Humanos. El Supervisor devolverá al empleado copia de estos documentos.
- Inciso 2.2 La Oficina de Recursos Humanos hará la investigación que estime pertinente y notificará por escrito su decisión al empleado solicitante y a la unión dentro de un término no mayor de veinte (20) días laborables a partir de la fecha en que reciba la solicitud de revisión.
- Inciso 2.3
- a) El empleado, miembro de la Unidad Apropriada, que no quedará satisfecho con la decisión de la Oficina de Recursos Humanos, podrá pasar al paso 3 del Procedimiento de Quejas y Agravios no más tarde de quince (15) días laborables después de la fecha en que la Oficina de Recursos Humanos notifique su decisión.
 - b) El empleado, miembro de la Unidad Apropriada, a través del representante de la Unión, podrá someter su reclamación al Procedimiento de Quejas y Agravios si la Oficina de Recursos Humanos no emite una decisión dentro del término de veinte (20) días laborables a partir de que reciba la solicitud.
- Sección 3 La Comisión se compromete a tomar las medidas necesarias para facilitar el estudio de clasificación que realizará la Oficina de Recursos Humanos del Estado Libre Asociado de Puerto Rico, según lo establecido en la Ley 103 del 25 de mayo de 2006.

ARTICULO XXI (21)
Reclutamiento y Selección

- Sección 1 El reclutamiento y la selección del personal de la agencia se hará con atención al principio de mérito dispuesto en la Ley 184, del 3 de agosto de 2004 y la Ley 103 del 2006, mientras esté vigente.
- Sección 2 Las normas de reclutamiento se revisarán para atemperarlas a la actualidad en el campo laboral.
- Sección 3 La Comisión colocará las convocatorias en todos los tablones de edictos, en la Oficina de Recursos Humanos y estará disponible en la página electrónica de la agencia y en la del gobierno. Previa solicitud, se le hará llegar una copia al representante de la Unión.
- Sección 4 Todo miembro de la Unidad Apropriada cubierto por este Convenio que solicite en una convocatoria tendrá el derecho de recibir de parte de la Comisión una notificación escrita en respuesta a su petición. En los casos en que un empleado no sea escogido para pertenecer al registro de elegibles, la notificación establecerá las razones para esa decisión. Dicha notificación se hará dentro de los próximos quince (15) días laborables siguientes a la determinación. En esta notificación se le advertirá al empleado que podrá acudir al Procedimiento de Quejas y Agravios provisto en este Convenio de no estar de acuerdo. De radicarse una querella, durante el proceso de dilucidar la misma se discutirán las razones que tuvo la agencia para su determinación.
- Sección 5 Cuando un miembro de la Unidad Apropriada presente una querella relacionada con el Registro de Elegibles, en caso de que sea necesario, el mismo estará a la disposición de los miembros del Comité de Conciliación para poder cotejare información pertinente en la resolución de la querella durante el proceso de quejas y agravios.
- Sección 6 Cualquier miembro de la Unidad Apropriada que entienda que sus derechos han sido afectados por los procedimientos que se incluyen en este artículo, podrá recurrir al Procedimiento de Quejas y Agravios.
- Sección 7 Todo integrante de la Unidad Apropriada cuyo nombre se elimine de un registro de elegibles se le enviará notificación escrita a tales efectos dentro de un término de quince (15) días laborables. En esta notificación se le advertirá al empleado que podrá acudir al Procedimiento de Quejas y Agravios provisto en este Convenio de no estar de acuerdo.

- Sección 8 La selección de candidatos para cubrir puestos a cubrirse, se hará por medio del Registro de Elegibles.
- Sección 9 Serán empleados irregulares y transitorios aquellos que emplee la Comisión para realizar labores de emergencia por un periodo de tiempo que no excederá los cientos ochenta (180) días calendario en un puesto determinado. De extenderse el nombramiento irregular o transitorio más allá de lo aquí dispuesto, la Comisión podrá crear un puesto y lo llenará con un empleado regular siguiendo los procedimientos dispuestos por este Convenio Colectivo. Al reclutar empleados irregulares, la Comisión notificará a la Unión las circunstancias que justifican su nombramiento. La Comisión estará exenta cuando el empleado irregular o transitorio esté cubriendo un puesto de una licencia reconocida, en el Convenio Colectivo o Reglamento de la Agencia.

ARTICULO XXII (22) **Puestos Vacantes**

- Sección 1 La Comisión se compromete a someterle a la Unión el número de puestos vacantes de la Unidad Apropiada, por centro de trabajo, treinta (30) días después de la firma del Convenio Colectivo. La Unión se compromete en someter toda la información que tenga al respecto.
- Sección 2 La Antigüedad del solicitante, según definida en el presente Convenio Colectivo, será considerada por la Comisión como uno de los criterios rectores para seleccionar la persona que cubrirá un puesto vacante.
- Sección 3 La Comisión no llevará a cabo el nombramiento de ningún candidato a puestos vacantes o de nueva creación, comprendido dentro de la Unidad Apropiada sin haber publicado el puesto vacante mediante Convocatoria. Mediante solicitud, la unión recibirá copia de dicha convocatoria.
- Sección 4 Una vez publicada una Convocatoria para un puesto vacante dentro de la Unidad, la Comisión no podrá modificar los requisitos mínimo requeridos en la misma, durante el proceso de adjudicación del puesto.
- Sección 5 La Comisión no obligará a ningún miembro de la Unidad Apropiada a realizar, de manera adicional, las tareas de un puesto vacante, sin descartar la posibilidad de que un empleado, de manera

voluntaria y sin mediar coacción por parte del patrono, acceda a realizar dichas tareas de modo voluntario.

- Sección 6 Nada de los antes dispuesto podrá ir en contra de las disposiciones de la Ley Núm. 103 del 25 de mayo de 2006.

ARTICULO XXIII (23)
Evaluaciones y Periodo Probatorio

- Sección 1 El periodo probatorio es el término de tiempo durante el cual un empleado, al ser nombrado en un puesto, se encuentra en periodo de adiestramiento y prueba, sujeto a evaluaciones periódicas en el desempeño de sus deberes y funciones.
- Sección 2 El periodo probatorio abarcará un ciclo completo de las funciones del puesto. Este no será menor de tres (3) meses ni mayor de un (1) año, excepto en el caso en que la ley orgánica de la Comisión disponga un periodo de duración distinta, con un ciclo de trabajo más extenso. Se utilizarán formularios oficiales diseñados para este fin y las evaluaciones que se hagan serán discutidas con los empleados. La acción final se le notificará por escrito al empleado por lo menos diez (10) días antes de su efectividad.
- Sección 3 Todo aspirante a ocupar un puesto regular que esté dentro de la Unidad Apropriada tendrá derecho a un periodo probatorio por clase.
- Sección 4 Toda persona seleccionada o ascendida para ocupar un puesto regular de carrera y los empleados incluidos en la Unidad Apropriada y cubierto por este Convenio, tendrá derecho al periodo probatorio, después del cual se le emitirá un nombramiento regular. Este nombramiento será emitido una vez el empleado apruebe el periodo probatorio, al cual se le acreditará como antigüedad el tiempo que el empleado haya venido desempeñado satisfactoriamente los deberes del puesto de manera transitoria o interina.
- Sección 5 Si por causa ajena a la voluntad del empleado o como consecuencia de un embarazo, el periodo probatorio es interrumpido, el empleado reanudará el periodo probatorio restante una vez regrese a las funciones del puesto para las que fue reclutado.
- Sección 6 Durante el periodo probatorio, el supervisor inmediato es responsable de proveerle al empleado el adiestramiento y ayuda necesaria para el cumplimiento de sus deberes.

- Sección 7 Todas las evaluaciones serán discutidas con los miembros de la Unidad Apropriada cubiertos por este Convenio. Sus delegados podrán acompañarles durante la discusión de la evaluación.
- Sección 8 Cuando un miembro de la Unidad Apropriada cubierto por este Convenio sea evaluado por más de un supervisor o tenga más de un supervisor durante su periodo probatorio, cada uno rendirá una evaluación por separado. La evaluación comprenderá el periodo bajo el cual el empleado ha estado bajo su supervisión.
- Sección 9 En caso de que el miembro de la Unidad Apropriada cubierto por este Convenio no esté de acuerdo con la evaluación de su desempeño podrá recurrir al Procedimiento de Quejas y Agravios que provee este Convenio.
- Sección 10 La separación de un empleado de la Unidad Apropriada de su puesto en el transcurso o al final del periodo probatorio sólo cuando se determine que su progreso y adaptabilidad a las normas vigentes no han sido satisfactorios, luego de haber sido debidamente orientado y adiestrado. Si por su ejecución en el servicio y no por hábitos y actitudes, el empleado fuere separado del periodo probatorio e inmediatamente antes de este nombramiento hubiere servicio satisfactoriamente como empleado regular en otro puesto, tendrá derecho a que se reinstale en un puesto igual o similar al que ocupó con estatus regular.

ARTICULO XXIV (24) **Despidos o Cesantías**

- Sección 1 La Comisión se compromete a garantizar seguridad de empleo a todos los empleados de la Unidad Apropriada cubiertos por este Convenio según dispuesto por la Ley de Personal.
- Sección 2 Antes de efectuar cualquier tipo de cesantías en la agencia, la Comisión agotará todas las alternativas a su disposición: reubicaciones, adiestramientos, licencias sin sueldo, entre otras.
- Sección 3 La Comisión acuerda utilizar como criterio principal para decretar cesantías el tiempo de servicio, de manera que la persona con menos tiempo será la primera en cesar. El orden de prelación en casos de cesantías es el siguiente: empleados por contrato, irregulares, transitorios en periodos probatorios excepto cuando el mismo es en ascenso de puesto y los regulares.
- Sección 4 A los fines de decretar cesantías se entenderá por antigüedad todo servicio prestado en el servicio público, computado de acuerdo a lo establecido en el convenio.

- Sección 5 Las partes acuerdan que previo a decretar un plan de cesantías y durante la implantación del método correspondiente, se permitirá el acceso a la unión de toda la información que justifique el plan, de manera que pueda presentar objeciones y hacer recomendaciones.
- Sección 6 Una vez determinada la necesidad de efectuar la reducción de personal, se notificará a los empleados afectados y a la Unión con treinta (30) días de antelación. En dicha comunicación se incluirán las razones para dicha acción y las medidas tomadas para prevenirla o minimizarla.

ARTICULO XXV (25) **Ascensos**

Sección 1 Definición

Significa el cambio de un empleado de un puesto en una clase a un puesto en otra clase con funciones a nivel superior y retribución económica más alta.

Sección 2 Todo ascenso se hará con atención al principio de mérito y las leyes aplicables.

Sección 3 La Comisión se compromete a proveer oportunidades y mecanismos para el ascenso de los empleados.

Sección 4 Al surgir una oportunidad de ascenso o de cubrir un puesto de nueva creación dentro de la Unidad Apropriada en la Comisión de Servicio Público se anunciará mediante convocatoria la cual se publicará en los tablones de edictos de la Comisión.

Al cubrir un puesto vacante o de nueva creación en la Comisión se le dará la oportunidad de competir a todos aquellos empleados cubiertos por este Convenio interesados en dicho puesto que hagan la solicitud correspondiente y cumplan con los requisitos establecidos. Una vez establecido el registro de ascenso correspondiente, se efectuará el mismo siguiendo este orden:

- a. Se le dará la oportunidad de competir en primera opción a todos los empleados cubiertos por este convenio colectivo interesados en dicho puesto que hagan la solicitud correspondiente y cumplan con los requisitos establecidos.

- b. De no existir candidatos cualificados dentro de la Comisión, la convocatoria se abrirá para el público general.
- Sección 5 El Registro de Elegibles para la clase de puesto en cuestión se constituirá en estricto orden descendente utilizando la puntuación obtenida por cada candidato, para eso la Comisión tomará en consideración la preparación académica y la experiencia adicional relacionada al puesto. En caso de que dos (2) o más candidatos observen igual capacidad e idoneidad de puntuación para el puesto, la antigüedad será uno de los factores rectores a ser considerados para incluir al candidato en la Certificación de Elegibles.
- Sección 6 Una vez se sirva la Certificación de Elegibles y efectuadas las entrevistas, en caso de igualdad de condiciones, la Comisión considerará la antigüedad como uno de los factores rectores en la selección para cubrir el puesto vacante.
- Sección 7 La Comisión reservará la plaza ocupada por cualquier empleado ascendido por el término de periodo probatorio de la plaza de ascenso. El empleado ascendido podrá regresar a su plaza reservada si no aprueba el periodo probatorio de la plaza ocupada en ascenso así como también podrá regresar a la misma voluntariamente en cualquier momento dentro del término de dicho periodo probatorio. Al regresar a su plaza anterior el empleado retendrá todos los beneficios que disfrutaba antes de producirse el ascenso.

De regresar a su plaza anterior o no aprobar el periodo probatorio, el empleado perderá su lugar en el registro de ascensos.
- Sección 8 Todo empleado ascendido cumplirá con el periodo probatorio asignado a la clase de puesto a la cual haya sido ascendido. Se podrá separar de un puesto a un empleado de carrera durante o al final de su periodo probatorio, cuando se determine que su progreso y adaptabilidad a las normas vigentes no han sido satisfactorios, luego de haber sido debidamente adiestrado y orientado. Si por su ejecución en el servicio y no por hábitos y actitudes, el empleado fuere separado del periodo probatorio e inmediatamente antes de ese nombramiento hubiese servido satisfactoriamente como empleado regular en otro puesto, el empleado tendrá derecho a que se le reinstale en un puesto igual o similar al que ocupó con estatus regular.
- Sección 9 Los empleados representados por este Convenio no serán objeto de ninguna medida disciplinaria por el hecho de no haber aceptado

un ascenso. Tampoco serán descalificados para otros ascensos que surjan posteriormente.

- Sección 10 Cuando surja alguna queja en cuanto a cualquier asunto cubierto por este artículo, deberá ser sometida al Procedimiento de Quejas y Agravios provisto en este Convenio.

ARTICULO XXVI (26)

Traslados

Sección 1 Definición

Significa el cambio de un(1) empleado(a) de un puesto a otro en la misma clase o a un puesto en otra clase con funciones de nivel similar para el cual se haya provisto la misma retribución mínima, siempre que el empleado reúna los requisitos para el puesto al que ha de ser trasladado.

Sección 2 Fundamentos para los traslados

El traslado podrá efectuarse a solicitud de(la) empleado(a), para beneficio de éste(a), o respondiendo a necesidades de la Administración en situación, tales como las siguientes:

- Inciso 2.1 Cuando exista la necesidad de recursos humanos adicionales para atender nuevas funciones o programas, o para la ampliación o continuación de los programas que ésta desarrolla.
- Inciso 2.2 Cuando se determine que los servicios de un(a) empleado(a) pueden ser utilizados más provechosamente debido a sus conocimientos, experiencia, destreza o cualificaciones especiales, particularmente en casos donde éste ha adquirido más conocimientos y desarrollado mayores habilidades como consecuencia de adiestramientos.
- Inciso 2.3 Cuando se determine rotar personal para que se adiestre en otras áreas.
- Inciso 2.4 Por una necesidad del servicio, siempre y cuando no se afecten los derechos adquiridos del empleado.

Sección 3 Ámbito de los Traslados

Se podrán efectuar traslados de empleados(as) dentro de una misma unidad o entre unidades de trabajo de la Comisión conforme a las normas aplicables para los traslados.

Sección 4 Norma para los traslados

Las siguientes normas regirán los traslados:

- Inciso 4.1 Los traslados no se utilizarán como medida disciplinaria ni podrá hacerse de manera arbitraria, ni resultar oneroso al(la) empleado(a) miembro de la Unidad Apropiada.
- Inciso 4.2 En cualquier caso de traslado, el(la) empleado(a) de la Unidad Apropiada deberá reunir los requisitos para el puesto al cual sea trasladado(a).
- Inciso 4.3 Cuando el traslado sea un puesto en otra clase dentro de la Unidad Apropiada, el(la) empleado(a) miembro de la Unidad Apropiada, deberá aprobar el examen correspondiente para la clase y estará sujeto(a) al periodo probatorio. Cuando el traslado responda a necesidades del servicio, se podrá obviar el periodo probatorio.
- Inciso 4.4 La Comisión reservará la plaza ocupada por cualquier empleado trasladado por un término de treinta (30) días laborables a partir de la fecha de efectividad del traslado. Durante cualquier momento del término, el empleado tendrá derecho a que se le reinstale a la plaza reservada al solicitarlo voluntariamente. El empleado retendrá todos los beneficios que disfrutaba antes de producirse el traslado.
- Inciso 4.5 Al empleado(a) miembro de la Unidad Apropiada se le informará por escrito sobre el traslado. Como norma general, la notificación al(la) empleado(a) deberá hacerse treinta (30) días consecutivos de antelación.
- Inciso 4.6 Al notificar a un(a) empleado(a) miembro de la Unidad Apropiada sobre la decisión de traslados dentro de la Unidad Apropiada por necesidad del servicio, deberá advertírselle sobre su derecho a acudir al procedimiento de quejas y agravios establecido en este Convenio. Esta acción no tendrá

efecto de detener la determinación de traslado de la Autoridad Nominadora.

- Inciso 4.7 En caso en que el empleado radique una querella por motivo de un traslado por necesidad del servicio, la misma deberá resolverse antes de que sea efectivo el traslado. Esta querella deberá ser radicada dentro de las veinticuatro (24) horas siguientes de haber sido notificado el traslado.
- Sección 5 Cuando el traslado es a un puesto de la misma clase el estatus de los (as) empleados(as) permanecerá inalterado y no será necesario un periodo probatorio.
- Sección 6 Cuando la solicitud de traslado sea a petición del(la) empleado(a) la Administración atenderá la misma en el orden en que los miembros de la Unidad Apropiada lo soliciten por escrito, excluyendo aquellos casos por acomodo razonable y en casos en que surjan necesidades de servicio que coincidan con una solicitud de traslado pendiente.
- Sección 7 La Administración notificará al empleado(a) miembro de la Unidad Apropiada su determinación sobre una solicitud de traslado dentro del término de treinta (30) días, luego de recibir la misma.
- Sección 8 El(la) empleado(a) miembro de la Unidad Apropiada que haya sido notificado(a) de la negativa de la determinación a una solicitud de traslado, tendrá derecho a solicitar la reconsideración de la misma entre un término de diez (10) días laborables luego de la notificación. En casos en que el empleado no esté de acuerdo con la determinación final, podrá acudir directamente al segundo paso del procedimiento de quejas y agravios.

ARTICULO XXVII (27) **Empleados Transitorios**

- Sección 1 La Comisión reconoce la importancia de lograr que los empleados que en la actualidad ocupan puestos transitorios puedan llegar a ser empleados regulares.
- Sección 2 A esos efectos, si mediante legislación se dispone el convertir a los empleados transitorios en empleados regulares con puestos de carrera, la Comisión se compromete a actuar diligentemente en cumplimiento de la misma.
- Sección 3 Dado ese caso, todo empleado transitorio que a la fecha de vigencia de este Convenio haya estado ocupado el mismo puesto o

realizado las mismas tareas por un periodo de tiempo de seis (6) meses, se convertirá en empleado regular, siempre que cumpla con los requisitos de la plaza o según disponga la ley.

ARTICULO XXVIII (28)

Antigüedad

- Sección 1** La antigüedad se define como el tiempo interrumpido que un(a) empleado(a) incluido(a) en la Unidad Apropriada haya prestado servicios en la Comisión de Servicio Público. Disponiéndose que para efectos de decretar cesantías y de conformidad con lo establecido en la legislación vigente, para determinar antigüedad se considerará todo el servicio prestado en la Comisión de Servicio Público.
- Sección 2** Para realizar transacciones de personal que conlleven cambios en funciones y/o en retribución, se tomarán en consideración los requisitos del puesto y las calificaciones de los solicitantes o empleados afectados. En igual de condiciones, la antigüedad será un factor a considerar.
- Sección 3** La antigüedad se perderá ya sea por destitución, renuncia o cesantía por justa causa. No se acumulará antigüedad durante el tiempo en que un empleado esté fuera del servicio público por la aplicación de una medida disciplinaria de suspensión de empleo y sueldo, sí como tampoco el tiempo en que un empleado esté fuera del servicio público por una suspensión de empleo y no de sueldo (luego de que la determinación final sobre este asunto resulte en una aplicación de una medida disciplinaria) o cuando el empleado esté en licencia sin sueldo.
- Sección 4** La antigüedad no será interrumpida mientras un empleado se encuentre en licencia con sueldo.

ARTICULO XXIX (29)

Reubicaciones

- Sección 1** La Comisión tomará todas las medidas a su alcance para reubicar a los miembros de la Unidad Apropriada cubiertos por este Convenio en otro sitio o trabajo disponible antes de reducir el personal y aplicando las disposiciones de la cláusula de antigüedad y las secciones subsiguientes en este artículo.
- Sección 2** La Comisión podrá reubicar personal en puestos de igual, similar, superior o inferior categoría siempre que el empleado cumpla con los requisitos del puesto antes de iniciar un proceso de reducción de personal.

- Sección 3 Cuando la reubicación sea en un puesto de igual o similar categoría, el empleado retendrá su sueldo, status, antigüedad y su turno de trabajo.
- Sección 4 Cuando la reubicación sea en un puesto de inferior categoría, se seguirá las normas de ascenso establecidas en este Convenio.
- Sección 5 Cuando la reubicación sea a un puesto de superior categoría, se seguirá las normas de ascenso establecidas en este Convenio.
- Sección 6 Los miembros de la Unidad Apropriada cubiertos por este Convenio podrán ingresar en el Registro de Reubicación cuando no sea posible reubicarlos o cuando a un empleado se le ofrezca reubicación en un puesto y no esté disponible o rehúse aceptar el puesto. El nombre de la persona será añadido al registro de reubicación de personal por clases de puestos. El Registro estará vigente por doce (12) meses.
- Sección 7 El registro de reubicación tendrá prioridad sobre los demás registros de elegibles. La Comisión agotará el registro de reubicaciones de personal por clases de puesto en primer término cuando sea necesario cubrir vacantes.
- Sección 8 Todo miembro de la Unidad Apropriada cubierto por este Convenio que haya sido reubicada por razón de que su puesto haya sido eliminado podrá solicitar el puesto que tenía anteriormente, si la Comisión crea el mismo nuevamente. La antigüedad será el criterio determinante en la medida que la plaza sea solicitada por más de un empleado que fuera reubicado.
- Sección 9 Cuando un empleado, miembro de la Unidad Apropriada se reintegre a sus labores del disfrute de algún tipo de licencia, se hará en el mismo puesto que desempeñaba al momento de salir en licencia.

ARTICULO XXX (30)
Condiciones y Facilidades de Trabajo

- Sección 1 La Comisión mantendrá facilidades físicas y técnicas que permitan a los trabajadores cubiertos por este Convenio la realización plena de las tareas del Programa y en armonía con la filosofía del mismo. La Comisión cumplirá, además, con las disposiciones aplicables de las leyes y reglamentos estatales y federales administrados por el Departamento de Salud de Puerto Rico, OSHQ, el Departamento del Trabajo y Recursos Humanos de Puerto Rico y otras agencias, respecto a facilidades y condiciones de trabajo.

- Sección 2 La Comisión proveerá agua potable fría en cantidad suficiente a sus trabajadores.
- Sección 3 La Comisión habilitará un salón de descanso para los trabajadores de cada centro u oficina de trabajo, donde sea posible y las condiciones lo permitan.
- Sección 4 La Comisión mantendrá un botiquín de primeros auxilios, accesible al empleado en cada centro u oficina de trabajo. En el caso de la oficina central se proveerá por piso.
- Sección 5 En cada centro de trabajo se realizará un servicio de control de sabandijas (asperjación) cuando sea necesario. La Comisión realizará las gestiones posibles para realizar dichas actividades fuera de horas laborables.
- Sección 6 Cuando los servicios de luz se interrumpan por un periodo de más de dos (2) horas, y la Comisión no tenga o pueda proveer una fuente alterna de energía eléctrica o movilizar a los empleados a otra oficina dentro del mismo edificio de la Comisión, un representante de la Unión y uno del patrono se reunirán y coordinarán la acción a seguir, entre las cuales puede estar, sin limitarse, al regreso en un tiempo determinado y/o salida del centro de trabajo.
- Sección 7 Cuando los servicios de aire acondicionado se interrumpan por un periodo de más de dos (2) horas, y la Comisión no tenga o pueda proveer abanicos, unidades de aire acondicionado portátiles o algún otro de naturaleza análoga o pudiera movilizar a los empleados a otra oficina dentro del mismo edificio de la Comisión, un representante de la Unión y uno del patrono se reunirán y coordinarán la acción a seguir, entre las cuales puede estar, sin limitarse, al regreso en un tiempo determinado y/o la salida del centro de trabajo.
- Sección 8 Cuando los servicios de agua potable se interrumpan de forma continua, la Comisión tomará las medidas necesarias para mantener las condiciones en las áreas de trabajo limpias, incluyendo, pero sin limitarse, a proveer camiones de tanques cisterna o agua en envases. De interrumpirse el servicio de forma continua por un periodo de más de dos (2) días laborables, un representante de la Unión y uno del patrono se reunirán y coordinarán al acción a seguir, entre las cuales puede estar, sin limitarse, al regreso en un tiempo determinado y/o salida del centro de trabajo.

Sección 9. La Comisión tendrá visible un diagrama de Plan de Desalojo en cada centro de trabajo y Oficina Central.

ARTICULO XXXI (31)
Seguridad y Salud en el Trabajo

Sección 1 Las partes acuerdan formar un Comité de Salud y Seguridad.

La composición del Comité será de un (1) miembro en representación de la Comisión y un (1) miembro en representación de la Unión. El Comité investigará y evaluará accidentes o situaciones que pongan en peligro la salud y la seguridad de los empleados. También hará recomendaciones para solucionar dichas situaciones.

Sección 2 El Comité considerará todos los factores de riesgo en las área de trabajo por iniciativa propia o porque hayan sido traídos ante su consideración y efectuará y dará seguimiento a las recomendaciones acordadas sobre medidas preventivas o soluciones finales para corregir las mismas.

Sección 3 La Comisión mantendrá los vehículos en buen estado de funcionamiento general, por otro lado el empleado es responsable de notificarle al supervisor inmediato de cualquier desperfecto del mismo. La Comisión se compromete a procurar la reparación del desperfecto. Si un vehículo no reúne los requisitos de salud y seguridad no se podrá obligar al empleado(a) a utilizar el mismo. Esta determinación la tomará el Comité de Salud y Seguridad de la Comisión.

Sección 4 Las partes acuerdan respetar las medidas y precauciones necesarias o convenientes para evitar accidentes del trabajo y mantener las mejores condiciones higiénicas de las facilidades donde trabajen los empleados cubiertos por este Convenio.

Sección 5 Todo accidente de trabajo será notificado al Comité de Salud y Seguridad por la persona afectada, su supervisor, su representante sindical o persona con conocimiento de la situación, dentro de los tres (3) días laborables inmediatamente siguientes a la fecha en que ocurra el mismo.

Sección 6 Los supervisores tendrán la obligación de informar al Comité de Salud y Seguridad de cualquier irregularidad que surja en las facilidades físicas que pongan en riesgo la salud y seguridad de los empleados. Esto luego de realizar gestiones para solucionar la situación.

- Sección 7 La Comisión concederá tiempo durante horas laborables a los integrantes del Comité de Salud y Seguridad, sin que se afecte su salario, ni licencias acumuladas para atender asuntos relacionados con salud y seguridad en las áreas de trabajo.
- Sección 8 Para la salud y seguridad de los empleados, la Comisión evitará, en lo posible, ubicar sus oficinas en estructuras o edificios llamados "enfermos", según determinado por las autoridades correspondientes, como OSHA, Junta de Calidad Ambiental, entre otros.
- Sección 9 La Comisión se asegurará de que se corrija cualquier desperfecto en la estructura o el edificio donde ubiquen sus oficinas, que afecte la salud y seguridad de los empleados.
- Sección 10 Barreras Arquitectónicas: La Comisión habilitará sus estructuras y oficinas para darle acceso a los empleados y población con impedimentos.
- Sección 11 La Unión podrá recurrir al Procedimiento de Quejas y Agravios, establecido en este Convenio, en aquellos casos donde un planteamiento sobre salud o seguridad no sea solucionado satisfactoriamente por el Comité o la Comisión. No obstante, las partes acuerdan hacer un esfuerzo razonable y legítimo para la pronta atención y solución de estos asuntos.

ARTICULO XXXII (32)
Licencia Fondo del Seguro del Estado

- Sección 1 **Licencia Fondo del Seguro del Estado**
- Cuando un empleado comprendido en la Unidad Apropriada tenga que ausentarse por razones de accidente o enfermedad ocupacional, así certificada por el Fondo del Seguro del Estado, tendrá derecho a recibir la mitad (50%) de su sueldo regular por 20 días a partir del momento del accidente. El restante 50% del sueldo regular será adjudicado a cualquiera de las licencias acumuladas. Este beneficio se utilizará por cada caso radicado y certificado por la Corporación del Fondo del Seguro del Estado. Luego de ser utilizado este beneficio, el restante será cargado a las distintas licencias.
 - Una vez el Fondo del Seguro del Estado emita una decisión, indicando que el empleado se encuentra en condiciones de volver a su trabajo, la Comisión lo reinstalará en su plaza con los aumentos y demás beneficios. El empleado deberá

reportarse al próximo día laborable a partir de la fecha en que haya sido dado de alta o autorizado a trabajar.

- c) Cuando un empleado sufra de una incapacidad certificada por el Fondo del Seguro del Estado de carácter temporero que le impida trabajar, la Comisión le reservará su empleo por el término que dure la incapacidad, hasta un máximo de un (1) año.
- d) El empleado acumulará las licencias por vacaciones y enfermedad durante el periodo que se encuentre disfrutando de la licencia ocupacional, según la reglamentación vigente, siempre y cuando se reintegre a su trabajo.

ARTICULO XXXIII (33)
Desarrollo de Personal y Oportunidades de Aprendizaje

- Sección 1 La Comisión elaborará un plan anual de adiestramiento, capacitación y desarrollo profesional del personal para todos los trabajadores de acuerdo a su área de trabajo y enviará copia a la Unión tan pronto esté elaborado el mismo.
- Sección 2 La Comisión mantendrá en archivo un historial de adiestramiento y capacitación profesional del personal de cada empleado de manera que se desarrolle profesionalmente.
- Sección 3 La Comisión anunciará a los empleados miembros de la Unidad Apropriada las oportunidades de becas, licencias con o sin sueldo para estudios, seminarios o cursos cortos de corta o larga duración, oportunidades de paga de matrícula, pasantías e intercambios de personal dentro y fuera de Puerto Rico.
- Sección 4 La Comisión podrá corroborar el uso de la licencia y de entender que se ha hecho uso indebido o fraudulento de la misma, podrá iniciar el proceso de medidas disciplinarias. En este caso el empleado vendrá obligado a rembolsar a la Comisión el total del dinero devengado por esta licencia.
- Sección 5 Los miembros de la Unidad Apropriada cubiertos por este Convenio podrán matricularse en cursos de mejoramiento profesional con o sin créditos que estén relacionados con las funciones que desempeñan.
- Sección 6 De la Comisión aprobar la matrícula asumirá los costos del pago de matrícula por dichos cursos o establecerá adiestramientos de mejoramiento profesional para todos los empleados, según la

necesidad de éstos, los recursos económicos disponibles y el beneficio para la Comisión y el empleado.

- Sección 7 La Comisión será responsable de adiestrar a los Inspectores de nuevo ingreso antes de enviarlos al campo o asignarles tareas sin la supervisión adecuada.
- Sección 8 La Comisión brindará educación a todos los Inspectores de la Unidad Apropriada. Entre los temas a tratarse se incluirán todas las franquicias reglamentadas por ésta.
- Sección 9 La Comisión creará un registro de adiestramientos que permita que todos los Inspectores de la Unión sean adiestrados por igual, según la necesidad y los recursos económicos de ésta. Dichos adiestramientos se ofrecerán de acuerdo a las eventualidades de la Comisión.
- Sección 10 La Comisión evaluará toda solicitud para los cursos o talleres de educación continuada y adiestramiento o las pruebas necesarias para que los miembros representados de la Unidad Apropriada puedan cumplir con los requisitos de sus gremios profesionales, incluyendo sin limitarse a la renovación de cualquier tipo de licencia o permiso para ejercer su profesión.
- Sección 11 La Comisión autorizará hasta dos (2) horas laborables trimestral para que los miembros de la Unidad Apropriada participen de un Programa de Educación coordinado por la Unión.

ARTICULO XXXIV (34) **Equipo de Trabajo**

- Sección 1 A los fines de proveer los servicios de una manera adecuada, segura y eficiente, la Comisión proveerá el uniforme adecuado, equipo y materiales, si las necesidades del servicio así lo requieren, siempre y en tanto sean indispensables para realizar adecuadamente sus funciones sin riesgo para su salud y seguridad.
- La Comisión proveerá pero no limitado a:
- Una placa y credenciales
Equipo para detectar escapes de gas
Botas, macarrillas, guantes y capacetes.
Computadoras
Escritorios y sillas adecuadas
Fax y materiales de oficina para uso oficial
Fotocopiadoras para uso oficial
Archivos para los Inspectores de Investigación

Gorras y chalecos de seguridad para los inspectores que operan turnos nocturnos

Cuchilla, espejo telescopico

Linternas para detectar números de motor, navaja para remover sello de inspección, termos para agua, carpas o toldos, mesas y sillas plegadizas para las intervenciones.

De crearse nuevas unidades de trabajo, la Comisión proveerá los equipos y materiales necesarios.

Sección 2 Los empleados, como custodios del equipo de trabajo de la Comisión, deberán cuidar y usar correctamente, así como cumplir con las normas establecidas para garantizar su protección y deberán notificar a su supervisor inmediato tan pronto se percate de cualquier desperfecto, deterioro, desaparición o pérdida. En caso de terminación de empleo, el empleado devolverá dicha propiedad a la Comisión.

Sección 3 Para mantener la salud y seguridad de los empleados la Comisión proveerá el equipo, las herramientas y materiales requeridos por ley o la reglamentación vigente tanta Estatal como Federal, que son necesarios para que los empleados cubiertos por este Convenio puedan realizar su labor sin riesgo para su salud y su seguridad.

Sección 4 La Comisión proveerá vehículos debidamente equipados para los Inspectores de la Unidad Apropriada que realicen intervenciones y operativos en el campo.

Sección 5 La Comisión ni sus representantes requerirá a ningún empleado cubierto por este Convenio Colectivo a que realice labores sin contar con el equipo necesario según dispuesto en la Sección 1 o sustituto de los mismos para realizar sus labores o prestar los servicios.

ARTICULO XXXV (35) **Uniformes**

Sección 1 En aquellos puestos o clasificaciones de la Unidad Apropriada donde se requiere el uso de uniforme, la Comisión proveerá libre de costos los mismos al empleado. La Comisión proveerá un (1) uniforme durante la vigencia del convenio colectivo.

Sección 2 Cuando la Comisión decida requerir el uso de uniforme para un puesto o clasificación que anterior a la firma del Convenio no requería uniforme, le proveerá a los empleados de dicho puesto o

clasificación, los uniformes según lo establece la Sección 1 de este artículo.

Sección 3 La Comisión establecerá, mediante reglamento, un uniforme especial para los inspectores miembros de la unidad apropiada.

Sección 4 El empleado que reciba los uniformes será responsable de brindarles el aseo y el mantenimiento correspondiente, sin costo alguno para la Comisión.

ARTICULO XXXVI (36) **Jornada de Trabajo**

Sección 1 La jornada regular de trabajo diaria será de siete horas y media ($7\frac{1}{2}$) en dos (2) bloques consecutivos, uno en la mañana y otro en la tarde separados por el periodo de alimentos y los de descanso.

Sección 2 La jornada regular de trabajo semanal será de treinta y siete horas y media ($37\frac{1}{2}$) en cinco (5) días de trabajo consecutivo.

Sección 3 Cualquier alteración que aumente la jornada regular de trabajo diaria o semanal se considerará tiempo extra y se compensará según se define en este Convenio.

Sección 4 Los trabajadores tendrán un periodo de gracia de diez (10) minutos por la mañana antes de que se le anote la tardanzas.

Sección 5 Todo empleado representado de la Unidad Apropiada tendrá el derecho a disfrutar una (1) hora de almuerzo entre la tercera y quinta hora de su turno de trabajo.

Sección 6 Periodo de Merienda

Todo miembro de la Unidad Apropiada cubierto por este Convenio tendrá el beneficio de disfrutar de un descanso de quince (15) minutos entre cada bloque de cuatro (4) horas de trabajo consecutivo. El descanso se disfrutará en cualquier momento, entre la segunda y la tercera hora, de su bloque de cuatro horas de trabajo consecutivo en coordinación con el supervisor. El periodo de merienda se podrá tomar dentro o fuera del área de trabajo.

Sección 7 El horario de trabajo de todos los empleados representados en la Unidad Apropiada será el existente a la firma de este Convenio. En caso de que el empleado no esté de acuerdo con una posible modificación a su horario de trabajo, podrá recurrir al Procedimiento de Quejas y Agravios descrito en este Convenio.

Este sólo podrá ser cambiado, previa discusión con la Unión, en situaciones de comprobada emergencia.

ARTICULO XXXVII (37)
Horas Extra de Trabajo

- Sección 1 Se entenderá por horas extras aquellas horas que el empleado trabaje en exceso de su jornada regular diaria o semanal o cuando se trabaje durante días feriados, días libres o cuando se trabaje durante el periodo de tomar alimentos.
- Sección 2 Cuando se anticipa la necesidad de trabajo extra o en proyectos especiales, el patrono procederá a solicitar voluntarios. En ausencia de éstos, el patrono notificará con suficiente antelación y nunca menos de ocho (8) horas, la asignación de los turnos a los empleados de manera que se garantice que no sean los mismos empleados los que siempre trabajen extra, excepto en casos de emergencias o por causa fortuita o ajena a nuestro control, los cuales requieran trabajar de inmediato.
- Sección 3 Ningún empleado podrá ser penalizado por rehusarse a trabajar tiempo extra, excepto en casos de emergencias o por causa fortuita o ajena al control de la Comisión, los cuales requieran trabajar inmediatamente. Se entenderá que en situaciones de emergencia, la Comisión le proveerá al empleado la oportunidad de proteger su familia y su propiedad antes de requerir sus servicios. La Comisión utilizará el plan de emergencia que para estos fines tiene diseñado.
- Sección 4 En esta situación, del empleado no estar de acuerdo con trabajar horas extras, tendrá derecho a someter su querella al Procedimiento de Quejas y Agravios.

ARTICULO XXXVIII (38)
Dietas, Millaje y Alojamiento

- Sección 1 La Comisión reconoce el derecho de los miembros de la Unidad Apropiada y pagará su compensación de dieta, millaje y alojamiento en aquellos casos en que se le requiera asistir a reuniones u otras actividades relacionadas a su empleo, fuera de su área de trabajo.
- Sección 2 Cuando un miembro de la Unidad Apropiada utilice su vehículo de motor privado para asuntos oficiales, la Comisión le compensará únicamente los gastos de dieta y millaje.

Sección 3 La Comisión reconoce el derecho que tiene un empleado de recibir su dieta diaria siempre que su periodo de almuerzo ocurra fuera de su área regular de trabajo.

Sección 4 El pago de millaje se compensará a razón de (.40) centavos por milla. Según dispone el Reglamento Núm. 37 del Departamento de Hacienda. El pago se realizará en un término de cuarenta y cinco (45) días, según la disponibilidad de fondos.

Sección 5 **El pago de dietas a los miembros de la Unidad Apropriada, para gastos de desayuno, almuerzo, comida y alojamiento se compensará de acuerdo a la hora de salida y regreso a su Centro de Trabajo, según sea el caso y siguiendo la siguiente tabla: (Según dispone el Reglamento Núm. 37 del Departamento de Hacienda)**

	Partida antes de:	Regreso después de:	Pago:
Desayuno	6:30 a.m.	8:00 a.m.	\$4.00
Almuerzo	12:00 m.	1:00 p.m.	\$8.00
Comida	6:00 p.m.	7:00 p.m.	\$9.00

Sección 6 **Viajes que requieren alojamiento**

Los miembros de la Unidad Apropriada representados por este Convenio que se le requiera viajar en asuntos oficiales fuera de Puerto Rico tendrán derecho al adelanto de los gastos de alojamiento cuando la actividad a participar se extienda por más de una noche. Según dispone el Reglamento del Departamento de Hacienda.

Sección 7 En estadías de una noche el empleado tendrá derecho a recibir un reembolso de los gastos de alojamiento incurridos mediante la presentación de las evidencias correspondientes o una certificación al efecto. Al determinar la estadía, el alojamiento se llevará a cabo en las facilidades del lugar donde se encuentren o en las facilidades de hotelería más cercanas. Según dispone el Reglamento del Departamento de Hacienda aplicable.

Sección 8 El reembolso de las dietas y millaje para los miembros de la Unidad Apropriada representados en este Convenio se realizará en cheque separado. De acuerdo al Reglamento Núm. 37 del Departamento de Hacienda.

Sección 9 Cómputo del millaje

Para determinar la distancia en millas recorridas se utilizará la tabla de Distancias en Millas entre los pueblos provista por el Departamento de Transportación y Obras Públicas.

ARTICULO XXXIX (39)
Días Feriados

- Sección 1** Los días feriados comprenderán las veinticuatro (24) horas del día natural a partir de la media noche del día de que se trata.
- Sección 2** La Comisión reconocerá que los días establecidos por el gobierno del Estado Libre Asociado serán los días libres con paga para los empleados cubiertos por este Convenio.
- Sección 3** La Comisión concederá dos (2) horas laborables el 1ro. de mayo de cada (Día Internacional de los Trabajadores) para que la Unión lleve a cabo charlas en cada región, centro de trabajo y oficina central sobre esta fecha histórica.
- Sección 4** Se concederá como licencia el día de cumpleaños libre con paga a todos los miembros de la Unidad Apropiada dentro de los cinco (5) días laborables siguientes a esa fecha. De caer estos en días feriados, sábados o domingos, se correrá al próximo día laborable.
- Sección 5** Se considerará, además días feriados sin pérdida de paga alguna y quedarán incluidos como parte de la lista anterior, aquellos días o medios días que por proclamas del (la) Gobernador (a) de Puerto Rico o del Presidente de Estados Unidos o por ley, fueran declarados en lo sucesivo, días feriados a observarse en Puerto Rico, siempre y cuando los mismos no sean para descontarse de la licencia ordinaria. Los mismos se acreditarán conforme las licencias correspondientes, según se disponga mediante Proclama u Orden Ejecutiva.

ARTICULO XL (40)
Plan Médico

- Sección 1** Durante la vigencia de este Convenio Colectivo, la Agencia hará el siguiente aumento a la aportación al plan médico, existente a la firma de este Convenio, para cubrir costos del plan médico:

a. 1 de enero de 2014

Quince dólares (\$15.00) mensuales

Todo plan médico y todo aumento estarán sujetos a la previa autorización de la Oficina de Gerencia y Presupuesto (OGP), la asignación presupuestaria de la Asamblea Legislativa y las que se requieran mediante ley.

La Agencia presentará y defenderá ante la Asamblea Legislativa el presupuesto correspondiente a cada año fiscal y las partidas específicas con el monto total de dinero necesario para otorgar los aumentos y beneficios aquí pactados.

- Sección 2 Si la Asamblea Legislativa o por Orden Ejecutiva o por ley se aprueba un aumento al plan médico en o antes de que ocurra lo pactado en la Sección 1 de este Artículo, para los empleados públicos, el mismo se otorgará a los miembros de la Unidad Apropiada conforme a la legislación que se apruebe a esos efectos, atendiendo al proceso de asignación y distribución del Fondo General. De aprobarse algún aumento menor a lo establecido en la Sección 1 de este Artículo, la Agencia cubrirá la cantidad que falte hasta llegar a lo acordado en este Convenio. Si el Gobierno de Puerto Rico aumenta las asignaciones del Fondo General a la Agencia, de manera que los aumentos aquí acordados para cada uno de los años de vigencia del convenio puedan ser aumentados, los mismos se aumentarán conforme a la legislación que se apruebe a esos efectos.
- Sección 3 La Unión reconoce y acepta la difícil situación fiscal de la Agencia y entiende que a falta de una aprobación presupuestaria por la Legislatura, la Oficina de Gerencia y Presupuesto y la correspondiente asignación presupuestaria de parte de las agencias gubernamentales correspondientes, la Agencia será liberada de responsabilidad en otorgar los aumentos aquí negociados.
- Sección 4 Si en el ejercicio de su facultad constitucional, la Asamblea Legislativa aprueba una asignación presupuestaria menor a la partida destinada a planes médicos para que la Agencia cumpla con los aumentos acordados, tanto la Unión como la Agencia se reunirán una (1) semana después de la aprobación del presupuesto por la Legislatura, para evaluar la implantación de los aumentos aquí acordados, modificar dichos aumentos conforme a cualquier otra distribución o para buscar alternativas viables a la situación de insuficiencia o incapacidad económica de cumplir con los aumentos pactados por no haber sido asignados del Fondo General. Las partes de no llegar a un acuerdo, someterán el asunto en controversia al procedimiento de arbitraje de interés ante la Comisión de Relaciones del Trabajo en el Servicio Público.

Sección 5 Si por legislación o por orden ejecutiva del gobernador se disponen aumentos a la aportación del plan médico para los empleados públicos que incluyan a los empleados que están cubiertos por convenios colectivos en virtud de la Ley Número 45 del 25 de febrero de 1998, según enmendada, en cantidades superiores a las contenidas en la Sección 1 de este Artículo, la aportación se aumentará hasta la cantidad dispuesta en la referida legislación o decreto.

ARTICULO XLI (41) **Salarios**

Sección 1 Durante la vigencia de este Convenio Colectivo, la Agencia concederá a los Miembros de la Unidad Apropriada que cualifiquen, los aumentos salariales que se indican a continuación:

- a. El primer aumento de salario será efectivo el 1 de julio de 2013 por la cantidad de ciento veinticinco dólares (\$125.00) mensual.
- b. El segundo aumento de salario será efectivo el 1 de julio de 2014 por la cantidad de ciento veinticinco dólares (\$125.00) mensual.

Todo salario y todo aumento estarán sujetos a la previa autorización de la Oficina de Gerencia y Presupuesto (OGP), la asignación presupuestaria de la Asamblea Legislativa y las que se requieran mediante ley.

Sección 2 La Agencia se compromete a presentar ante la Asamblea Legislativa el presupuesto correspondiente a cada año que contendrá las partidas específicas con el monto total de dinero necesario para otorgar los aumentos y beneficios aquí pactados. La Agencia someterá dicha solicitud presupuestaria ante la Oficina de Gerencia y Presupuesto (OGP) y defenderá el presupuesto recomendado por la OGP ante la Asamblea Legislativa de Puerto Rico. Dicho aumento será efectivo al momento de que el mismo sea aprobado y asignado por la Asamblea Legislativa y firmado como parte del presupuesto por el Gobernador y asignado, aprobado y desembolsado por la Oficina de Gerencia y Presupuesto.

Sección 3 La Unión reconoce el planteamiento de la Agencia de que no cuenta con los recursos económicos necesarios para otorgar aumentos salariales durante los años fiscales 2011-2012, 2012-2013, 2013-2014, no obstante, si por legislación, concesión de la Rama Ejecutiva o alguna proclama del Gobernador de Puerto Rico

durante los años fiscales 2011-2012, 2012-2013, 2013-2014 se concedieran aumentos salariales a los empleados públicos cubiertos por la Ley Número 45, según enmendada, dichos aumentos serán adjudicados a los miembros de la Unidad Apropriada según lo dispuesto mediante la legislación que se apruebe a esos efectos.

- Sección 4 Si la Asamblea Legislativa o por Orden Ejecutiva o por ley se aprueba un aumento salarial en o antes de que ocurra lo pactado en la Sección 1 de este Artículo, para los empleados públicos, el mismo se otorgará a los miembros de la Unidad Apropriada conforme a la legislación que se apruebe a esos efectos, atendiendo al proceso de asignación y distribución del Fondo General. De aprobarse algún aumento menor a lo establecido en la Sección 1 de este Artículo, la Agencia cubrirá la cantidad que falte hasta llegar a lo acordado en este Convenio. Si el Gobierno de Puerto Rico aumenta las asignaciones aquí acordados para cada uno de los años de vigencia del convenio puedan ser aumentados, los mismos se aumentarán conforme a la legislación que se apruebe a esos efectos.
- Sección 5 La Unión reconoce y acepta la difícil situación fiscal de la Agencia y entiende que a falta de una aprobación presupuestaria por la Legislatura, la Oficina de Gerencia y Presupuesto y la correspondiente asignación presupuestaria de parte de las agencias gubernamentales correspondientes, la Agencia será liberada de responsabilidad en otorgar los aumentos aquí negociados.
- Sección 6 Si en el ejercicio de su facultad constitucional, la Asamblea Legislativa aprueba una asignación presupuestaria menor a la partida destinada a salarios para que la Agencia cumpla con los aumentos salariales acordados, tanto la Unión como la Agencia se reunirán una (1) semana después de la aprobación del presupuesto por la Legislatura, para evaluar la implantación de los aumentos aquí acordados, modificar dichos aumentos conforme a cualquier otra distribución o para buscar alternativas viables a la situación de insuficiencia o incapacidad económica de cumplir con los aumentos pactados por no haber sido asignados del Fondo General. Las partes de no llegar a un acuerdo, someterán el asunto en controversia al procedimiento de arbitraje de interés ante la Comisión de Relaciones del Trabajo en el Servicio Público.
- Sección 7 Si por legislación o por orden ejecutiva del Gobernador se disponen aumentos salariales para los empleados públicos que incluyan a los empleados que están cubiertos por convenios

colectivos en virtud de la Ley Número 45 del 25 de febrero de 1998, según enmendada, en cantidades superiores a las contenidas en la sección 1 de este artículo, la aportación se aumentará hasta la cantidad dispuesta en la referida legislación o decreto.

ARTICULO XLII (42)

Diferenciales

- Sección 1 La Comisión otorgará compensación temporera especial, adicional y separada del sueldo regular del empleado, que se concede para mitigar circunstancias extraordinarias que de otro modo podrían considerarse onerosas para el empleado.
- Sección 2 Los diferenciales se podrán conceder por:
- A. Condiciones extraordinarias – situación de trabajo temporera que requiere un mayor esfuerzo o riesgo para el empleado, mientras lleva a cabo las funciones de su puesto.
 - B. Interinato – situación de trabajo temporera en la que el empleado desempeña todas las funciones esenciales de un puesto superior al que ocupa en propiedad. En este caso, será requisito las siguientes condiciones: haber desempeñado las funciones sin interrupción por 30 días o más; haber sido designado oficialmente a ejercer las funciones interinas por el Director del departamento u oficina y cumplir con los requisitos de preparación académica y experiencia del puesto cuyas funciones desempeña interinamente. El empleado interino podrá ser relevado del interinato en cualquier momento que así lo determine el Director del departamento u oficina. En tales circunstancias el empleado regresará a su puesto anterior y recibirá el sueldo que devengaba antes del interinato, excepto cuando el empleado haya desempeñado funciones interinas de supervisión por 12 meses o más. En este caso, se le concederá un aumento salarial equivalente a un tipo retributivo en su puesto.
- Sección 3 Ningún diferencial concedido podrá ser considerado como parte integral del sueldo regular del empleado para fines del cómputo para la liquidación de licencias, ni para el cómputo de la pensión de retiro.

ARTICULO XLIII (43)

Bono de Navidad

- Sección 1 Durante la vigencia del convenio colectivo, la Agencia concederá un Bono de Navidad a los miembros de la Unión Apropiada

cubiertos por este Convenio Colectivo que cualifiquen, según se indica a continuación:

- a) (\$1,125.00) pagadero antes del 15 de diciembre de 2013;
- b) (\$1,125.00) pagadero antes del 15 de diciembre de 2014.

Todo bono de navidad y sus aumentos estarán sujetos a la previa autorización de la Oficina de Gerencia y Presupuesto (OGP), la asignación presupuestaria de la Asamblea Legislativa y las que se requieran mediante ley.

- Sección 2 La Agencia se compromete a presentar ante la Asamblea Legislativa el presupuesto correspondiente a cada año que contendrá las partidas específicas con el monto total de dinero necesario para otorgar el bono de navidad y los aumentos pactados. La Agencia someterá dicha solicitud presupuestaria ante la Oficina de Gerencia y Presupuesto (OGP) y defenderá el presupuesto recomendado por la OGP ante la Asamblea Legislativa de Puerto Rico. Dicho aumento será efectivo al momento de que el mismo sea aprobado y asignado por la Asamblea Legislativa y firmado como parte del presupuesto por el Gobernador y asignado, aprobado y desembolsado por la Oficina de Gerencia y Presupuesto (OGP).
- Sección 3 Si la Asamblea Legislativa o por Orden Ejecutiva o por ley se aprueba un aumento al bono de navidad en o antes de que ocurra lo pactado en la Sección 1 de este Artículo, para los empleados públicos, el mismo se otorgará a los miembros de la Unidad Apropriada conforme a la legislación que se apruebe a esos efectos, atendiendo al proceso de asignación y distribución del Fondo General. De aprobarse algún aumento menor a lo establecido en la Sección 1 de este Artículo, la Agencia cubrirá la cantidad que falte hasta llegar a lo acordado en este Convenio. Si el Gobierno de Puerto Rico aumenta las asignaciones del Fondo General a la Agencia, de manera que los aumentos aquí acordados para cada uno de los años de vigencia del convenio puedan ser aumentados, los mismos se aumentarán conforme a la legislación que se apruebe a esos efectos.
- Sección 4 La Unión reconoce y acepta la difícil situación fiscal de la Agencia y entiende que a falta de una aprobación presupuestaria por la Legislatura, la Oficina de Gerencia y Presupuesto (OGP) y la correspondiente asignación presupuestaria de parte de las

agencias gubernamentales correspondientes, la Agencia será liberada de responsabilidad en otorgar los aumentos aquí negociados.

- Sección 5 Si en el ejercicio de su facultad constitucional, la Asamblea Legislativa aprueba una asignación presupuestaria menor a la partida destinada a bonos de navidad para que la Agencia cumpla con los aumentos acordados, tanto la Unión como la Agencia se reunirán una (1) semana después de la aprobación del presupuesto por la Legislatura, para evaluar la implantación de los aumentos aquí acordados, modificar dichos aumentos conforme a cualquier otra distribución o para buscar alternativas viables a la situación de insuficiencia o incapacidad económica de cumplir con los aumentos pactados por no haber sido asignados del Fondo General. Las partes de no llegar a una acuerdo, someterán el asunto en controversia al procedimiento de arbitraje de interés ante la Comisión de Relaciones del Trabajo en el Servicio Público.
- Sección 6 Si por legislación o por orden ejecutiva del Gobernador se dispone alguna bonificación especial o bono de navidad para los empleados públicos que incluyan a los empleados que están cubiertos por convenios colectivos en virtud de la Ley Número 45 del 25 de febrero de 1998, según enmendada, en cantidades superiores a las contenidas en este Artículo, la aportación se aumentará hasta la cantidad dispuesta en la referida legislación o decreto, conforme a la disponibilidad de fondos.

ARTICULO XLIV (44) **Bono de Ratificación**

- Sección 1 A la firma de este Convenio Colectivo se les otorgará un bono de ratificación a todos los miembros de la Unidad Apropriada, que estén prestando servicios para la Agencia en puestos de carrera y que estén devengando salario para ello. Este bono no será recurrente y estará sujeto a las deducciones mandatarias de ley. La cantidad incluida en este bono será de **doscientos dólares (\$200.00)**. El mismo será pagadero no más tarde de cuarenta y cinco (45) días a partir de la firma de este Convenio.

Todo bono y todo aumento estarán sujetos a la previa autorización de la Oficina de Gerencia y Presupuesto (OGP), la asignación presupuestaria de la Asamblea Legislativa y las que se requieran mediante ley.

ARTICULO XLV (45)

Bono de Verano

- Sección 1 La Agencia concederá un Bono de Verano de doscientos cincuenta dólares (**\$250.00**) efectivo el 1 de julio de 2012.
- Sección 2 La Agencia concederá un Bono de Verano de doscientos cincuenta dólares (**\$250.00**) efectivo el 1 de julio de 2013.
- Sección 3 La Agencia concederá un Bono de Verano de doscientos cincuenta dólares (**\$250.00**) efectivo el 1 de julio de 2014.
- Sección 4 Todo bono de verano y los aumentos que se vayan a otorgar estarán sujetos a la previa autorización de la Oficina de Gerencia y Presupuesto (OGP), la asignación presupuestaria de la Asamblea Legislativa y las que se requieran mediante ley.

ARTICULO XLVI (46)

Licencias

La Comisión reconoce el derecho de los miembros de la Unidad Apropiada cubiertos por el Convenio a disfrutar de todas las licencias concedidas por las leyes del Estado Libre Asociado, leyes federales aplicables y los reglamentos de la Comisión que cubren a los miembros de la Unidad Apropiada.

A. Licencia Sindical

- Sección 1 A solicitud de la Unión, la Comisión de Servicio Público reconocerá una licencia sindical sin sueldo a un (1) miembro de la Unidad Apropiada cubierto por este Convenio Colectivo para realizar labores para la Unión en beneficio de sus compañeros de trabajo.
- Sección 2 La Comisión reconocerá la anterior licencia hasta seis (6) meses durante la vigencia del presente Convenio Colectivo. La Unión notificará a la Comisión toda información relativa al empleado que utilizará la licencia sindical y el tiempo se podrá utilizar en intervalos previamente acordados.
- Sección 3 La Comisión reintegrará al empleado en su puesto, en cualquier momento durante el disfrute de esta licencia, cuando éste lo solicite y recibirá todos los derechos que hubiese alcanzado antes de su reintegro. El empleado se reportará a su puesto el próximo día laborable, después del día en que deje de disfrutar la mencionada licencia sindical.

B. Licencia Militar

- Sección 1 Todo miembro de la Unidad Apropiada cubierto por el Convenio Colectivo que ingrese al servicio militar activo se le concederá una licencia de sueldo por el periodo mínimo del servicio requerido, según dispuesto en la Ley Federal Núm. 103-353 del 13 de octubre de 1994, mejor conocida como "Employment and Reemployment Rights of Members of the Uniformed Services".
- Sección 2 Si el empleado extiende voluntariamente el servicio militar luego de finalizar el periodo que su juramento inicial le requiere, se entenderá que renuncia a su derecho a continuar disfrutando de esta licencia. El empleado permanecerá en el registro de elegibilidad de la Comisión por un espacio de un (1) año.
- Sección 3 Todo miembro de la Unidad Apropiada cubierto por el Convenio que sea llamado a prestar servicio temporeros a la Guardia Nacional de Puerto Rico o a la Reserva de las Fuerzas Armadas de los Estados Unidos, tendrá derecho a una licencia militar con sueldo hasta un máximo de treinta (30) días laborables en un año natural, según dispuesto en el Código Militar de Puerto Rico, Ley 62 del 23 de junio de 1969.
- Sección 4 La totalidad del periodo de treinta (30) días referido en la Sección 3, podrá utilizarse para prestar servicios militares como parte del entrenamiento anual, para asistir a escuelas militares o para prestar servicios intermitentes a las Fuerzas Militares de Puerto Rico o a la Reserva, cuando así hubieren sido ordenados o autorizados en virtud de las disposiciones de las leyes del Estado Libre Asociado de Puerto Rico y de los Estados Unidos de América.
- Sección 5 Cuando dicho servicio militar activo federal o estatal, fuera en exceso de treinta (30) días laborables, se le concederá una licencia sin sueldo por el periodo de la activación. En la alternativa, si así lo solicita el empleado miembro de la Unidad Apropiada, se le podrá cargar dicho exceso de los treinta (30) días laborables a la licencia de vacaciones que tenga acumulada a esa fecha.
- Sección 6 El empleado acumulará licencia de vacaciones y por enfermedad mientras disfruta de la licencia militar con sueldo. La misma se le acreditará una vez se reinstale. En aquellos casos en que la licencia militar sea sin sueldo, el empleado no acumulará licencia de vacaciones ni de enfermedad.

Sección 7 Al solicitar una licencia militar el empleado deberá someter conjuntamente con su solicitud de licencia, evidencia oficial acreditativa de la orden de servicio militar en que basa su solicitud.

Sección 8 Al concluir con el servicio militar activo, el empleado tendrá derecho a que se le reinstale en el puesto que ocupaba o a uno similar, si concurren las siguientes condiciones:

- a. Haber sido licenciado honrosamente
- b. Radicar solicitud de reingreso de acuerdo a lo establecido por ley
- c. Estar física y mentalmente capacitado para desempeñar los deberes del puesto
- d. No haber cometido delito alguno de acuerdo a lo establecido por ley

Sección 9 La Comisión podrá corroborar el uso de la licencia y de entender que ha hecho uso indebido o fraudulento de la misma, podrá iniciar el proceso de medidas disciplinarias. En este caso se obliga al empleado reembolsar a la Comisión el total del dinero devengado por esta licencia.

C. Licencia con Fines Judiciales

Sección 1 Todo miembro de la Unidad Apropiada cubierto por el Convenio que sea citado para comparecer ante un tribunal de justicia, fiscalía o cualquier foro quasi-judicial, incluyendo los organismos administrativos de una agencia gubernamental como testigo o perito, relativo al desempeño de sus funciones oficiales, tendrá derecho a disfrutar de esta licencia por el tiempo que estuviese ausente del trabajo con motivo de tales citaciones.

Sección 2 El empleado deberá presentar y someter a la Comisión una certificación de comparecencia(s).

Sección 3 A estos empleados no se les reducirá su paga ni se le limitará su licencia de vacaciones.

Sección 4 El empleado acumulará licencia de vacaciones y por enfermedad mientras disfruta de la licencia con fines judiciales. La misma se le acreditará una vez se reinstale y presente la evidencia correspondiente sobre los días que estuvo en licencia judicial.

Sección 5 De no someter la certificación solicitada, la Comisión podrá corroborar el uso de la licencia y de entender que ha habido uso

indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

Sección 6 Cuando el empleado sea citado para comparecer como acusado o como parte interesada antes dichos organismos, no se le concederá este tipo de licencia. Por parte interesada se entenderá la situación en que comparece en la defensa o ejercicio de un derecho en su carácter personal. En tales casos, el tiempo que utilicen se cargarán a la licencia de vacaciones y de no tener licencia acumulada, se le concederá a discreción de la Comisión una licencia sin sueldo por el periodo para estos fines.

D. Licencia para el Servicio de Jurado

- Sección 1 Todo empleado miembro de la Unidad Apropiada a quien le sea requerido por un Tribunal de Justicia servir como jurado, tendrá derecho a disfrutar de una licencia con sueldo para estos propósitos. La Comisión se reserva el derecho de solicitar al Tribunal de Justicia que excuse la comparecencia del empleado por razones de servicio.
- Sección 2 El empleado acumulará licencia de vacaciones y enfermedad mientras disfruta de la licencia aquí referida. La misma se le acreditará una vez se reinstale.
- Sección 3 Cuando un miembro de la Unidad Apropiada estuviese disfrutando de esta licencia y sea excusado por el Tribunal por un periodo de un (1) día o más, éste deberá reintegrarse inmediatamente a sus labores. Cuando el empleado haya sido excusado y así certificado por el tribunal por razón de agotamiento físico atribuible a su servicio como jurado por razón de sesiones de larga duración o nocturnas se le cargará este periodo a su licencia de enfermedad. En el caso de que no tenga licencia de enfermedad acumulada, se le cargara a su licencia de vacaciones regulares.
- Sección 4 Al solicitar una licencia para el servicio de jurado, el empleado deberá someter conjuntamente con su solicitud de licencia, evidencia oficial acreditativa de la orden del Tribunal de Justicia que ha requerido su servicio.

E. Licencia para Fines Funerales

- Sección 1 La Comisión concederá a todo miembro de la Unidad Apropiada cubierto por el Convenio una licencia funeral de tres (3) días sin cargo a ninguna de las licencias acumuladas cuando el fallecimiento ocurra en Puerto Rico. En caso de que el

fallecimiento del familiar ocurra fuera de Puerto Rico, el miembro de la Unidad Apropriada cubierto por este Convenio tendrá derecho a utilizar tres (3) días adicionales con cargo a la licencia de vacaciones regulares acumuladas.

Dicha licencia se podrá disfrutar a partir de la fecha de fallecimiento de cualquiera de sus padres (biológicos o adoptivos), cónyuge, abuelos, hijos (biológicos o adoptivos), hermanos, suegros, tía o tío.

- Sección 2 En caso de que necesite tiempo adicional, el tiempo se conceder con cargo a licencia de vacaciones regulares o tiempo compensatorio que tenga el empleado.
- Sección 3 El empleado deberá acreditar mediante evidencia, a saber acta de defunción, esquela, tarjeta de la funeraria, declaración jurada o cualquier otro documento fehaciente que certifique la muerte y la relación familiar con la persona fallecida.
- Sección 4 De no someter la evidencia, la Comisión podrá corroborar el uso de la misma y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

ARTICULO XLVII (47) **Licencia de Maternidad**

- Sección 1 La licencia de maternidad comprenderá el periodo de descanso prenatal y post-partum a que tiene derecho toda empleada embarazada. De igual manera comprenderá el periodo a que tiene derecho una empleada que adopte un menor, de conformidad con la legislación aplicable y este Convenio.
- Sección 2 Toda empleada en estado de embarazo tendrá derecho a un periodo de descanso de cuatro (4) semanas antes del alumbramiento y cuatro (4) semanas después. Disponiéndose que la empleada pueda disfrutar consecutivamente de cuatro (4) semanas adicionales para la atención y el cuidado del menor.

El alumbramiento es un acto donde una criatura es expedita del cuerpo materno por la vía natural o es extraída legalmente de éste mediante un procedimiento quirúrgico-obstétrico. El alumbramiento es, además, cualquier otro parto prematuro, el malparto o aborto involuntario, inclusive aquellos inducidos legalmente por facultativos médicos, que sufra la madre en cualquier momento durante el embarazo.

- Sección 3 Durante el periodo de la licencia de maternidad la empleada devengará la totalidad de su sueldo.
- Sección 4 La empleada podrá optar por tomar hasta sólo una (1) semana de descanso prenatal y extender hasta once (1) semanas de descanso post-partum a que tiene derecho.
- Sección 5 De producirse el alumbramiento antes de transcurrir las cuatro (4) semanas de haber comenzado la empleada embarazada a disfrutar de su descanso prenatal, o sin que hubiere comenzado a disfrutar de éste, la empleada podrá optar por extender el descanso post-partum por un periodo de tiempo equivalente al que dejó de disfrutar de descanso prenatal.
- Sección 6 Cuando se estime erróneamente la fecha probable del alumbramiento y la mujer haya disfrutado de las cuatro (4) semanas de descanso prenatal, sin sobrevenirle el alumbramiento, tendrá derecho a que extienda el periodo de descanso prenatal, a sueldo completo, hasta que sobrevenga el parto. En este caso, la empleada conservará su derecho a disfrutar de las seis (6) semanas de descanso post-partum a partir de la fecha de alumbramiento.
- Sección 7 En el caso que a una empleada le sobrevenga alguna complicación posterior al parto que le impida regresar al trabajo al terminar el disfrute del periodo post-partum, la Comisión deberá concederle una licencia por enfermedad. De ésta no tener licencia por enfermedad acumulada, se le concederá licencia por vacaciones. En el caso que no tenga acumulada licencia por enfermedad o de vacaciones, se le pondrán ceder días por otros empleados o concederle una licencia sin sueldo hasta que se recupere. La solicitud de esta licencia deberá estar acompañada de una certificación médica que acredite dicha situación que inhabilita a la empleada a regresar al trabajo una vez ha disfrutado del periodo post-partum.
- Sección 8 En caso de parto prematuro, la empleada tendrá derecho a disfrutar de las ocho (8) semanas de licencia de maternidad a partir de la fecha del parto prematuro y las cuatro (4) semanas adicionales para el cuidado y atención del menor.
- Sección 9 La empleada que sufra un aborto podrá reclamar hasta un máximo de cuatro (4) semanas de licencia de maternidad. Sin embargo, para ser acreedora a tales beneficios, el aborto debe ser de tal naturaleza que le produzca los mismos efectos fisiológicos que

regularmente surgen como consecuencia del parto, de acuerdo al dictamen y certificación del médico que la atiende durante el aborto.

- Sección 10 La empleada que adopte a un menor de edad preescolar, entiéndase un menor de cinco (5) años o menos, que no está matriculado en una institución escolar, a tenor con la legislación y procedimientos legales vigentes en Puerto Rico o cualquier jurisdicción de los Estados Unidos, tendrá derecho a los mismos beneficios de licencia de maternidad a sueldo completo de que goza la empleada que tiene un alumbramiento normal.
- Sección 11 En el caso que adopte a un menor de seis (6) años en adelante, tendrá derecho a la licencia de maternidad a sueldo completo por el término de quince (15) días. Esta licencia comenzará a contar a partir de la fecha en que se reciba al menor en el núcleo familiar, lo cual deberá acreditarse por escrito.
- Sección 12 La empleada embarazada o que adopte un menor tiene la obligación de notificar con anticipación a la agencia sobre sus planes para el disfrute de su licencia de maternidad y sus planes de reintegrarse al trabajo.
- Sección 13 La licencia de maternidad no se concederá a empleados que estén en disfrute de cualquier otro tipo de licencia, con o sin sueldo. Se exceptúa de esta disposición a las empleadas a quienes se les haya autorizado licencia de vacaciones o licencias por enfermedad y a las empleadas que estén en licencia sin sueldo por efecto de complicaciones previas al alumbramiento.
- Sección 14 En caso de muerte del recién nacido previo a finalizar el periodo de Licencia de maternidad, la empleada tendrá derecho a reclamar exclusivamente aquella parte del periodo post-partum que complete las primeras ocho (8) semanas de licencia de maternidad no utilizada. Disponiéndose que el beneficio de las cuatro (4) semanas adicionales para el cuidado del menor, cesará a la fecha de ocurrencia del fallecimiento del niño(a), por cuanto no se da la necesidad de atención y cuidado del recién nacido que justificó su concesión. En estos casos, la empleada podrá acogerse a cualquier otra licencia a la cual tenga derecho.
- Sección 15 Ninguna empleada que se encuentre en estado de embarazo será expuesta a condiciones peligrosas para dicho estado. Tampoco, se le asignarán turnos nocturnos a partir del séptimo (7) mes de embarazo.

- Sección 16 La agencia podrá autorizar el pago por adelantado de los sueldos correspondientes al periodo de licencia de maternidad, siempre que la empleada lo solicite con anticipación correspondiente. De la empleada reintegrarse al trabajo antes de expirar el periodo de descanso posterior al parto, vendrá obligada ha efectuar el reembolso del balance correspondiente a la licencia de maternidad no disfrutada.
- Sección 17 La Comisión podrá autorizar el pago por adelantado de los sueldos correspondientes al periodo de licencia de maternidad, siempre que la empleada lo solicite con anticipación con veinte (20) días de anticipación a la fecha de iniciar su licencia por maternidad. De surgir una situación que adelante la fecha programada el pago se tramitara a partir de la fecha en que esto ocurra.

ARTICULO XLVIII (48)
Licencia Especial con Paga para la Lactancia

- Sección 1 La Comisión otorgará cincuenta (50) minutos a dos (2) periodos de veinticinco (25) minutos dentro de cada jornada de trabajo a madres trabajadoras que laboran a tiempo completo, para lactar o extraerse la leche materna por un periodo de doce (12) meses a partir del reingreso a sus funciones. La Comisión proveerá un lugar habilitado a la madre lactante para la extracción y almacenamiento de la leche materna en su centro de trabajo.

ARTICULO XLIX (49)
Licencia por Paternidad

- Sección 1 La licencia por paternidad comprenderá el periodo de cinco (5) días laborables a partir de la fecha del nacimiento del hijo o hija.
- Sección 2 Al reclamar este derecho, el empleado certificará que está legalmente casado o que cohabita con la madre del menor, y que no ha incurrido en violencia doméstica. Dicha certificación se realizará mediante la presentación del formulario requerido por la agencia a tales fines, el cual contendrá además, la firma de la madre del menor.
- Sección 3 El empleado solicitará la licencia por paternidad y a la mayor brevedad posible someterá el certificado de nacimiento.
- Sección 4 Durante el periodo de la licencia por paternidad, el empleado devengará la totalidad de su sueldo.

- Sección 5 En el caso de un empleado con status transitorio, la licencia por paternidad no excederá del periodo de nombramiento.
- Sección 6 La licencia por paternidad no se concederá a empleados que estén en disfrute de cualquier otro tipo de licencia, con o sin sueldo. Se exceptúa de esta disposición a los empleados a quienes se les haya autorizado licencia de vacaciones o licencia por enfermedad.
- Sección 7 El empleado que, junto a su cónyuge, adopte a un menor de edad preescolar, entiéndase un menor de cinco (5) años o menos, que no esté matriculado en una institución escolar, a tenor con la legislación y procedimientos legales vigentes en Puerto Rico o cualquier jurisdicción de los Estados Unidos, tendrá derecho a una licencia de paternidad que comprenderá el periodo de quince (15) días, a contar a partir de la fecha en que reciba al menor en el núcleo familiar, lo cual debe acreditarse por escrito.
- Sección 8 En el caso que adopte a un menor de seis (6) años en adelante, tendrá derecho a la licencia de paternidad a sueldo completo por el término de quince (15) días.
- Sección 9 Al reclamar este derecho, el empleado certificará que está legalmente casado, en los casos en que aplique, y que no ha incurrido en violencia doméstica, delito de naturaleza sexual y maltrato de menores. Dicha certificación se realizará mediante la presentación del formulario requerido por la agencia a tales fines, el cual contendrá, además, la firma de su cónyuge.
- Sección 10 Aquel empleado que, individualmente adopte a un menor de edad preescolar, entiéndase un menor de cinco (5) años o menos que no esté matriculado en una institución escolar, a tenor con la legislación y procedimientos legales vigentes en Puerto Rico o cualquier jurisdicción de los Estados Unidos, tendrá derecho a una licencia de paternidad que comprenderá el periodo de ocho (8) semanas, a contar a partir de la fecha en que se reciba al menor en el núcleo familiar, lo cual debe acreditarse por escrito.
- Sección 11 En el caso que adopte a un menor de seis (6) años en adelante, tendrá derecho a la licencia de paternidad a sueldo completo por el término de quince (15) días.
- Sección 12 Al reclamar este derecho el empleado certificará que no ha incurrido en violencia doméstica, ni delito de naturaleza sexual, ni maltrato de menores.

ARTICULO L (50)
Licencia Regular de Vacaciones

Sección 1 Definición

La licencia de vacaciones tiene el propósito de relevar al empleado temporeraente de las labores que desempeña para proporcionarle un periodo anual de descanso en beneficio de la salud, porque las jornadas de trabajo regulares pueden llegar a producir fatiga mental y física que quebrantan el vigor del organismo y lo exponen a dolencias y enfermedades.

- Sección 2** Todos los miembros de la Unidad Apropriada cubiertos por este Convenio tendrán el derecho a acumular licencia regular a razón de dos y medio (2½) días por cada mes de servicio.
- Sección 3** Las vacaciones regulares se acumularán hasta un máximo de sesenta (60) días laborables al finalizar cada año natural.
- Sección 4** Todos los miembros de la Unidad Apropriada cubiertos por este Convenio tendrán el derecho a disfrutar de treinta (30) días laborables de vacaciones y de forma consecutiva cada año. Sin embargo, el empleado estará obligado a disfrutar de por lo menos cinco (5) de esos días laborables de vacaciones en forma consecutiva más el exceso acumulado sobre sesenta (60) días al 31 de diciembre de cada año, durante el transcurso de cada año natural, excepto en aquellos casos donde el empleado solicite disfrutar las mismas de forma interrumpida.
- Sección 5** No se le interrumpirá o reprogramará el disfrute de licencia regular de vacaciones a ningún empleado miembro de la Unidad Apropriada cubierta por este Convenio. Solo podrá hacerse excepción por necesidad del servicio. De interrumpir las vacaciones regulares el empleado acumulará tiempo y medio al tiempo compensatorio.
- Sección 6** La Comisión formulará un plan de vacaciones cada año natural y en coordinación con los empleados miembros de la Unidad Apropriada cubierta por este Convenio y sus respectivos supervisores, que establezca el periodo dentro del cual cada empleado disfrutará de sus vacaciones. El plan deberá establecerse con la antelación necesaria para que entre en vigor el primero de enero de cada año. Ambas partes se comprometen a dar cumplimiento al plan.

- Sección 7 La Comisión formulará y administrará el plan de vacaciones armonizando las observaciones, las recomendaciones y preferencias de los empleados con las necesidades del servicio, de modo que éstos no pierdan licencia de vacaciones al finalizar el año natural y disfruten de su licencia regular de vacaciones anualmente.
- Sección 8 La Comisión le informará el balance de vacaciones acumuladas a todos los miembros de la Unidad Apropriada cubiertos por este Convenio dos (2) veces al año. En caso de cualquier error de cálculo se podrá corregir la información por iniciativa de cualquiera de las partes.
- Sección 9 La Comisión evaluará, de así solicitarlo el empleado, conceder licencia regular en exceso de treinta (30) días en un año natural, siempre y cuando el empleado tenga balance acumulado para cubrir el periodo de licencia.
- Sección 10 La Comisión podrá anticipar la licencia regular a cualquier empleado miembro de la Unidad Apropriada cubierta por este Convenio que lo solicite y haya trabajado para la agencia por más de un (1) año, hasta un máximo de treinta (30) días laborables.
- Sección 11 Todo empleado miembro de la Unidad Apropriada cubierto por este Convenio que se le anticipe licencia regular vendrá obligado a trabajar el equivalente al periodo necesario para acumular el tiempo anticipado. Lo que acumule se le irá acreditando al tiempo que se le adelantó hasta saldar el mismo. En caso de que el empleado se separe del servicio voluntaria o involuntariamente antes de servir el tiempo reglamentario vendrá obligado a reembolsar en dinero a la Comisión el equivalente a la licencia anticipada que deje de cubrir. En caso de que el día se conceda oficialmente por el Gobierno de turno, ese día se cargará a licencia acumulada y el restante que acumule será acreditado al balance que adeuda.
- Sección 12 Cuando un empleado miembro de la Unidad Apropriada cubierto por este Convenio se encuentra utilizando su licencia regular tendrá derecho a la acumulación de licencia regular y por enfermedad por el tiempo que esté fuera de servicio, siempre y cuando se reinstale a su trabajo una vez termine de disfrutar la licencia.
- Sección 13 En aquellos casos en que se haga efectiva una proclama u orden administrativa del Gobernador de Puerto Rico concediendo tiempo oficial, la misma será aplicable a todo empleado miembro de la

Unidad Apropiada cubierta por este Convenio que se encuentre en uso de licencia regular. Cuando el empleado se encuentre disfrutando de sus vacaciones regulares se le extenderá el periodo de sus vacaciones por el tiempo oficial concedido.

- Sección 14 Todo empleado miembro de la Unidad Apropiada cubierta por este Convenio que se enferme mientras se encuentre disfrutando de licencia regular podrá solicitar que el periodo de enfermedad le sea acreditado a su licencia acumulada por enfermedad. El empleado deberá evidenciar dicha enfermedad mediante la presentación de un certificado médico.
- Sección 15 En caso de muerte del empleado miembro de la Unidad Apropiada cubierta por este Convenio, la liquidación de su licencia regular acumulada se hará a nombre de sus herederos, según conste en la correspondiente Resolución sobre la Declaratoria de Herederos expedida por el Tribunal competente. Cuando los herederos del empleado no reclamen la liquidación mediante la presentación de dicha resolución dentro de los seis (6) meses siguientes a la fecha del fallecimiento del empleado, la Comisión procederá a consignar en el Tribunal la suma correspondiente.
- Sección 16 Si hay dos (2) o más intereses de empleados en conflictos en cuanto a la fecha para tomar vacaciones, tendrá preferencia el empleado con más antigüedad en el primer año. De ahí en adelante se hará en forma alternada. Si un empleado no está de acuerdo con la determinación, podrá recurrir al Procedimiento de Quejas y Agravios establecido en este Convenio.

Sección 17 Cesión de Licencia Acumulada

Los empleados miembros de la Unidad Apropiada cubierta por este Convenio tendrán el derecho de autorizar a la Comisión la cesión de algunos días de su licencia de vacaciones acumulada, a favor de otros empleados de la Comisión. La misma estará conforme a las disposiciones que establece la Ley 44 del 22 de mayo de 1996, según enmendada, Ley de Cesión de Licencia de Vacaciones.

ARTICULO LI (51)
Licencia por Enfermedad

- Sección 1 Todos los miembros de la Unidad Apropiada cubiertos por este Convenio tendrán el derecho a acumular licencia por enfermedad a razón de un día y medio (1½) por cada mes de servicio.

- Sección 2 Todos los miembros de la Unidad Apropiada cubiertos por este Convenio tendrán el derecho a que se les pague anualmente el exceso de días de noventa (90) días por enfermedad que acumulen sobre el máximo permitido por la Ley Núm. 156 del 20 de agosto de 1996. El pago se efectuará a base del tipo de salario regular del empleado no más tarde del 31 de marzo de cada año.
- Sección 3 La licencia por enfermedad se utilizará: 1) cuando el empleado se encuentre enfermo, incapacitado físicamente o expuesto a una enfermedad contagiosa que requiere su ausencia del trabajo para la protección de su salud o la de otras personas; 2) cuando tenga que atender una situación de salud de sus hijos, cónyuge y los padres, cuando éstos últimos sean parte del núcleo familiar del empleado.
- Sección 4 En caso de ausencia por enfermedad, será obligación del empleado someter un certificado médico justificativo de las ausencias, según lo dispuesto en el tercer párrafo del Manual de Procedimientos y Normas Internas de la Comisión de Servicio Público referente a: La Jornada de Trabajo y Asistencia del 21 de mayo de 1991.
- Sección 5 En caso de que el empleado agote la licencia por enfermedad y continúe enfermo, pudiere utilizar la licencia regular que tenga acumulada conforme a las normas establecidas para este tipo de licencia.
- Sección 6 El cargo de licencia por enfermedad se hará sobre la base de la jornada diaria de trabajo que tenga asignado el empleado, entendiéndose que no se hará cargo por los días libres del empleado ni por los días feriados.
- Sección 7 Cuando un empleado miembro de la Unidad Apropiada cubierto por este Convenio se encuentra utilizando su licencia por enfermedad tendrá derecho a la acumulación de licencia regular y por enfermedad por el tiempo que esté fuera del servicio, siempre y cuando se reinstale a su trabajo una vez termine de disfrutar la licencia autorizada.
- Sección 8 La Comisión podrá anticipar la licencia por enfermedad a cualquier empleado miembro de la Unidad Apropiada cubierta por este Convenio que lo solicite presentando justificación hasta un máximo de dieciocho (18) días laborables.
- Sección 9 Todo empleado miembro de la Unidad Apropiada cubierta por este Convenio que se le anticipe licencia por enfermedad vendrá

obligada a trabajar el equivalente al periodo necesario para acumular el tiempo anticipado. Durante el periodo, el empleado no tendrá balance de licencia a su favor, ya que lo que acumule se le irá acreditando al tiempo que se le adelantó hasta saldar el mismo. En caso de que el empleado se separe del servicio de forma voluntaria o involuntariamente antes de servir el tiempo reglamentario vendrá obligado a reembolsar en dinero a la Comisión el equivalente a la licencia anticipada que deje de cubrir.

- Sección 10 La licencia por enfermedad se podrá acumular hasta un máximo de (90) días laborables al finalizar cada año natural. El empleado podrá hacer uso de toda la licencia por enfermedad que tenga acumulada durante cualquier otro año natural.

ARTICULO LII (52)
Licencia para Estudios o Adiestramiento

A. Licencia con Sueldo para Estudios

- Sección 1 Los empleados en uso de licencia con sueldo para estudios recibirán el sueldo total o parcial, según se determine en forma correlativa a los niveles de sueldo, o a los costos, los estudios, a la situación económica de los empleados y a la mejor utilización de los fondos públicos.
- Sección 2 La Comisión podrá corroborar el uso de esta Licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar un proceso de medidas disciplinarias.

B. Licencia sin Sueldo para Estudios

- Sección 1 Los miembros de la Unidad Apropriada cubiertos por este Convenio podrán solicitar una licencia sin sueldo para estudios y así posibilitar su mejoramiento profesional, personal o funcional.
- Sección 2 La licencia puede ser de un periodo de un (1) año prorrogable.
- Sección 3 Se podrá regresar al servicio antes de vencer la licencia siempre que se radique la petición de reinstalación.
- Sección 4 La Comisión estudiará y determinará si procede la concesión de la licencia solicitada de acuerdo a las necesidades del servicio y los mejores intereses del desarrollo personal y profesional del empleado. La Comisión le informará al empleado su decisión no más tarde de sesenta (60) días antes de la fecha en que se pida se haga efectiva la licencia solicitada.

Sección 5 Todo empleado en disfrute de Licencia sin Sueldo para Estudios se reintegrará a su puesto y presentará evidencia de sus estudios al terminar los mismos.

C. Licencia con Sueldo para Estudios de Corta Duración

Sección 1 Los adiestramientos de corta duración se concederán a los miembros de la Unidad Apropriada cubierta por este Convenio por un término no mayor de cuatro (4) meses con el propósito de recibir adiestramiento práctico o realizar estudios académicos que los preparen para el mejor desempeño de las funciones correspondientes a sus puestos. El (los) curso (s) deben tener relación con las tareas asignadas al personal bajo este Convenio y certificadas como necesarias por la Oficina de Recursos Humanos de la Comisión.

Sección 2 Los empleados miembros de la Unidad Apropriada cubiertos por este Convenio interesados en adiestramientos de corta duración, radicarán la solicitud pertinente con por lo menos cuarenta y cinco (45) días laborables de anticipación a la fecha de comienzo del curso.

Sección 3 La Comisión y la Unión estudiarán la petición y determinará si procede la concesión del adiestramiento solicitado de acuerdo a las necesidades del servicio, el mejor interés del desarrollo personal y profesional de los empleados y los recursos disponibles.

Sección 4 Cuando a un empleado miembro de la Unidad Apropriada cubierta por este Convenio se le autorice un adiestramiento de corta duración se le concederá una licencia con sueldo mientras dure el curso. Los sueldos de estos empleados estarán sujetos a descuentos y deducciones por ley o por este Convenio previamente aceptadas por el empleado.

Sección 5 El empleado miembro de la Unidad Apropriada cubierta por este Convenio se reintegrará a su puesto al terminal el curso con todos sus derechos como si hubiera estado prestando servicios regulares.

ARTICULO LIII (53) **Licencias Especiales con Sueldo**

A. Licencia para la Representación del País

Sección 1 La Comisión observará las reglamentaciones aplicables a este tipo de licencia bajo las leyes y reglamentaciones vigentes.

- Sección 2 La Comisión concederá esta licencia en aquellos casos en que un miembro de la Unidad Apropiada cubierto por este Convenio ostente la representación oficial de Puerto Rico en olimpiadas, convenciones, certámenes y otras actividades similares.
- Sección 3 La licencia se extenderá por el periodo que comprenda dicha representación, la preparación personal inmediata a su acuartelamiento incluyendo el periodo de tiempo que requiera el viaje de ida y vuelta para asistir a la actividad.
- Sección 4 Todo empleado para concederle esta licencia, debe presentar a la Comisión, con por lo menos diez (10) días de antelación, el documento certificado que le acrede para representar a Puerto Rico, el cual contendrá información sobre el tiempo que habrá de estar participando.
- Sección 5 La licencia será aprobada por el Presidente de la Comisión y/o representante autorizado.
- Sección 6 La Comisión podrá corroborar el uso de la licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

B. Licencia Deportiva

- Sección 1 La licencia deportiva se concederá a todo empleado certificado por el Comité Olímpico de Puerto Rico en Juegos Olímpicos, Juegos Panamericanos, Centroamericanos o en campeonatos regionales, incluyendo justas interagenciales o mundiales. El término deportista incluirá atletas, jueces, árbitros, técnicos de deportes, profesionales de la salud, delegados o cualquier otra persona certificada por las autoridades deportivas competentes.
- Sección 2 La Comisión reconocerá que los empleados deportistas disfrutarán de una licencia deportiva especial de hasta quince (15) días laborables por año. Estos días serán acumulables, hasta el máximo de treinta (30) días, según dispone la Ley Número 49 del 27 de junio de 1987, según enmendada.
- Sección 3 Los empleados deportistas podrán ausentarse de sus empleos hasta treinta (30) días laborables al año y sin descuento de sus haberes. Cuando el empleado no cuente con los días de licencia deportiva acumulados, los días en exceso le serán descontados de su licencia de vacaciones, según dispone la Ley Número 49 del 27 de junio de 1987, según enmendada.

- Sección 4 Todo empleado para concederle esta licencia, debe presentar a la Comisión, con por lo menos diez (10) días de antelación, el documento certificado, suscrito por un representante autorizado de una de las federaciones adscritas al Comité Olímpico de Puerto Rico, que le acredeite para representar a Puerto Rico, el cual contendrá información sobre el tiempo que habrá de estar participando.
- Sección 5 La licencia será aprobada por el Presidente de la Comisión y/o representante autorizado.
- Sección 6 La Comisión podrá corroborar el uso de la licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

C. Licencia con Paga para Atletas, Técnicos y Dirigentes

- Sección 1 La Comisión concederá una licencia con paga a atletas, técnicos y dirigentes deportivos para cumplir con las exigencias del entrenamiento, su preparación y la formación requerida para la competencia.
- Sección 2 La licencia se concederá con base de tiempo libre suficiente durante el horario regular de las labores del empleado.
- Sección 3 La licencia se extenderá al máximo del tiempo límite necesario, según certificado y suscrito por un representante autorizado de una de las federaciones adscritas al Comité Olímpico de Puerto Rico, para que el empleado aproveche su entrenamiento o formación al máximo en las instalaciones dispuestas para competencias de esta naturaleza incluyendo, sin limitarse al Albergue Olímpico.

D. Licencia con Paga por Servicios Voluntarios en caso de Desastres

- Sección 1 La Comisión concederá una licencia con paga a todo empleado miembros de la Unidad Apropiada cubierto por este Convenio que preste servicios voluntarios a la Agencia Estatal para el Manejo de Emergencias, la Administración de Desastres de Puerto Rico y agencias similares, en caso de desastre o por razones de adiestramientos requeridos para capacitarse como voluntario de las agencias.

Sección 2 Para disfrutar de dicha licencia el empleado deberá someter a la Comisión lo siguiente:

- a. Evidencia oficial de que pertenece a los cuerpos voluntarios de la Defensa Civil, Agencia Estatal para el Manejo de Emergencia o Administración de Desastre de Puerto Rico y agencias similares. Posterior a la prestación de los servicios voluntarios deberá someter certificación acreditativa de los servicios prestados y periodo de tiempo por el cual prestó los mismos.
- b. En el caso en que el empleado no pertenezca a una de las organizaciones mencionadas en el Inciso(a) de la Sección 2, pero por razón de la emergencia se integre a una de ellas en la prestación de servicios de emergencia, deberá someter a la Comisión certificación acreditativa de los servicios prestados y periodos de tiempo por el cual sirvió con la agencia.

Sección 3 La licencia se extenderá por el periodo de tiempo que el empleado preste los servicios de forma voluntaria y durante la vigencia de la situación de emergencia.

Sección 4 Los desastres se entenderán como situaciones de emergencia causadas por huracanes, tormentas, inundaciones, terremotos, incendios y otras causas de fuerza mayor que requieran los servicios de la Agencia Estatal para el Manejo de Emergencias y Administración de Desastres y así haya sido declarada por Orden Ejecutiva del Gobernador o el Presidente de Estados Unidos.

Sección 5 La Comisión podrá corroborar el uso de la licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

E. Licencia a Voluntarios de Servicios de Emergencia a la Cruz Roja Americana

Sección 1 Los miembros de la Unidad Apropriada cubierto por este Convenio que sean voluntarios certificados en servicios de desastres de la Cruz Roja Americana podrán ausentarse de su trabajo mediante licencia con paga para participar en funciones especializadas de servicio de desastres.

Sección 2 El periodo de la licencia se extenderá hasta treinta (30) días calendarios en un periodo de doce (12) meses.

- Sección 3 La licencia podrá utilizarse consecutivamente o en forma intermitente o fragmentada según la necesidad.
- Sección 4 Los desastres se entenderán como situaciones de emergencia causadas por huracanes, tormentas, inundaciones, terremotos, incendios y otras causas de fuerza mayor que requieran los servicios de la Cruz Roja Americana.
- Sección 5 Para disfrutar de dicha licencia el empleado deberá someter a la Comisión lo siguiente:
- a. Evidencia oficial de que pertenece al cuerpo de voluntario de la Cruz Roja. Posterior a la presentación de los servicios voluntarios, deberá someter certificación de la Cruz Roja, acreditativa de los servicios prestados y periodo de tiempo por el cual prestó los mismos.
 - b. En el caso en que no pertenezca a la Cruz Roja, pero por razón de la emergencia se integre con la Cruz Roja en prestación de servicios de emergencia, deberá someter al Departamento de Certificación de la Cruz Roja acreditativa de los servicios prestados y periodos de tiempo por el cual sirvió.
- Sección 6 De no someter la certificación solicitada, la Comisión podrá corroborar el uso de la licencia y de entender que habido uso indebido o fraudulento podría imponerse medidas disciplinarias.

F. Licencia para Tomar Exámenes y Entrevistas de Empleo

- Sección 1 La Comisión concederá licencia con tiempo laborable cualquier miembro de la Unidad Apropriada cubierto por este Convenio que lo solicite, para tomar exámenes o asistir a determinada entrevista a la que ha sido citado de forma oficial con relación a una oportunidad de empleo en el Servicio Público.
- Sección 2 El empleado deberá someter certificación de que asistió a la entrevista.
- Sección 3 La Comisión podrá corroborar el uso de la licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

G. Licencia con Paga para Vacunar a los Hijos y Donación de Sangre

- Sección 1 La Comisión concederá una licencia con tiempo laborable a todos los miembros de la Unidad Apropiada cubiertos por este Convenio, que así lo soliciten, para vacunar a sus hijos en una institución gubernamental o privada.
- Sección 2 La licencia se extenderá hasta un máximo de tres (3) horas cada vez que sea necesaria la vacunación, según se indica en la tarjeta de inmunización del hijo.
- Sección 3 La licencia será hasta un máximo de cuatro (4) horas semestrales dentro de un año natural. Lo anterior podrá extenderse en situaciones en que al empleado (a) le sobrevenga una complicación durante la sangría o esta se efectué fuera de su área de trabajo.
- Sección 4 El empleado tiene que presentar la evidencia correspondiente de que donó sangre y el tiempo que permaneció en la sangría.
- Sección 5 La Comisión podrá corroborar el uso de la licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

J. Licencia para la Renovación de Licencia de Conducir

- Sección 1 Todo empleado(a) cubierto por este Convenio Colectivo podrán utilizar hasta dos (2) horas de su jornada de trabajo, sin cargo a licencia alguna o descuento de salario, para renovar su licencia de conducir y sacar marbete.
- Sección 2 Para hacer uso de este beneficio el empleado(a) deberá presentar la evidencia acreditativa de haber estado realizando las gestiones necesarias a su supervisor inmediato.

K. Licencia para atender asuntos relacionados con Pensión Alimentaria

- Sección 1 Cualquier empleado(a) cubierto por este Convenio Colectivo dispondrá de hasta doce (12) horas anuales sin cargo a licencia alguna o descuento de salario, para comparecer ante el tribunal o a las oficinas de la Administración para el Sustento de Menores (ASUME) con relación a reclamos o ajustes de la pensión alimentaria de sus hijos.
- Sección 2 Para ser acreedor de este beneficio, el empleado(a) deberá notificar la ausencia con antelación a su supervisor inmediato y

presentar posteriormente evidencia acreditativa de su comparecencia al tribunal o las oficinas de ASUME.

ARTICULO LIV (54)
Licencias sin Sueldo

A. Licencias sin Sueldo

Sección 1 La licencia sin sueldo es un derecho que tiene un empleado miembro de la Unidad Apropiada cubierta por el presente Convenio a que se le conceda permiso para que éste se ausente del trabajo durante cierto y determinado periodo. Durante esta licencia no hay desvinculación del puesto y el empleado lo conserva hasta su regreso o renuncia.

Sección 2 La Comisión reconoce el derecho de obtener licencias sin sueldo a los miembros de la Unidad Apropiada cubierto por el Convenio que lo soliciten por escrito.

Sección 3 Las licencias sin sueldo en general podrán concederse por un espacio de tiempo de un (1) año consecutivo, exceptuando las limitaciones establecidas o los derechos otorgados en otras secciones de este Convenio o leyes habilitadoras, siempre y cuando exista expectativa razonable de que el empleado se reintegrará a su trabajo. A discreción de la Comisión y mediante análisis de cada caso por la Oficina de Recursos Humanos de la Comisión, dicho término podrá prorrogarse.

Sección 4 Las licencias sin sueldo se podrán conceder, sin limitarse, para fines: personales, de enfermedad, sindicales y educativos.

Algunos propósitos son los siguientes:

Inciso 4.1 Prestar servicios en otras agencias del gobierno.

Inciso 4.2 Para proteger el status o derechos de un empleado (reclamación de incapacidad al Sistema de Retiro, mantener tratamiento médico en el Fondo del Estado, entre otros).

Inciso 4.3 A la madre, luego del nacimiento de un hijo.

Inciso 4.4 Para cuidar hijos, padres, madres, cónyuges por razones de impedimentos o enfermedad.

- Sección 5 Las licencias sin sueldo se podrán extender. En los siguientes casos se considerará prioritaria la solicitud de extensión:
- Inciso 1 Mayor capacitación del empleado
 - Inciso 2 Protección o mejoramiento de la salud del empleado
 - Inciso 3 Necesidad de retener al empleado para beneficio de la Comisión
 - Inciso 4 Ayuda a promover un programa de gobierno.
 - Inciso 5 Cuando continuar prestando servicios en otra agencia redunde en beneficio del interés público.
 - Inciso 6 Cuando está pendiente una determinación final del Fondo del Seguro del Estado en caso de un accidente ocupacional.
 - Inciso 7 Cuando está pendiente una determinación final del Sistema de Retiro.
- Sección 6 Los empleados en disfrute de licencia sin sueldo no acumularán antigüedad durante el periodo de la Licencia, pero mantendrán la ya adquirida antes del disfrute de esta licencia.
- Sección 7 La Comisión podrá corroborar el uso de la licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.
- B. Licencia por Enfermedad Prolongada**
- Sección 1 En caso de que un miembro de la Unidad Apropiada cubierto(a) por este Convenio padezca de una enfermedad prolongada o sufra un accidente no ocupacional que le incapacite para asistir regularmente a su trabajo y agote su licencia de enfermedad, el empleado(a) cualificará para la cesión de días de licencia de vacaciones acumulada por parte de sus compañeros(as) de trabajo, según lo establece la Ley 44 del 22 de mayo de 1996. De persistir la condición, luego de agotado el tiempo cedido, la Comisión le concederá hasta un máximo de dieciocho (18) días, conforme al procedimiento descrito en el artículo de Licencia por Enfermedad.
- Sección 2 El empleado retendrá su estatus mientras se encuentre en uso de la licencia.

- Sección 3 Al concluir su licencia, los empleados miembros de la Unidad Apropiada cubierta por este Convenio se reintegrarán en su puesto en la categoría y sueldo que hubiesen adquirido los mismos de no haber estado disfrutando la licencia. Disponiendo que del empleado ser acreedor de los derechos concedidos por la Ley A.D.A, se procederá de acuerdo a ésta.
- Sección 4 La Comisión podrá corroborar el uso de la licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

C. Licencia Médico Familiar

- Sección 1 Todo miembro de la Unidad Apropiada cubierto por este Convenio tendrá derecho a recibir una licencia médico familiar sin sueldo para cuidar a un hijo recién nacido, tramitar una adopción o crianza, para cuidar a su cónyuge, hijo o hija, padre o madre que tenga una condición de salud grave o para atender una condición de salud grave que incapacite al empleado para desempeñar su trabajo.
- Sección 2 La concesión de esta licencia estará conforme a lo dispuesto en la Ley Federal de Licencia Familiar y Médica de 1993, según enmendada.
- Sección 3 La Comisión podrá corroborar, el uso de la licencia y de entender que ha habido uso indebido o fraudulento podrá iniciar el proceso de medidas disciplinarias.

ARTICULO LV (55) Centro Cuidado Diurno

- Sección 1 La Comisión de Servicio Público reconoce la política pública del Gobierno de Puerto Rico de proteger el desarrollo de nuestros niños, particularmente aquellos de edad pre-escolar proveyendo las oportunidades y mecanismos necesarios para su desarrollo físico y mental según establecida en la Ley Núm. 84 de 1 de marzo de 1999, conocida como "Ley para la Creación de Centro de Cuidado Diurno para Niños de los Departamentos, Agencias, Corporaciones o Instrumentalidades Públicas del Gobierno de Puerto Rico", según enmendada.
- Sección 2 A estos efectos la Comisión asumirá un costo hasta un máximo de sesenta dólares (\$60.00) mensuales por hijo(a) en edad pre-escolar para el pago del centro de cuidado seleccionado por el miembro de la Unidad Apropiada.

- Sección 3 Los Centros de Cuidado Infantil seleccionados deberán estar certificados por el Departamento de la Familia o el Departamento de Educación. El miembro de la Unidad Apropriada presentará evidencia del pago realizado a la Comisión de Servicio Público.
- Sección 4 Si por legislación se concede alguna aportación patronal para asumir costos de centros de cuido de niños a los empleados públicos cubiertos por la Ley 45, supra, que sean mayores a los convenios en este Artículo, las aportaciones aquí estipuladas se ajustarán a lo dispuesto mediante legislación.

ARTICULO LVI (56)
Reconocimiento por Años en la Agencia y
por Servicio Público de Excelencia

- Sección 1 Cada vez que un empleado cubierto por este Convenio cumpla con un ciclo de tres (3) años de servicio a la agencia, calculando a partir de la fecha de su nombramiento hasta su jubilación, tendrá derecho a disfrutar de un (1) días libre sin cargo a licencia alguna. El empleado podrá señalar el día en consulta con su supervisor inmediato.

ARTICULO LVII (57)
Labor Interina

- Sección 1 El interinato es una situación de trabajo temporera en la cual el empleado miembro de la Unidad Apropriada, (luego de ser designado por escrito por la Autoridad Nominadora), desempeña todas las funciones esenciales de un puesto superior al que ocupa en propiedad.
- Sección 2 El empleado tiene que cumplir con los requisitos de preparación académica y experiencia del puesto cuyas funciones desempeñará interinamente.
- Sección 3 La Comisión notificará por escrito al empleado miembro de la Unidad Apropriada y a la Unión sobre la designación oficial del interinato.

- Sección 4 El empleado podrá ser relevado del interinato por justa causa en cualquier momento cuando así lo determine la Autoridad Nominadora.
- Sección 5 El empleado designado por escrito por la Autoridad Nominadora para ocupar interinamente todas las funciones esenciales de un puesto superior al que ocupe en propiedad y haya desempeñado las funciones sin interrupción por treinta días o más, recibirá pago por labor interina a partir del día 31 después de haber comenzado el interinato.
- Sección 6 La Comisión descontinuará el pago por labor interina, luego que el empleado haya sido relevado del interinato por la Autoridad Nominadora. El empleado regresará a su puesto anterior y recibirá el sueldo que corresponde al mismo.
- Sección 7 El tiempo servido en el interinato se acreditará como parte de los requisitos al competir para puestos similares en ascensos.
- Sección 8 Cuando un empleado se le designa a realizar tareas interinamente el trabajo de un empleado que ocupa un puesto superior al de su nombramiento, tendrá derecho a recibir una cuantía no menor a la diferencia entre la clase de puesto que ocupa el empleado y aquella que ocupará interinamente.
- Sección 9 Al empleado que haya desempeñado funciones interinas de supervisión por (12) meses o más y regrese a su puesto oficial de carrera, se le concederá un aumento salarial equivalente a un tipo retributivo en su puesto oficial de carrera.
- Sección 10 Ningún pago por labor interina podrá ser considerado como parte integral del sueldo regular del empleado para fines del cómputo para la liquidación de licencias, ni para el cómputo de la pensión de retiro.

ARTICULO LVIII (58)
Patrón Sucesor

- Sección 1 Este Convenio obligará a los patronos sucesores o cesionarios de la Administración de la Comisión a cumplirlo. Ninguna disposición, estipulación u obligación contenida en este Convenio será afectada, modificada, alterada o en forma alguna cambiada como resultado de cualquier cambio en la organización interna de la Comisión o de cualquier cambio en la situación legal de la propiedad o gerencia de la Comisión.

- Sección 2 En caso de cesión, división o reestructuración de la Comisión se tomará en consideración el Convenio Colectivo para que los sucesores tengan en cuenta las disposiciones del mismo y las estipulaciones u obligaciones que surjan del mismo.
- Sección 3 En caso de cualquier adscripción administrativa por orden ejecutiva o por Ley de cualquier agencia, oficina, corporación o entidad pública que el gobierno efectúe para cobijar bajo esta Comisión, las partes acuerdan radicar la debida solicitud de Clarificación de Unidad Apropiada ante la Comisión de Relaciones del Trabajo para el Servicio Público.

ARTICULO LIX (59) **Salvedad**

- Sección 1 Cuando un tribunal competente declare nula o inconstitucional alguna de las cláusulas, secciones o artículos del presente Convenio Colectivo, esto no invalidará el resto de los acuerdos contenidos en el Convenio Colectivo y estos continuarán vigentes.
- Sección 2 Las partes acuerdan reunirse en un plazo de diez (10) días después de tener conocimiento de que una parte del Convenio fue declarada nula, inconstitucional o que está en conflicto o sea incompatible con alguna ley, para discutir, de ser necesario, una nueva disposición, que una vez aprobada pasará a formar parte del Convenio con toda fuerza y vigor.

ARTICULO LX (60) **Disposiciones Generales**

- Sección 1 Nada de lo dispuesto en una sección de este Convenio puede ser interpretado como que limita alguno de los derechos de otras secciones de este Convenio Colectivo.
- Sección 2 La Comisión revisará, enmendará y atemperará reglamentos internos, normas, cartas circulares y cualquier disposición que afecte a los empleados en sus funciones, a las disposiciones negociadas en el Convenio Colectivo.
- Sección 3 La Comisión se compromete a negociar de buena fe, el impacto que pueda tener sobre el presente Convenio Colectivo cualquier enmienda a la Ley 45, y/u otras leyes aprobadas por el Estado Libre Asociado de Puerto Rico.
- Sección 4 La Comisión y la Unión pueden establecer por mutuo acuerdo cláusulas, pactos y ajustes que consideren pertinentes a la mejor administración de este Convenio o para hacer más eficientes los

procedimientos que aquí se establecen, siempre y cuando no sean acciones o acuerdos contrarios a la ley, la moral y el orden público.

- Sección 5 La Comisión no celebrará acuerdo o contrato alguno con sus empleados individual o colectivamente, que en forma alguna estuviere en conflicto hasta el trabajo por haber quedado obstruidas las vías de acceso y salidas de su hogar; el tiempo que el empleado invierta remediando su emergencia será tiempo con paga sin cargo a ninguna licencia hasta un máximo de tres (3) días laborables. El empleado deberá presentar evidencia documental de la Defensa Civil, Agencia Estatal Manejo de Emergencias y Administración de Desastres (AEMED), o la Policía de Puerto Rico, o el Cuerpo de Bomberos, o de la Administración Federal Manejo de Emergencias (FEMA), según aplique.
- Sección 6 La Comisión y la Unión se obligan a darse mutuamente el mejor trato, respeto y consideración posible, a fin de mantener las mejores relaciones entre todas y mantener además la eficiencia de los servicios que presta la Comisión.
- Sección 7 La Comisión entregará una copia de su OP-16 (Descripciones del Puesto) a cada uno de los empleados, cuatro (4) meses luego de la firma de este Convenio Colectivo. Los empleados realizarán las tareas descritas en ese documento.
- Sección 8 Si el reloj ponchador no funcionara, el empleado firmará la hoja de asistencia, firmado por su supervisor.
- Sección 9 La Unión se encargará de la reproducción del Convenio Colectivo y repartirá a cada miembro de la Unidad Apropriada. La Comisión lo reproducirá y repartirá a la gerencia.
- Sección 10 Los empleados de la Unidad Apropriada tendrán derecho a una hora, sin cargo a ninguna licencia para cambiar su cheque, cuando no tuvieres éste depósito directo.

ARTICULO LXI (61) **Vigencia**

- Sección 1 Este convenio tendrá vigencia de tres (3) años a partir de su firma y su ratificación por los integrantes representados de la Unidad Apropriada. La vigencia se inicia a partir del día 15 marzo 2012 hasta el día 15 marzo 2015, ambas fechas incluidas.
- Inciso 1 La ratificación se efectuará en una asamblea convocada por la Unión o ratificado por región o

centro de trabajo, durante horas laborables y por votación secreta.

- Inciso 2 La Comisión concederá medio (1/2) día para la celebración de la Asamblea con paga y sin cargo a ninguna licencia.
- Inciso 3 La Comisión ratificará el presente Convenio mediante la aprobación y firma entre la Autoridad Nominadora y la Unión, luego de ser ratificado por los miembros de la Unidad Apropiada.
- Sección 2 Cualquiera de las partes contratantes podrá notificar su intención de modificar sustancialmente el presente Convenio con por lo menos sesenta (60) días de antelación a la fecha de expiración del mismo. La parte que notifique la intención de modificar el Convenio someterá a la otra parte las modificaciones que propone dentro de dicho periodo.
- Sección 3 Una vez notificada la intención de modificar el presente Convenio se extenderá, después de su expiración, de día a día mientras se estén negociando las modificaciones propuestas.
- Sección 4 Noventa (90) días previos a la expiración del Convenio Colectivo vigente, las partes acuerdan sentarse a negociar el nuevo Convenio Colectivo.
- Sección 5 De ser necesario, mediante estipulación escrita, las partes podrán extender la vigencia del presente convenio colectivo, siempre y cuando la misma se otorgue previo a su vencimiento y contenga una fecha cierta para la expiración de la extensión.

ARTICULO LXII (62) **Aceptación**

Las partes que comparecen, mencionadas en el primer Artículo de este Convenio Colectivo, aceptan las cláusulas y disposiciones incluidas en el mismo, aceptando las mismas mediante las correspondientes firmas de sus representantes.

Las referidas firmas indican la voluntad de las partes aquí firmantes de cumplir a cabalidad con los términos y condiciones expresados en este Convenio Colectivo.

En San Juan, Puerto Rico, 15 de marzo de 2012.

FIRMAS DE LOS ACUERDOS DEL CONVENIO COLECTIVO

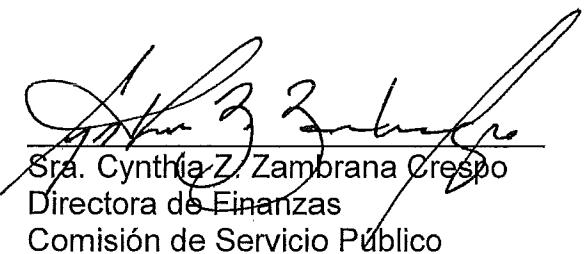
Para reafirmar los acuerdos que de buena fe hemos logrado mediante el proceso de la negociación, los representantes de la Comisión de Servicio Público, Agencia Gubernamental del Estado Libre Asociado de Puerto Rico y Servidores Públicos Unidos de Puerto Rico, Concilio 95, Local 3897 afiliado a AFSCME estampamos nuestras firmas en el presente Convenio Colectivo, en San Juan, Puerto Rico, el 15 de marzo de 2012.



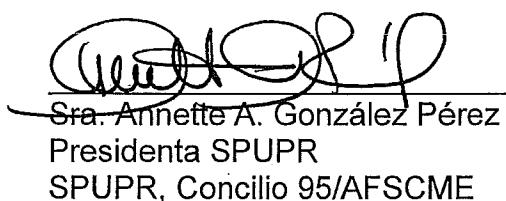
Eddy José H. Banuchi Hernández
Presidente
Comisión de Servicio Público



Sr. José Miranda
Presidente Local 3897
SPUPR, Concilio 95/AFSCME



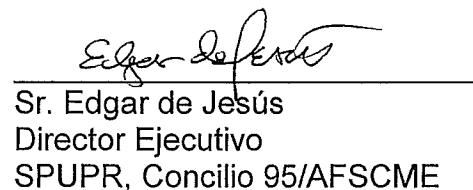
Sra. Cynthia Z. Zambrana Crespo
Directora de Finanzas
Comisión de Servicio Público



Sra. Annette A. González Pérez
Presidenta SPUPR
SPUPR, Concilio 95/AFSCME



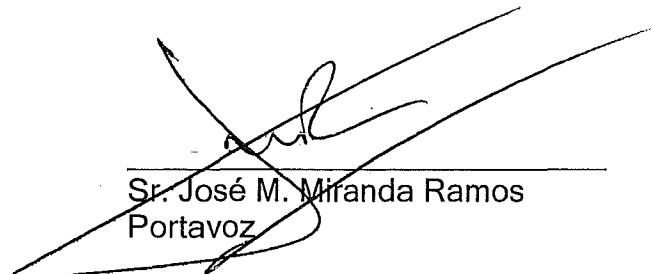
Sra. Wilmaris Báez Morales
Directora de Recursos Humanos
Comisión de Servicio Público

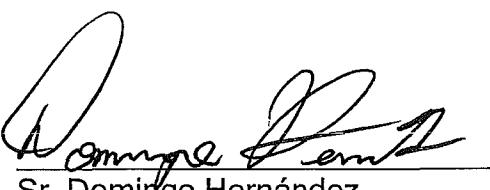


Sr. Edgar de Jesús
Director Ejecutivo
SPUPR, Concilio 95/AFSCME

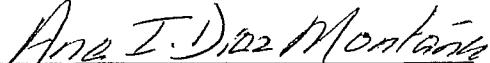
COMITÉ NEGOCIADOR DE LA LOCAL 3897
SPUPR, CONCILIO 95/AFSCME

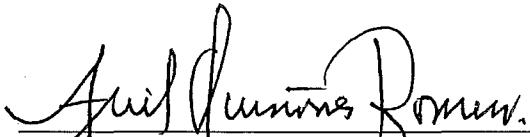
Para reafirmar los acuerdos que de buena fe hemos logrado mediante el proceso de la negociación, estampamos nuestras firmas en el presente Convenio Colectivo, en San Juan, Puerto Rico, el 15 de marzo de 2012.

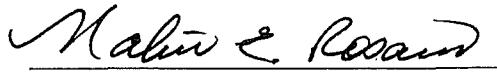

Sr. José M. Miranda Ramos
Portavoz


Sr. Domirgo Hernández
Portavoz Alterno


Sr. Luis Madera
Asesor SPUPR, Concilio 95
Miembro Comité Negociador

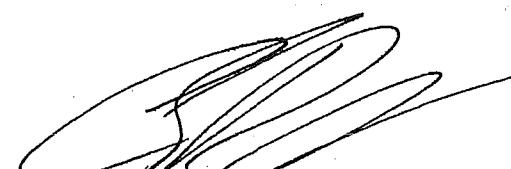

Sra. Ana I. Díaz
Miembro
Comité Negociador


Sr. Ariel Quiñones Romero
Miembro
Comité Negociador


Sra. Nahir Rosario Bones
Miembro
Comité Negociador

COMITÉ NEGOCIADOR COMISION DE SERVICIO PÚBLICO

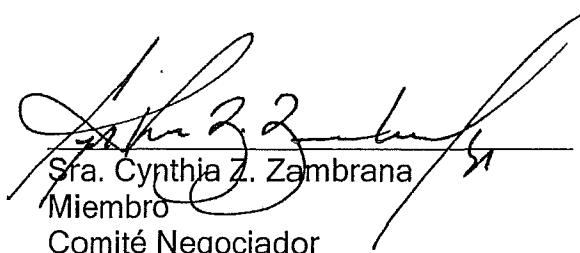
Para reafirmar los acuerdos que de buena fe hemos logrado mediante el proceso de la negociación, estampamos nuestras firmas en el presente Convenio Colectivo, en San Juan, Puerto Rico, el 15 de marzo de 2012.



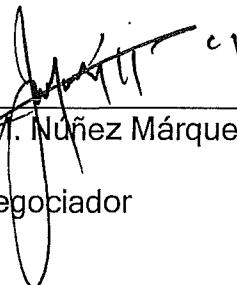
Licdo. Carlos Pérez Acosta
Portavoz



Sra. Wilmaris Báez Morales
Portavoz Alterna



Sra. Cynthia Z. Zambrana
Miembro
Comité Negociador



Sr. Juan M. Núñez Márquez
Miembro
Comité Negociador



Sra. Madeline Ortiz Ortolaza
Miembro
Comité Negociador

(H. B. 1922)

(No. 66-2014)

(Approved June 17, 2014)

AN ACT

To create the “Government of the Commonwealth of Puerto Rico Special Fiscal and Operational Sustainability Act,” in order to declare a state of fiscal emergency; devise a plan to deal with the consequences of the fiscal and economic crisis of the downgrading of Puerto Rico’s credit rating; establish a structured management to address this situation; provide for the supremacy of this Act and the applicability thereof; establish the fiscal sustainability tests set as goals and provide for the filing of quarterly reports; establish measures to cut back on spending in the Executive Branch such as reductions in the contracting of professional and purchased services, adjustments of purchased and professional service rates, cuts in trust employees payroll expenses, establish controls for filling vacancies, and to render the government’s authority to make transfers and details due to service needs more flexible, establish rules and restrictions on increasing economic benefits and special monetary compensations, provisions on the negotiation of collective bargaining agreements and forums to settle disputes, provisions on school transportation; a prohibition on budget overdrafts; provide for fiscal controls in government corporations; provide for the budget of the State Election Commission, the Office of Government Ethics, the Office of the Election Comptroller, and the Office of the Special Independent Prosecutor’s Panel; set forth prohibitions on protective detail, traveling, and contracting of services, among others; establish an expenditure and lease agreements reduction plan; provide for an energy and aqueduct and sewer service use reduction plan; provide budget measures for the Judicial Branch, the Legislative Branch, and other government entities; set forth plans for final and binding judgments pending payment; establish the prohibition on claims in relation to obligations temporally suspended under this Act; provide on the responsibilities, powers, and duties of the Office of Management and Budget; provide for immunity from lawsuits and forums; and for other related purposes.

STATEMENT OF MOTIVES

For the first time in our constitutional history, despite all the measures taken by the government to address the finances of the Island, the credit of the Commonwealth of Puerto Rico has been compromised due to the downgrade of the Commonwealth's general obligation bonds to speculative grade by the major credit rating agencies. *See, Credit Rating Reports on Commonwealth of Puerto Rico bonds of the Government Development Bank for Puerto Rico.*

This Legislative Assembly has the constitutional duty to "maintain public credit, which is necessary for the economic improvement of the people." 4 *Journal of the Constitutional Convention* 2587 (1952). *See, also,* Trías Monge, 3 *Historia Constitucional de Puerto Rico* 224-225 (1982). Furthermore, this Legislative Assembly is duty bound to oversee the economic wellbeing of Puerto Rico [our translation]. *See, Domínguez Castro v. E.L.A.*, 178 D.P.R. 1, 15 (2010).

The loss of investment grade ratings of the public debt jeopardizes the fiscal and economic health of the people of Puerto Rico, unduly compromising the credit rating of the Island. Our economy has been severely damaged and adversely affected by such downgrading, thus resulting in the devaluation of outstanding bonds, losses in the investment portfolios of institutional and individual bondholders in the island, the difficulty in tapping into municipal bond markets to finance public works, and the contraction of economic activity in Puerto Rico, which has caused a marked reduction in the revenues of the Government, and, consequently, in the State's capacity to fulfill the needs of the Island. *See, Commonwealth of Puerto Rico Quarterly Report (February 18, 2014); Official Statement, Commonwealth of Puerto Rico General Obligation Bonds of 2014, Series A. See, also, Domínguez Castro v. E.L.A., supra, p. 53-55.*

Moreover, the downgrading of the Island's credit could result, and in some cases resulted in, the acceleration of certain Commonwealth obligations, the termination of lines of credit, or the need to pledge cash collateral to guarantee the payment of certain bonds that could amount to nearly \$900 million. See, Commonwealth of Puerto Rico Quarterly Report, pp. 4-6. There are also other obligations that are close to reaching their maturity date, thus limiting dramatically the liquidity of the State and its ability to fully defray all budget appropriations for this and the next fiscal year. *Id.* This means that the State needs sufficient liquidity to continue operating, that is, to have the necessary cash to meet its obligations as they become due. If the government does not have enough money to meet such obligations, the public employees' payroll, as well as other money disbursements that are essential to provide services to the people, will be in jeopardy.

The most recent credit ratings of Commonwealth General Obligations, issued by the three main credit rating agencies, Standard & Poor's Rating Services, Moody's Investors Service, and Fitch Ratings, have identified the extent of Puerto Rico's indebtedness, its lack of liquidity and difficult access, as well as the budget deficits of the last 7 years, as the reasons for the downgrading of its bonds. See, Standard & Poor's report on February 4, 2014, Moody's Investors Service report on February 7, 2014, and Fitch Ratings report on February 11, 2014.

However, such rating is not lower due to the efforts made by this Administration to reduce the size of the deficit, and its commitment to approve a balanced budget for Fiscal Year 2015. To such effects, Standard & Poor's stated the following in their February 4, 2014 report:

That the rating is not lower is due to the progress the current administration has made in reducing operating deficits, and what we view as recent success with reform of the public employee and teacher pension systems, which had been elusive in recent years. We view the reform as significant and could contribute to a sustainable path to fiscal stability. We view the current administration's recently announced intent to further reduce appropriations in fiscal 2014 by \$170 million and budget for balance operations in fiscal 2015 as potentially leading to credit improvement in the long run, but subject to near-term implementation risk that could lead to further liquidity pressure to the extent deficits continue.

Likewise, Moody's Investors Service stated in its February 7, 2014 report that:

The problems that confront the Commonwealth are many years in the making, and include years of deficit financing, pension underfunding, and budgetary imbalance, along with seven years of economic recession. These factors have now put the Commonwealth in a position where its debt load and fixed costs are high, its liquidity is narrow, and its market access has become constrained. In the face of these problems, the administration has taken strong and aggressive actions to control spending, reform the retirement systems, reduce debt issuance, and promote economic development. Despite these accomplishments, however, in our view the commonwealth's credit profile is no longer consistent with investment grade characteristics.

Lastly, Fitch Ratings noted in its February 11, 2014 report that:

FISCAL MANAGEMENT EFFECTIVE AND COMMITTED: The Commonwealth's management has responded quickly and decisively to challenges that have arisen in recent years and the current administration has made significant progress in addressing longstanding credit issues. Fitch believes the commitment of management to achieving fiscal balance and honoring commitments to bondholders remains strong, and the governor recently announced a plan to balance the budget next year, one year earlier than previously expected.

Since the Commonwealth of Puerto Rico made a commitment to credit rating agencies of taking affirmative action to face the fiscal issues and propose a balanced budget for Fiscal Year 2015, said agencies have resolved to downgrade our credit only to one level below investment grade. To such effect, the Investor Webcast of February 18, 2014, as well as the presentation made to investors on May 2, 2014, included representations on behalf of the Commonwealth of Puerto Rico stating that the proposed budget for Fiscal Year 2015 will be balanced.

In accordance with the foregoing, by virtue of the State's police power, and pursuant to Sections 18 and 19 of Article II, and Sections 7 and 8 of Article VI of our Constitution, a serious economic and fiscal emergency is hereby declared in Puerto Rico, which renders necessary the approval of this special Act of socioeconomic nature to provide the State with the tools to meet both its liquidity needs and the payroll of public employees, as well as to cover the costs of essential services offered to the people. This will be attained through the implementation of measures to cut back on spending and provide fiscal stability to achieve the economic recovery of Puerto Rico, without resorting to the dismissal of career public employees or affecting critical functions of government agencies that provide security, education, healthcare, or other social work services; and most

importantly safeguarding the constitutional mandate for the payment of interest and amortization of the public debt. In fact, we are exercising such police power, as stated by the Supreme Court of Puerto Rico: “that power inherent to the State which is used by the Legislative Assembly to prohibit and regulate certain activities for the purpose of promoting and safeguarding the public peace, the morale, health, and general welfare of the community, which power can be delegated to the municipalities.” (Our translation) Domínguez Castro v. E.L.A., *supra*, p. 36.

Furthermore, the Legislative Assembly exercises such power taking into account the most recent statements of the Supreme Court of Puerto Rico with respect to the use of the State’s police power at times of crisis. In this sense, said Forum held that the imminent fiscal crisis declared under Act No. 7-2009, known as the “Special Act Declaring a State of Fiscal Emergency and Establishing a Comprehensive Fiscal Stabilization Plan to Salvage the Credit of Puerto Rico,” was evidenced in the Statement of Motives. Said Act stated that the Island’s credit was “on the verge of downgrading to junk status,” which “would be catastrophic for Puerto Rico,” and its “impact would be massive at all levels of our society [...] dragging Puerto Rico into a deep economic depression never before seen in our history,” whose impact “would be unimaginable.” Statement of Motives, Act No. 7-2009. After evaluating the information furnished in said statement of motives, the Court validated said Act and held that the measures therein were necessary and reasonable to further the compelling government interest sought with the approval of Act No. 7-2009 of bringing said crisis to a halt. See, Domínguez Castro v. E.L.A., *supra*, pp. 88-89. Likewise, it recognized that “our precarious economy is a reality that of necessity carries weight on the definition of the scope of governmental actions under the police power” and that, in exercising said power, “the Legislative Assembly is fully empowered to approve

economic regulations geared towards promoting the welfare of the community.” (Our translation) *Id.*, p. 37. The Court further stated that “it had taken judicial notice of the precarious economic situation of the Island and of how such economic situation is reflected thus producing a serious crisis in the Government’s finances”. *Id.*, p. 50.

Subsequently, in *Trinidad-Hernández v. E.L.A.*, 188 D.P.R. 828 (2013) our Highest Court validated Act No. 3-2013, which reformed the Retirement System for Employees of the Government, holding that the Legislative Assembly had exercised its police power to address the insolvency issue of the Retirement System for Employees of the Government. The Statement of Motives of said statute showed that the retirement system was on the verge of an imminent fiscal crisis to the extent that, if no action was taken, the net assets of the system will be in negative numbers and, for Fiscal Year 2018-2019, the retirement system would be left without sufficient funds to meet its obligations, such as the pension payments for the system’s retirees. *Id.*, pp. 836-837. Just as in *Domínguez Castro, supra*, the Supreme Court held that “the statement of motives... explains that the measures adopted are necessary and reasonable to properly address the financial crisis that threatens the actuarial solvency of this system.” Moreover, “this certainly is in the public interest since, by guaranteeing the economic solvency of the system, all of the participants will benefit therefrom and the Island’s fiscal crisis will be addressed, to some extent, thus safeguarding the welfare of the people of Puerto Rico.” *Trinidad Hernández, supra*, p. 837. The Court concluded that said statute is consistent with the Constitution in that “even though there is a substantial impairment of the contractual obligations in dispute, the measures implemented are reasonable and necessary to safeguard the actuarial solvency of the Retirement System, and there are no less burdensome measures to attain this goal.” *Id.*, p. 839.

Recently, in *Asociación de Maestros de Puerto Rico v. Sistema de Retiro de Maestros de Puerto Rico*, 2014 T.S.P.R. 58, the Supreme Court analyzed the measures approved through Act No. 160-2013 to address the crisis of the Teacher's Retirement System and determined that the said Act did not furthered the State's fundamental interest as required by our Constitution in the event of retirement system reforms: to guarantee the system's solvency. Hence, the Court held that Act No. 160-2013, in relation to the impairment of contractual obligations, is unreasonable and, therefore, unconstitutional. *Id.*, p. 12. On such occasion, the Court emphasized that the measures approved shall be deemed to be constitutional, provided that they are reasonable and necessary "to further the actuarial solvency and that there are no less burdensome measures to attain this goal." *Id.*, p. 8.

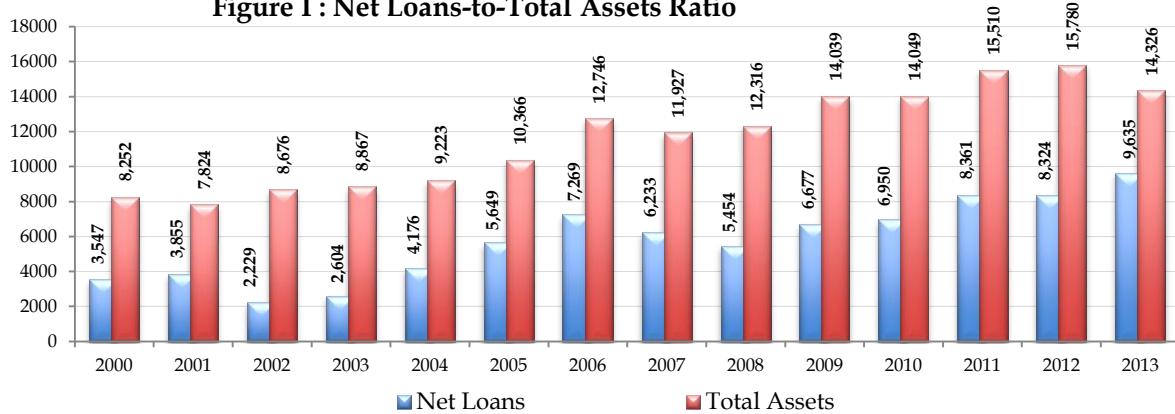
Certainly, the measures adopted up to that time were not sufficient to address the economic and fiscal issues of Puerto Rico. For such reason, we are once again required to exercise our police power to address this crisis, which has become more serious. As discussed further on, for years, the net income of the General Fund has not been sufficient to cover the recurring operating expenses chargeable thereto. In the past, money was taken on loan to make up any deficit between the revenues and the expenditures of the General Fund. At the same time, public corporations have experienced a similar situation and, consequently, most of them have reported annual million-dollar operating losses. Moreover, taking money on loan without a source of repayment therefor has also contributed to this situation.

The practice of financing operating expenses by taking money on loan is the reason why we are facing today a serious liquidity issue that is jeopardizing the resources of the government used to defray public employees' payroll, and its operating expenses. Hence, it is necessary to take measures to ensure that the government has the resources needed to defray the costs of the services provided to the people.

Liquidity of the Government Development Bank for Puerto Rico

The Government Development Bank for Puerto Rico (GDB or the Bank) is the fiscal agent of the Commonwealth that has traditionally provided internal financing to the government and its instrumentalities as it happened prior to the long-term debt issued in the municipal bond market. The GDB has also provided financing for the operating deficits of government agencies and public corporations, thus becoming the greatest short-term financing source for the government. For such reason, the liquidity and financial stability of the GDB is essential to guarantee its effectiveness as the government financing source and as the Island's economic development facilitator.

After evaluating the audited financial statements of the Bank for fiscal years ending between June 30, 2000, and June 30, 2013, it is evident that there was a substantial increase with respect to the outstanding loans and the total assets of the Bank, which is an indicator of how the liquidity of this institution has been compromised. Figure I shows this ratio for the last thirteen years (in millions).

Figure I : Net Loans-to-Total Assets Ratio

As shown, outstanding loans and the net reserve for uncollectible loans, which included money lent to government agencies, public corporations, municipalities, and private entities significantly increased by \$6.088 billion in 13 years. The practice of lending money to make up the operating deficits of the General Fund and of public entities without a source of repayment has adversely affected the liquidity and financial stability of the Bank. An example of this situation was the pattern followed in the past of making up operating deficits of the Highways and Transportation Authority (HTA) with GDB advances. As of June 30, 2013, and according to the financial statements audited by Ernst & Young, LLP, the outstanding balance of HTA's line of credit with the Bank was \$2.043 billion. In addition to compromising the GDB's capital, this requires that future government administrations increase the rates and impose new taxes and fees to pay off debts incurred by past administrations. In addressing this issue, and aware of its responsibility to pay off the Commonwealth's debts, this Administration passed Act No. 30-2013 and Act No. 31-2013, which provided additional income for the HTA to pay off its outstanding debt with the GDB.

In detail, for Fiscal Year 1999-2000, GDB's loan portfolio amounted to \$3.547 billion or 43% of its total assets. For Fiscal Year 2000-2001, such amount increased by \$308 million and so did the balance, which totaled \$3.855 billion or 49% of its total assets. For Fiscal Year 2001-2002, there was a reduction of nearly \$1.6 billion. This reduction resulted from the trading in the capital market, in accordance with Act No. 164-2001, of loans granted to public corporations and agencies without sources of repayment. This transaction reduced the net loans-to-total assets ratio by 26%. Fiscal Year 2002-2003 ended with a \$2.604-billion loan portfolio or 29% of the GDB's total assets. Fiscal Year 2003-2004 saw an increase of nearly \$1.570 billion in the GDB's loan portfolio, thus the balance amounted to \$4.176 billion or 45% of the Bank's total assets. For Fiscal Years 2004-2005 and 2005-2006 the balance increased by \$1.472 billion and \$1.620 billion, respectively. These increases were mainly due to the loans granted by the Department of the Treasury. At the close of Fiscal Year 2004-2005, the total loan balance accounted for 57% of the Bank's total assets.

At the close of Fiscal Year 2006-2007, the loan balance was reduced by \$1.036 billion. This reduction was mainly due to the refinancing and repayments through bond issues, namely, \$580 million for the Aqueduct and Sewer Authority; \$301 million for the Ports Authority; and \$107 million for the Electric Power Authority. As of June 30 of Fiscal Year 2007-2008, there was an additional \$835 million reduction in the public sector; however, the municipal loan item increased as a result of the creation of the Municipal Redemption Fund which, in turn, increased the borrowing margin for municipalities. Fiscal Years 2008-2009 and 2009-2010 showed a significant increase in the municipal loan item of \$174 million and \$291 million, respectively.

There was a significant \$1.411-billion increase in Fiscal Year 2010-2011. In said fiscal year, the (net) loan portfolio reached \$8.360 billion or 54% of the Bank's total assets. Even though (net) loans remained virtually stable in Fiscal Year 2011-2012, there was a \$1.311-billion balance increase during Fiscal Year 2012-2013. As of June 30, 2013, the loan total amounted to \$9.635 billion out of the \$14.326 billion of the Bank's total assets, or 67% thereof.

During Fiscal Year 2013-2014, the GDB has granted the Commonwealth nearly \$1.2 billion in loans for the payment of financial obligations that came due this fiscal year. As of April 30, 2014, there is still an outstanding \$623-million loan debt. Furthermore, the Commonwealth has a \$1.2 billion debt in Tax Revenue Anticipation Notes, of which \$900 million will mature this fiscal year, and \$300 million will mature early in Fiscal Year 2014-2015. The renewal of most of such notes is expected, in order to provide liquidity to the Central Government for the upcoming fiscal year.

The Authorized Public Accountants firm, KPMG LLP, audited the GDB's financial statements for the fiscal year ending on June 30, 2013. In its report, auditors stressed that, according to the financial statement as of June 30, 2013, the total amount of outstanding loans granted by GDB to the Commonwealth and its public corporations is \$6.9 billion or 48% of the GDB's total assets. Moreover, the outstanding loans of the municipalities amounted to \$2.212 billion or 15% of the GDB's total assets. The information shown in Table 1 was gathered from note 7 of the GDB's audited financial statements as of June 30, 2013. This table shows a detailed account of outstanding loans (in thousands):

Table 1: Statement of Outstanding Loans

	<u>Operating Fund</u>	<u>Tourist Development Fund</u>	<u>Housing Finance Authority</u>	<u>Development Fund</u>	<u>Total</u>
Public Corporations and Agencies	\$6,889,134				\$6,889,134
Municipalities	2,212,481				2,212,481
Reserve	(4,000)				(4,000)
Sub-Total	<u>9,097,615</u>				<u>9,097,615</u>
Private Sector	39,935	376,361	360,014	21,259	797,569
Reserve	(264)	(178,721)	(37,742)	(16,937)	(233,664)
Deferred Income	-	-	(26,430)	-	(26,430)
Sub-Total	<u>39,671</u>	<u>197,640</u>	<u>295,842</u>	<u>4,322</u>	<u>537,475</u>
Total	<u>\$9,137,286</u>	<u>\$197,640</u>	<u>\$295,842</u>	<u>\$4,322</u>	<u>\$9,635,090</u>

Note 4 of the audited financial statements shows that the loans granted to the Commonwealth and its public entities account for a large portion of the Bank's assets. Consequently, the liquidity and financial situation of the Bank greatly depends on the repayment capacity of the Commonwealth and its public corporations.

However, most public corporations are facing great challenges, both fiscal and financial. Hence, any situation that prevents these entities from generating the resources needed to repay their loans will ultimately have an adverse effect on GDB's liquidity and financial stability. Not to mention the fact that the bank's liquidity has been significantly affected, as a result of the limited market access, and significantly reduced in the local capital market.

The notes of the GDB's financial statements even define "liquidity risk" as the ability to generate funds when necessary to meet obligations as they become due, at a reasonable cost and with minimum losses.

As a result of the credit downgrading, the cost of issuing debt has increased thus limiting the capacity to tap into the market. These situations have hindered GDB's capacity to generate cash, thus affecting its liquidity. At the same time, said situations will adversely affect the Commonwealth and its corporations, since they

will impair the Bank to provide internal financing to such agencies and instrumentalities.

On that same topic, this Administration took several measures to improve GDB's liquidity. For instance, a historic issue of Commonwealth general obligation bonds in the amount of \$3.5 billion was made in March 2014. The net proceeds of such bond issue were used mainly for the repayment of Commonwealth obligations to the GDB. Act No. 24-2014 was also enacted to enable the GDB to require certain government entities to transfer the balance in their cash accounts from private institutions to the Bank. Furthermore, such Act bans the GDB from granting loans to public corporations that are unable to prove to have sufficient sources of income to pay the debt service of the new financing. Thus, this Act seeks to establish financial discipline on public entities and maintain the liquidity and financial stability of the GDB. Even though these measures, coupled with other efforts, have proven to be successful in increasing the Bank's liquidity, the latter has yet to regain the necessary financial stability to satisfy by itself the current financial needs of the Government of the Commonwealth and its public corporations, even more so when these entities' access to the market is limited.

GDB's adverse condition also affects the Island's banking industry in general by imposing serious restrictions on the granting of loans to the Government. Both local and international private financial institutions, which in the past have served as temporary sources of liquidity for the government, have significantly reduced and continue reducing the credit granted to the Commonwealth and other public instrumentalities. Consequently, they are no longer a temporary financing option. Interest rates have also experienced some increase which, in turn, have risen the cost of capital for the Commonwealth, thus reducing the government's capacity to issue new debt. The limitation in the access

to capital markets and credit granted by private financial institutions has also limited the volume of debt that can be issued; therefore, the government is forced to depend on financing to defray its operations.

Even though the recent issue of general obligation bonds improved GDB's liquidity since it generated \$3.2 billion net proceeds, said transaction was used mainly for the refinancing of short-term debt with private institutions and the GDB. For such reason, the net proceeds thereof are not available to provide temporary financing to the government without affecting once again the Bank's liquidity. This issue prevented a potential noncompliance with certain financial obligations and provided the Commonwealth with some room to finish and implement its fiscal adjustment plan aimed at balancing the budget, without resorting to financing the deficit or refinancing the debt. Such issue was possible thanks to the significant steps taken by this Administration as of today to close the budget gap and, particularly, to its commitment to approve a balanced budget for Fiscal Year 2014-2015. It is important to stress that capital markets do not regard very well that the General Fund's budget has been balanced by incurring more debt. Also, the bonds of the Commonwealth or its instrumentalities lack market appeal, including the bonds of the Dedicated Sales Tax Corporation (COFINA, Spanish acronym), which is a vehicle used by the past Administration to refinance the General Fund's deficits, unless the appropriate measures are taken to mitigate the burden that the General Fund's deficit represents to the Department of the Treasury and the GDB.

After said bond issue on March 11, 2014, in the amount of \$3.5 billion, Standard & Poor's, in a report dated on March 14, 2014, stated that: "In our opinion, the sale will relieve near-term liquidity pressure on the Commonwealth"; and added:

While we have removed the CreditWatch designation, we have assigned a negative rating outlook, reflecting long-term economic and financial trends we see over the next two years. These include the potential for a larger deficit in fiscal 2014 than the \$650 million that Puerto Rico now projects after passage of \$170 million of mid-fiscal 2014 budget adjustments, and the potential for general fund operating deficits in fiscal 2015. There also remain potential ongoing working-capital liquidity needs for fiscal 2015 and plans by the commonwealth for additional bond sales in fiscal 2015. Puerto Rico will also need to start paying interest on the 2014 bonds in fiscal 2016.

Credit rating agencies are aware of and have consistently recognized that Puerto Rico's Treasury has a persistent liquidity problem which can only be addressed with the implementation of aggressive measures aimed at making up the budget deficit that repeats every year. The Island has made a commitment to do this before the global market and, as shown in the comments made by credit rating agencies, the efforts made to face this crisis are helping us to establish credibility. The improvement in Puerto Rico's credit rating depends on these efforts. This Act is a fundamental step towards achieving financial stability and a balanced budget, as well as to restore the credibility of the Island. But this is not our last challenge. As noted by Fitch Ratings on the report dated April 15, 2014, there are still challenges that need to be addressed regarding the budget for Fiscal Year 2015 and the recent decision of the Supreme Court on Act No. 160-2013, and they reminded us:

In the coming weeks the governor is expected to release his budget proposal for the fiscal year beginning July 1, which he has announced will be balanced. The court decision has no direct negative impact on the near-term budget, but the commonwealth has stated in the past that

without reform the teachers' retirement system would confront an annual cash flow deficit beginning in ...

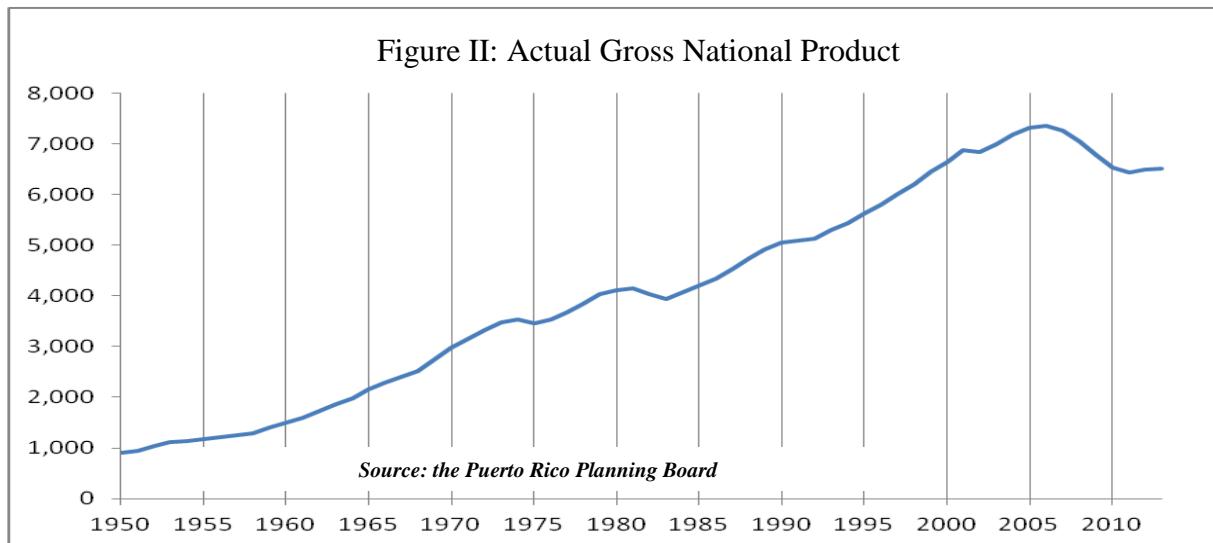
The recent transaction of general obligation bonds of the Commonwealth used a significant portion of the Commonwealth's constitutional margin, thus limiting the use of this mechanism in the near future. Our Constitution sets forth that the Commonwealth's public debt shall never exceed 15% of the average income from State sources during the two immediately preceding fiscal years. According to the Official Statement, Commonwealth of Puerto Rico General Obligation Bonds of 2014, Series A, after the aforementioned bond issue, the constitutional limit is 14.2%. Moreover, the resistance from capital markets to make up the deficits of the General Fund also limits GDB's financing capacity because it will remain in its loan portfolio and will, eventually, hinder its ability to fulfill its institutional role as a temporary or last-resource creditor.

In summary, the Commonwealth needs to approve a budget where revenues equal expenditures, not only because a balanced budget is an indicator of sound public administration and our responsibility to future generations, but because the mechanisms that the Commonwealth has used in the past are no longer available. Capital markets are not willing to finance budget deficits; neither does the private banking, because they do not have the capacity or the will to do so, and the liquidity of the GDB is compromised. In view of this situation, the Commonwealth has a strong interest in cutting back on public spending immediately, significantly, and conclusively in order to defray the expenditures of the General Fund without resorting to using debt as a source of income. Given the seriousness of this situation, it is necessary to explain the economic background that brought us to this situation.

Puerto Rico's Economic Condition

The Island's economic situation must be the starting point to determine the type of fiscal measures that are to be taken and the impact that such measures will have on macroeconomic terms. In order to understand this legislative piece, Puerto Rico's current historical juncture and history must be evaluated. We must bear in mind that the current fiscal situation not only reflects the lack of caution of past administrations in managing the State's resources, but also the inability of the Island's economy to increase production, create jobs, and generate income. The State's capacity to collect revenues is limited by the Island's unemployment rates. Taxes and other levies paid by individuals and business are directly related to the level of economic activity and the amount of income and profit that such economic agents may generate.

The Island's economy experienced the longest and most serious recession in its recent history during Fiscal Years 2006 to 2011. As shown in Figure II, this period of economic constraints was by far worse in length and severity, than the four recessions that took place between 1974-75, 1981-83, 1990-91, and 2001-03.



This last recession lasted six years and the Actual Gross National Product (AGNP) showed a 12.5% accrued reduction, while the worst recessions, 1974-75 and 1981-83, lasted between 1 to 2 years and the AGNP was reduced only by 1.91% and 5.13%, respectively. Moreover, the AGNP average annual growth rate was -2.1% during the recession of 2006-11, and 1.91% and 2.60% in the recessions of 1974-75 and 1981-83, respectively. These recessions were mainly the result of factors related to the economic cycle of the U.S. economy and the world's economy, as well as the impact of the increase in the price of oil on our economy.

Our first recession in recent times was from 1974-75 when the oil embargo of the Organization of the Petroleum Exporting Countries (OPEC) caused a global recession that adversely affected the Island, as previously stated. The Government of Puerto Rico commissioned a study to James Tobin, a well-known economist and Nobel laureate in economics. Many recommendations were made in this study, both economic and fiscal. However, some of them were implemented and others were not. If the recommendations regarding the economy and the management of fiscal issues had been implemented, it is very likely that the current fiscal situation of the Island would have never happened. It is worth noting that during such time, the Government had difficulty in accessing capital in the market and meeting its obligations. However, the approval of Section 936 of the U.S. Internal Revenue Code helped the Island overcome this crisis.

The 1982-83 recession was the result of the contraction of the U.S. economy, the increase in the oil price, and the decrease in Federal transfers. All these factors combined to cause our economy to fall into a serious recession.

The 1990-91 recession has been the shortest one thanks to the buffering effect of the funds that the Island received for the damages caused by hurricane Hugo. Between FEMA funds and the compensation money paid by insurance companies, the Island received nearly \$5 billion. This injection of funds prevented the recession from extending or aggravating.

Until now, it is evident that the economic recessions experienced by the Island prior to Fiscal Year 2006 coincided with the periods of contraction of the U.S. economy and the oil price increase worldwide. The close relation between our economy and that of the U.S.A. and our vulnerability to the changes in the oil price are the reasons why recessions have a particularly deep impact on the Island. However, once the U.S. economy and the oil price stabilized our economy experienced a growing trend. Furthermore, the recession that started in Fiscal Year 2006 had some specific internal causes such as:

- The end of the Section 936 phase out which entailed the loss of more than 150,000 direct and indirect jobs in the manufacturing sector;
- The government shutdown during the Fiscal Year 2006 crisis; and
- The negative effects of Act No. 7-2009 which aggravated the recession during Fiscal Years 2009, 2010, and 2011.

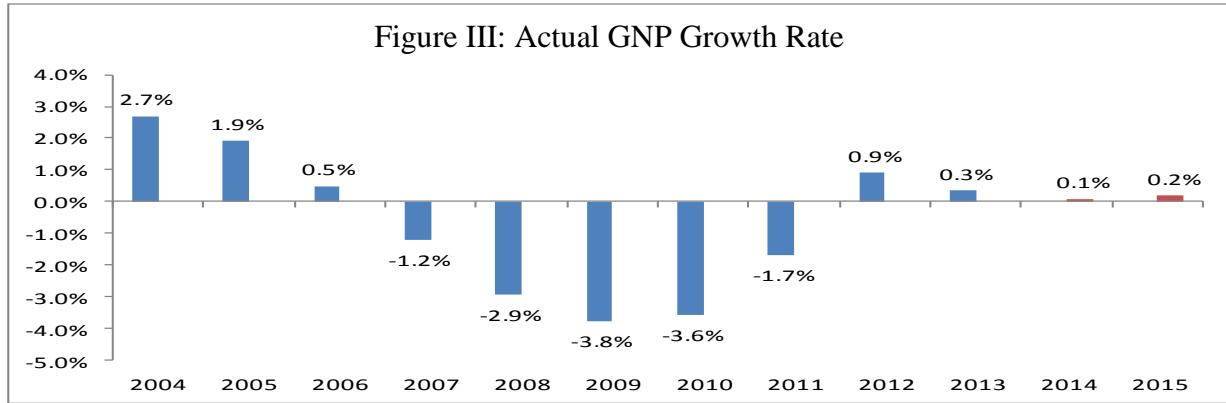
Table 2 shows a comparative analysis of Puerto Rico's economic recessions from 1974-1975 to 2006-2011.

Table 2: Comparative Analysis of Economic Recessions in Puerto Rico

Period	Duration	Accrued AGNP Growth Rate	Annual AGNP Growth Rate
1974-75	1 year	-1.91%	-1.91%
1981-83	2 years	-5.13%	-2.60%
1990-91	7 months	+0.9%	+0.9
2001-02	1 year	-0.3%	-0.3
2006-11	6 years	-12.50%	-2.1%

Source: the Puerto Rico Planning Board

For Fiscal Years 2012 and 2013, the AGNP showed positive values, 0.9% and 0.3%, respectively (See Figure III). Recently, the Puerto Rico Planning Board presented its economic forecasts for Fiscal Years 2014 and 2015 where the projections for the AGNP show minor increases, that is, 0.1% and 0.2%, respectively. Figure III shows a very weak stabilization.



Source: the Puerto Rico Planning Board

This laggardly recovery of Puerto Rico's economy is mostly due to the effect that an injection of nearly \$7 billion of funds appropriated under the American Recovery and Reinvestment Act of 2009 (ARRA) had during the last 3 years. However, this source of income was depleted just as other sources of income from the issue of government and public corporations bonds, which translated into public investment. This means that the Island's possibility of economic growth for the coming years will depend exclusively on private investment and the export of goods and services.

Therefore, the apparent recovery of Puerto Rico's economy that began in Fiscal Year 2012 will continue to be too slow to confidently state that we have overcome the crisis. The situation worsens even more when the Economic Activity Index (EAI) published by the GDB, as of now, shows negative values for Fiscal Year 2014. As shown in Table 3, the average EAI value from July 2013 to April 2014 was 127.1. This information shows a 4.3 point reduction from the 131.4

points reported for the same period in Fiscal Year 2013, and constitutes a 3.3% reduction in such indicator.

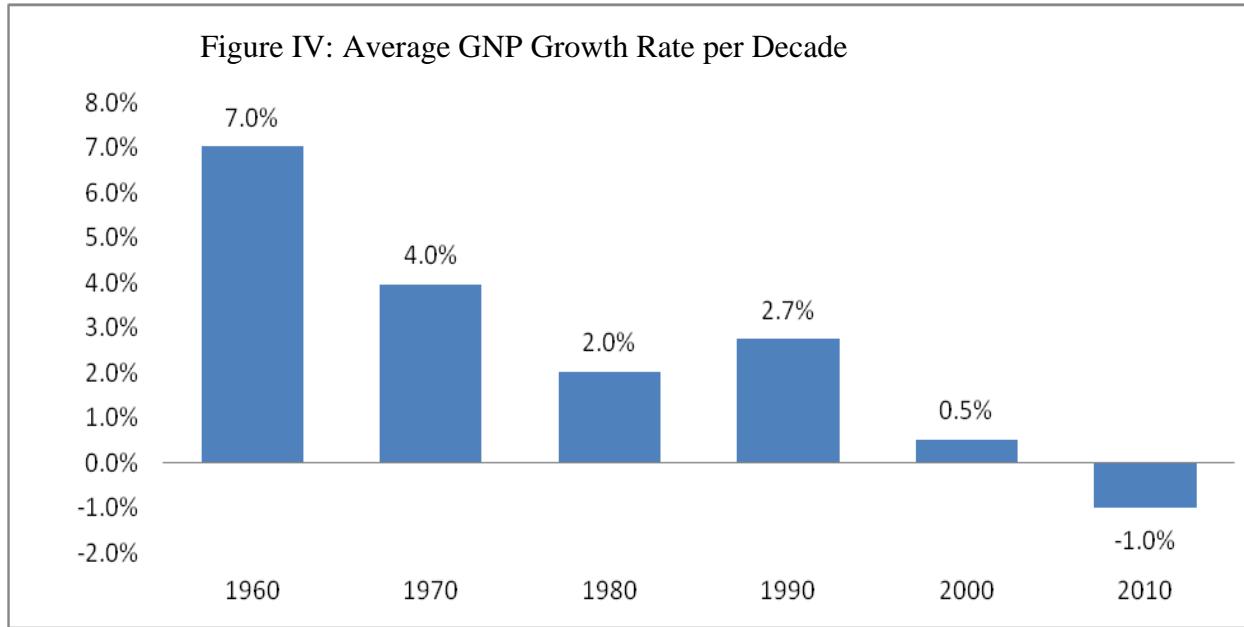
Table 3: Economic Activity Index (EAI)

Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Annual Average	154.6	155.0	152.9	149.1	141.7	134.7	130.8	130.9	130.8	
Difference	2.4	0.4	-2.1	-3.8	-7.4	-7.0	-4.0	0.2	-0.1	
% Change	1.6	0.3	-1.3	-2.5	-4.9	-4.9	-2.9	0.1	-0.1	
July-April Annual Average	154.3	155.3	155.3	149.6	142.6	135.1	131.0	130.8	131.4	127.1
Difference	2.1	1.2	-2.0	-3.6	-7.0	-7.5	-4.1	-0.2	0.6	-4.3
% Change	1.4	0.6	-1.3	-2.4	-4.7	-5.2	-3.1	-0.1	0.5	-3.3

Source: the Government Development Bank

In view of this situation, there is major concern about the possibilities of having a steady economic recovery process in Puerto Rico that provides for the generation of substantial additional income for the treasury and allows the government to improve its liquidity. Consequently, the most recent trends shown by the Island's economy prove that there is still a lack of activity and production capacity.

In analyzing the economic performance of the Island within a historical context, it can be noticed that the 7% growth rate seen in the 1960s has turned into negative numbers. Our economy has experienced a structural change whereby it has lost its competitive capacity and that, coupled with the instability of Section 936, have limited its economic growth capacity. For example, during the last four decades, the local economy has been losing its capacity to grow and create jobs. The reduction in the investment rate (Total Gross Investment/GNP), from 30% in the 1970s to 13% in recent years, is the best indicator of how our economy has lost its future productive capacity, as shown in Figure IV.



Source: Puerto Rico Planning Board

The moderate growth rates reported in the 1980s and 1990s, and part of the 2000s were due to the following factors:

- The activity generated by the 936 Corporations manufacturing sector, mainly by the chemical and pharmaceutical industries.
- The flow of Federal government payment transfers.
- The compensating effect of public jobs.
- The excessive use of debt issue to finance public investment projects and government spending.
- The impact of the housing bubble on the construction sector.
- The indebtedness of Puerto Rican consumers.
- The expansion of the U.S. economy.

Undoubtedly, the elimination of Section 936 aggravated the structural issues of the Island's economy which began to show in the 1970s.

Employment

The total employment indicator specifically reflected the seriousness of the economic recession that affected Puerto Rico from 2006 to 2011. As shown in Figure V, Fiscal Years 2008, 2009, and 2010 had the largest job loss in the recent history of the Island's economy. Since Fiscal Year 2006, Puerto Rico's economy has lost a total of 207,000 jobs, which represents a 16.6% aggregate loss.

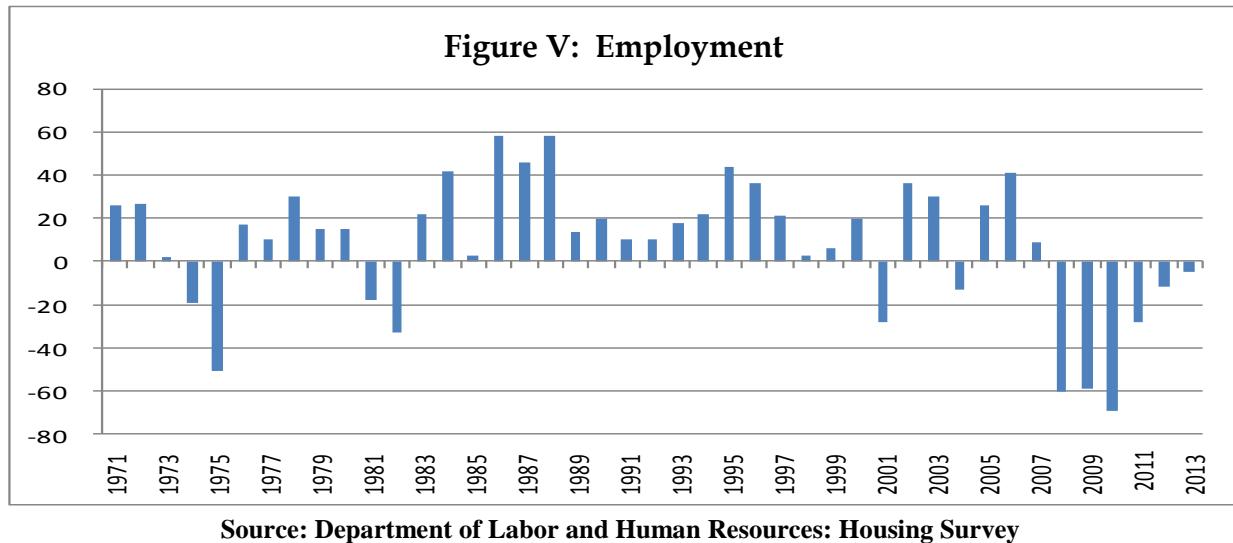


Table 4 shows a summary of the employment status among persons 16 years of age or older during the last 10 years. After analyzing this data, it is noticeable that total employment values have steadily decreased from 2006 to 2013. The slight economic recovery shown since 2012 has yet to be translated into a decreasing trend within the total employment variable.

Table 4: Employment Status Among Persons 16 Years of Age or Older: Fiscal Years (in thousands).

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Persons 16 years or older	2,884	2,886	2,899	2,906	2,908	2,910	2,914	2,920	2,921	2,906
Working Group	1,339	1,357	1,410	1,413	1,355	1,325	1,285	1,249	1,221	1,197
Employed	1,187	1,213	1,254	1,263	1,203	1,144	1,075	1,047	1,035	1,030
Unemployed	152	144	156	150	152	181	210	202	185	167
Participation Rate	48.4	47.0	48.6	48.6	46.6	45.5	44.1	42.8	41.8	41.2
Unemployment Rate	11.4	10.6	11.0	10.6	11.2	13.7	16.3	16.2	15.2	14.0
Employment Rate	41.2	42.0	43.3	43.5	41.4	39.3	36.9	35.9	35.4	35.4

Source: Department of Labor and Human Resources, Labor Statistics Bureau, Housing Survey

On the other hand, the unemployment rate has shown some improvement and has remained unchanged at 14%. However, persistent factors such as the reduction in labor participation and the increase in the population older than 65 years of age affect the Island's capacity for economic recovery.

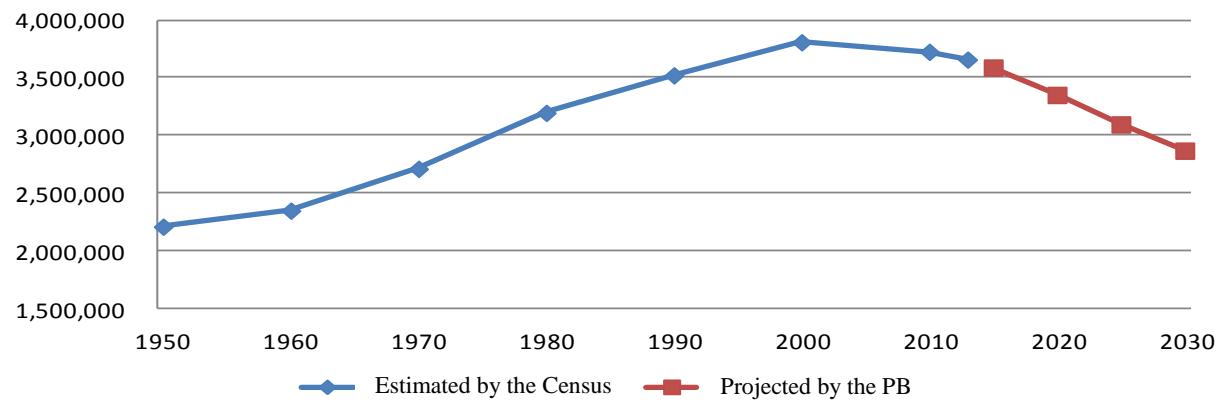
Demographic Trends

Puerto Rico is experiencing for the first time an absolute population loss. According to the United States Census Bureau, the population of Puerto Rico decreased by 2.2% from 2000 to 2010. However, the projections of the Planning Board show that this decreasing trend in population shall continue through at least 2030. The estimated reduction in population from 2000 to 2013 was of 150,442 individuals, which constitutes a nearly 4% decrease of the population residing in the Island. As shown in Table 5 and Figure VI, the projected reductions in population for 2020 and 2030 constitute a 10.0% and 14.4% decrease, respectively.

Table 5: Estimated and Projected Population in Puerto Rico

Year	No. of Persons	% of Change per Decade
1950	2,210,703	18.3%
1960	2,349,544	6.3%
1970	2,712,033	15.4%
1980	3,196,520	17.9%
1990	3,522,037	10.2%
2000	3,808,610	8.1%
2010	3,725,789	-2.2%
2020	3,352,315	-10.0%
2030	2,869,462	-14.4%

Source: United States Census Bureau, Population Division

Figure VI: Estimated and Projected Population in Puerto Rico

Source: United States Census Bureau, Population Division; and the Planning Board, Census Office

As shown in Table 6, the reported reduction in the population has a demographic component since it comes as a result of the reduction in births for every one thousand inhabitants, and a decrease in deaths for every one thousand inhabitants. The combination of these factors is translated into an ongoing reduction in the natural population increase rate, which in 2013 was estimated at 2.5 persons for every one thousand inhabitants.

Table 6: Selected Demographic Statistics (Fiscal Years)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Population as of July 1st (in Thousands)	3,827	3,821	3,805	3,783	3,761	3,740	3,722	3,687	3,652	3,615
Births (in Thousands)	51	51	49	47	46	45	42	42	41	39
Deaths (in Thousands)	30	30	29	29	29	29	29	29	30	30
Births for every 1,000 inhabitants	13.4	13.3	12.8	12.4	12.1	12.0	11.4	11.4	11.2	10.8
Deaths for every 1,000 inhabitants	7.7	7.8	7.5	7.8	7.7	7.8	7.9	7.9	8.2	8.3
Natural increase for every 1,000 inhabitants	5.7	5.4	5.3	4.6	4.4	4.2	3.5	3.5	3.0	2.5

Source: United States Census Bureau, Population Division; Puerto Rico Department of Health, and the Planning Board, Census Office

However, this factor alone does not explain the population decrease between 2000 and 2010. The trend needs to include the impact of the massive migration of Puerto Ricans who relocate abroad in search for better economic opportunities.

This situation brings to the table the issue of talent flight, the loss of working-age human resources, and the negative impact thereof on the treasury revenues. No reduction in the cost of the services rendered by the Government to these citizens can compensate for such revenues in the short- or long-term.

Table 7: Selected Population Data

	Total Population	Population 65 Years or Older		Median Age
		Number of Persons	%	
1950	2,210,703	85,578	3.9%	18.4
1960	2,349,544	122,207	5.2%	18.5
1970	2,712,033	177,077	6.5%	21.6
1980	3,196,520	252,569	7.9%	24.6
1990	3,522,037	340,884	9.7%	28.5
2000	3,808,610	425,137	11.2%	32.1
2010	3,725,789	541,998	14.5%	36.9

Source: United States Census Bureau, Population Division

On the other hand, the impact of the population challenge worsens as a result of our increasingly aging population. As shown in Table 7, the number of persons age sixty-five (65) or older has both in absolute terms and in its proportion to the total population continued its growing trend. The 2010 Census reported more than half a million people within this age bracket, which represents 14.5% of the total population. An interesting fact is that the median age of our population has increased rapidly, from 18.5 years in 1960 to 36.9 years in 2010.

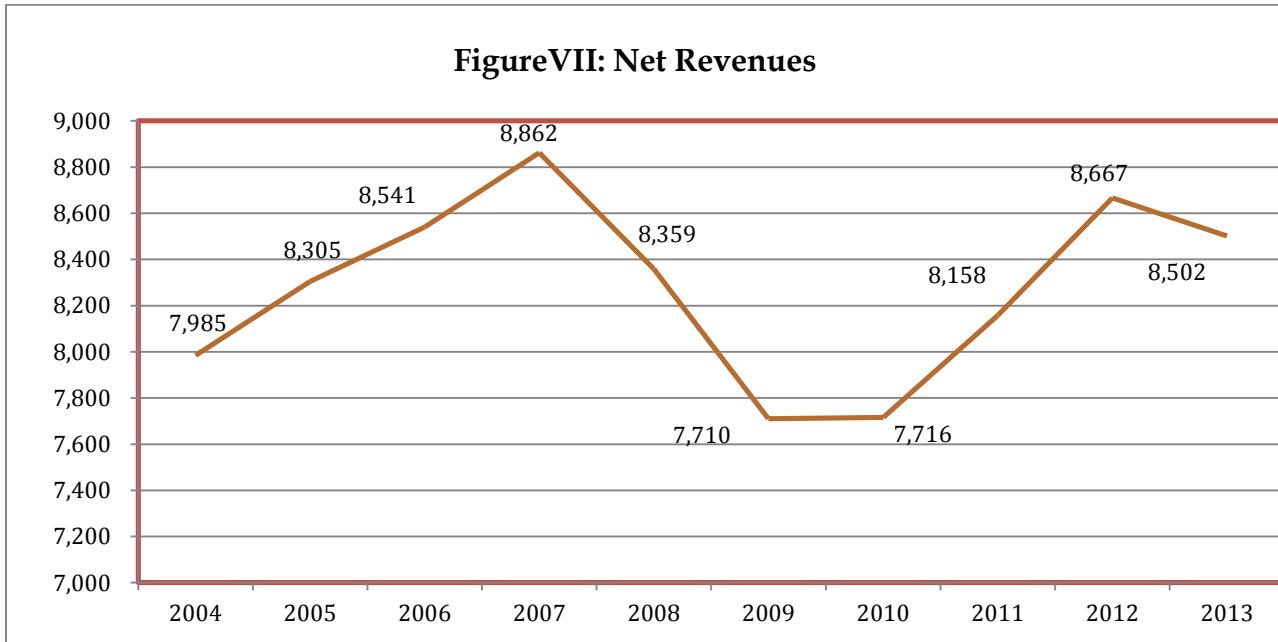
The aforementioned demographic dynamics show an imminent increase in the demand for healthcare services and other services necessary to provide older persons with the adequate care. Inevitably, this situation would eventually require increasing public spending and poses an additional challenge to the attainment of a balanced budget.

As shown below, the population trend, the reduction in labor participation, and the Island's difficult economic situation adversely affect the net revenues of the General Fund.

General Fund Net Revenues

An analysis of the report of the General Fund Net Revenues drafted by the Department of the Treasury for Fiscal Years 2003-2004 to 2012-2013, shows that for Fiscal Year 2003-2004, the General Fund net revenues amounted to \$7.985 billion. Meanwhile, for Fiscal Year 2012-2013 (9 years later) such amount totaled \$8.502 billion. This means that resources from State sources, such as income taxes, sales and use tax, and excise taxes, among others, increased only by \$517 million in almost one decade.

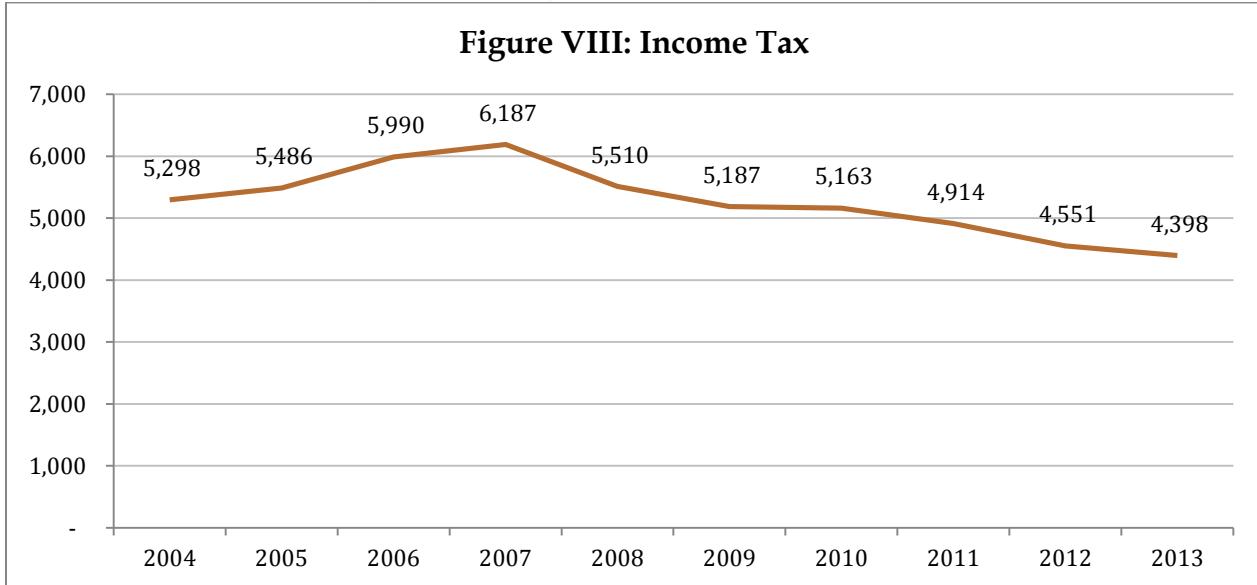
Figure VII shows the General Fund net revenues from Fiscal Year 2003-2004 to 2012-2013 (in millions).



Source: Department of the Treasury: General Fund Net Revenues Report

The analysis below shows the net revenues of the General Fund according to its main sources, as included in the aforementioned report:

Income Tax Revenues (In Millions)



Source: Department of the Treasury: General Fund Net Revenues Report

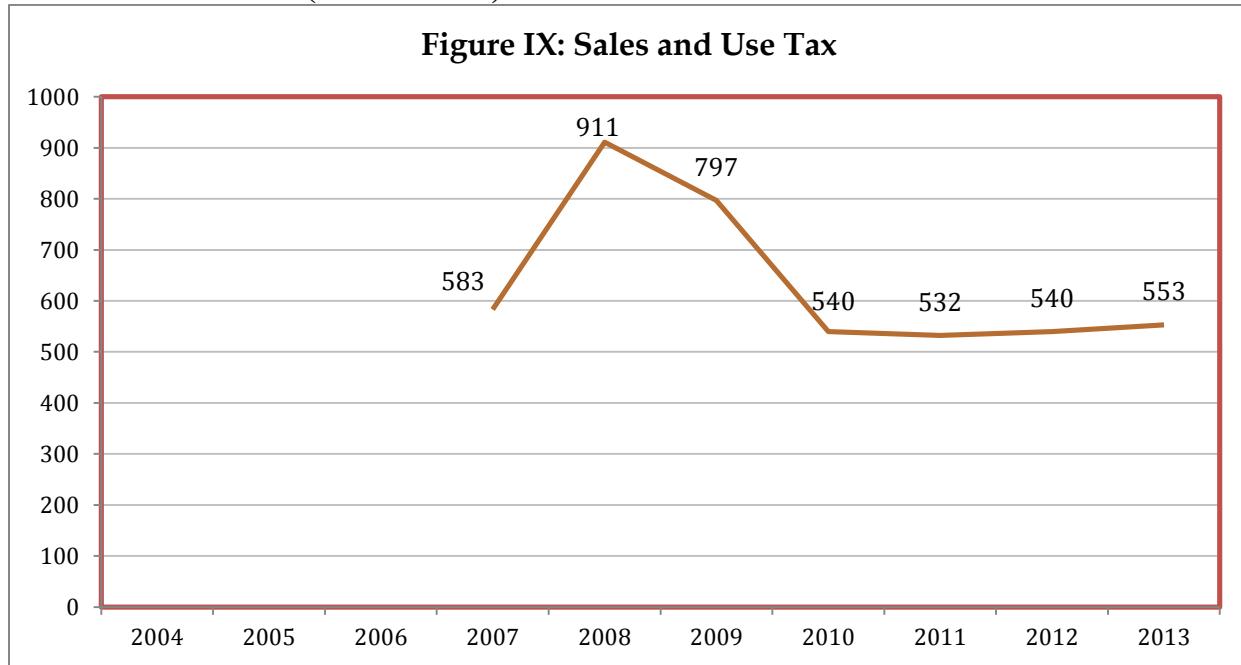
As shown in Figure VIII, the income item that includes income taxes on individuals, corporations, partnerships, withheld to nonresidents, taxes on interest, dividends, and tollgate taxes experienced an annual increase from 3% to 9% during Fiscal Years 2003-2004 to 2006-2007. Since then, it had been spiraling down, but in Fiscal Year 2007-2008, it was more evident with an 11% reduction compared to the previous fiscal year. The second steepest reduction was reported in Fiscal Year 2011-2012 with a 7% reduction.

There are several factors that influence the behavior of this important item of General Fund net revenues. Some of these factors are the economic recession, which began in late 2006, and the reduction in the working-age population. Moreover, as part of the tax reform resulting from the enactment of Act No. 1-2011 tax rates on individuals and corporations were reduced, thus worsening the decrease in income tax revenues. The tax rates approved under Act No. 154-2010 sought to somehow compensate this decrease; this issue will be discussed further on.

This Administration enacted Act No. 40-2013 and reestablished the maximum 39% tax rate on corporations and introduced a surtax on gross income (National Fee) with the intent to increase revenues from income taxes on corporations by Fiscal Year 2013-2014. However, as of April 30, 2014 such revenues fell short of the expected amount by nearly \$380 million.

The economic projections of the Planning Board, as well as the Island's population trends, provide no basis to foresee a significant increase in income tax revenues in the near future.

Sales and Use Tax (In Millions)



Source: Department of the Treasury: General Fund Net Revenues Report

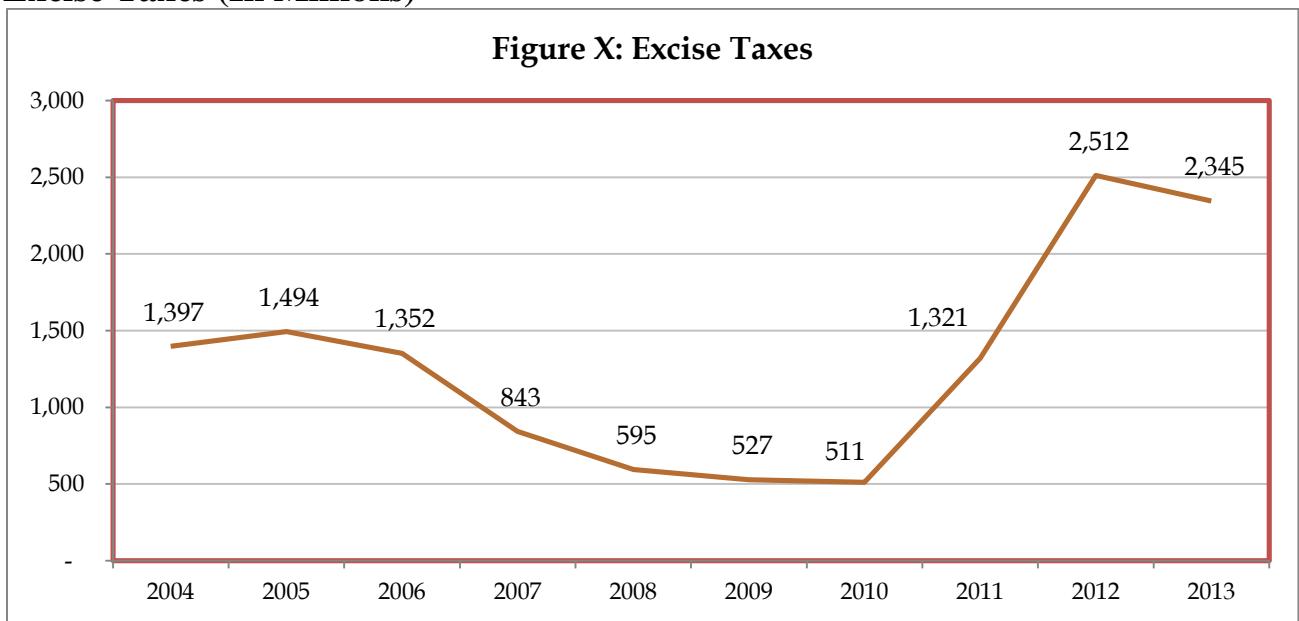
In November 2006, in accordance with Act No. 117-2006, the new 5.5% state sales and use tax took effect. This tax substituted the 5% general excise tax. By Fiscal Year 2006-2007, the revenues from the collections of such tax amounted to \$583 million. Fiscal Year 2007-2008 represented the first full year of revenues which amounted to \$911 million. As seen in Figure IX, after this, revenues dropped to \$797 million and \$540 million for Fiscal Years 2008-2009 and 2009-2010, respectively. Ever since, revenues have kept a lineal pattern.

The main reason for the reduction in the revenues on account of the sales and use tax covered into the General Fund is that, as a result of the enactment of Act No. 1-2009 and Act No. 7-2009, the portion of this tax allocated to the Dedicated Sales Fund was increased in order to pay the debt to COFINA. Likewise, Act No. 91-2006 must be considered since it provided for an automatic 4% annual increase in the monies covered into the Dedicated Sales Fund until reaching the sum of \$1.850 billion by 2041. This means that if the total revenues

on account of such taxes remain stable and do not increase, the portion of such revenues that is covered into the General Fund shall be lower every year.

Act No. 40-2013, as amended by Act No. 117-2013, modifies the way in which the sales and use tax is collected and remitted to the Department of the Treasury. According to the estimates of the Department of the Treasury, it is expected that revenues on account of said tax increase to nearly \$170 million by Fiscal Year 2014-2015. However, because of the economic situation of the Island and the automatic 4% increase in the sales and use tax covered into the Dedicated Sales Fund for the payment of debt, it is not reasonable to conclude that revenues on account of such tax shall have a significant increase in the near future.

Excise Taxes (In Millions)



Source: Department of the Treasury: General Fund Net Revenues Report

This source of funds includes excise taxes on alcoholic beverages, tobacco products, oil products, motor vehicles, horse races, insurance premiums, concrete, and slot machines. Likewise, it included the general 5% excise tax (substitute for the sales and use tax) until Fiscal Year 2006-2007. Moreover, it included the tax on foreign corporations and partnerships imposed under Act No. 154-2010 since Fiscal Year 2010-2011. As seen in Figure X, revenues on account of excise taxes

show a \$552 million or 32% reduction from Fiscal Year 2005-2006 to Fiscal Year 2006-2007 mainly as a result of substituting the sales and use tax for the general excise tax. Fiscal Year 2007-2008 shows an additional \$258 million or 23% reduction, given that this was the first year that experienced the full effect of the change between income sources.

The substantial increase seen in Fiscal Year 2010-2011 is mainly a result of the new excise tax on foreign corporations and partnerships (Act No. 154-2010) which totaled \$678 million in revenues for such Fiscal Year. This new excise tax generated revenues amounting to \$1.876 billion and \$1.667 billion for Fiscal Years 2011-2012 and 2012-2013, respectively. The main reason for the increase or decrease in excise tax collections for such fiscal years was the imposition of this new excise tax.

It must be noted that Act No. 154-2010 represented a substitution and redistribution of the sources of income of the General Fund with the aggravating circumstance that the collections on account of the enactment of such Act for Fiscal Year 2012-2013, which constituted nearly 20% of the General Fund's income, originated from 27 groups of affiliates, out of which 6 groups were responsible for 75% of such income. The special temporary excise tax that expires in 2017 must be added to the number of risks ran by the General Fund's income. The modified source of income rule takes effect in 2017. The form in which this new rule will be finally implemented is yet to be determined. For such reason, it cannot be estimated nor guaranteed whether the current level of revenues will be achieved. We must also consider the actions taken by the U.S. Treasury with respect to tax treatment that affects the credit currently available at the Federal level on account of the excise tax paid in Puerto Rico. Another challenge faced by Act No. 154-2010 is that some patents of products manufactured in Puerto Rico will expire within the next years.

This Administration approved Act No. 2-2013 to amend Act No. 154-2010 establishing a four percent (4%)-tax and extending it to 2017. Some sectors have stated that the possibility of increasing this excise tax and making it permanent should be considered. However, there are determining factors surrounding it that cannot guarantee a level of revenues on account of this excise tax since the decision depends mainly on the Federal government (tax treatment) or on business decisions of the group of affiliates that paid such tax and some of which have patents expiring within the next years.

Net Income Summary

Revenues from income taxes, the sales and use tax, and excise taxes account for nearly ninety percent (90%) of the General Fund's net income. As previously stated, these three sources of income are facing great challenges, to wit, the Island's prolonged economic recession, the decline in the working-age population, the amount of income derived from the sales and use tax that is allocated to the payment of debt, and the fact that nearly twenty percent (20%) of the General Fund's income derives from Act No. 54-2010, specifically from 27 affiliate companies. In addition, such excise tax is temporary and expires in 2017. These challenges increase the level of uncertainty as to the amount of resources that the Commonwealth will have available to continue providing services to its People.

Audited Financial Statements

Table 8 shows the General Fund's revenues and expenditures for Fiscal Years 1999-2000 to 2011-2012, as stated in the audited financial statements of the Commonwealth, specifically in the "Statement of Revenues and Expenditures-Budget and Actual Budget Basis-General Fund" (in millions).

Table 8: General Fund's Revenues and Expenditures for Fiscal Years 1999-2000 to 2011-2012

<i>Fiscal Year</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Loan Payments and other Transfers</i>	<i>Total</i>	<i>Deficit</i>
1999-2000	\$7,003	\$5,346	\$2,231	\$7,577	(\$574)
2000-2001	6,872	5,302	2,820	8,122	(1,250)
2001-2002	7,186	8,542	584	9,126	(1,940)
2002-2003	7,341	7,366	677	8,043	(702)
2003-2004	7,834	7,942	981	8,923	(1,089)
2004-2005	8,603	8,908	809	9,717	(1,114)
2005-2006	8,423	9,461	936	10,397	(1,974)
2006-2007	8,718	8,786	921	9,707	(989)
2007-2008	8,207	8,809	515	9,324	(1,117)
2008-2009	7,584	9,927	963	10,890	(3,307)
2009-2010	7,593	9,640	728	10,368	(2,775)
2010-2011	7,994	9,075	1,548	10,623	(2,360)
2011-2012	8,573	9,911	2,055	11,966	(3,393)
Total	<u>\$101,929</u>	<u>\$109,105</u>	<u>\$15,768</u>	<u>\$124,783</u>	<u>(\$22,854)</u>

As shown, expenditures exceeded the General Fund's net revenues in every fiscal year. The total deficit for these 13 years amounted to \$22.854 billion. The average net revenues of the fund for the period between Fiscal Year 1991-2000 and Fiscal Year 2011-2012 were \$7.841 billion, whereas average expenditures (including debt payment) were \$9.559 billion. This means that, on average, the expenditures chargeable to the General Fund exceed its revenues by \$1.758 billion. It is worth mentioning that, since Fiscal Year 2008-2009, the total amount of expenditures consistently exceeded \$10 billion, nearing \$12 billion in Fiscal Year 2011-2012.

As shown in Table 9, to make up the deficits for such years \$8.256 billion were borrowed from the GDB and \$8.521 billion from COFINA between Fiscal Years 2008-2009 and 2011-2012. This means that, in 13 years, \$16.777 billion were borrowed to make up budget deficits. Moreover, there were \$4.954 billion on account of non-tax income and other transfers, which resulted in an uncovered net deficit of \$1.123 billion.

Table 9: Loans to Make up Deficits from Years 1999-2000 to 2011-2012.

<u>Fiscal Year</u>	<u>Deficit</u>	<u>Loans</u>	<u>COFINA Loans</u>	<u>Lottery and other Transfers</u>	<u>Net</u>
1999-2000	(\$574)	\$55	\$-	\$574	\$55
2000-2001	(1,250)	662	-	462	(126)
2001-2002	(1,940)	1,932	-	268	260
2002-2003	(702)	424	-	263	(15)
2003-2004	(\$1,089)	695	-	286	(108)
2004-2005	(1,114)	756	-	433	75
2005-2006	(1,974)	1,345	-	168	(461)
2006-2007	(989)	340	-	145	(504)
2007-2008	(1,117)	290	-	152	(675)
2008-2009	(3,307)	172	3,328	127	320
2009-2010	(2,775)	148	2,688	350	411
2010-2011	(2,360)	560	1,552	862	344
2011-2012	(3,393)	877	953	864	(699)
Total	<u>(\$22,854)</u>	<u>\$8,256</u>	<u>\$8,521</u>	<u>\$4,954</u>	<u>(\$1,123)</u>

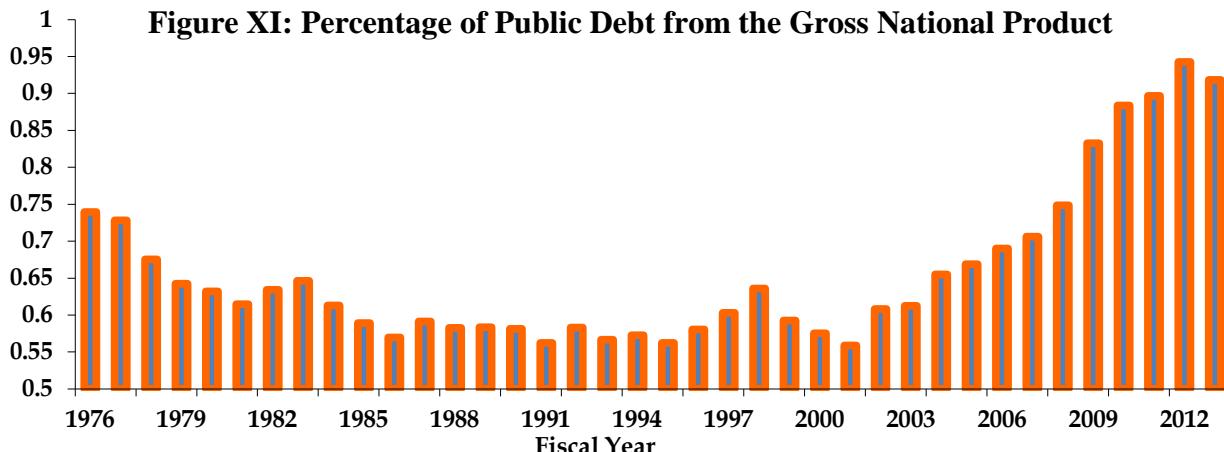
It can be concluded that the level of expenditures and obligations of the General Fund has been consistently higher than the net income it generates. This gap has been narrowed with loans from both the GDB and COFINA. As previously explained, the issue of GDB's liquidity and the Island's level of indebtedness

prevented the use of this strategy to balance the General Fund. Furthermore, said practice is inconsistent with the public policy of sound and responsible fiscal administration.

Public Debt

The Island's total public debt reached \$64.957 billion in Fiscal Year 2013. This level of public debt accounted for ninety one point eight percent (91.8%) of the Gross National Product in Fiscal Year 2013 (see Figure XI). The rapid growth of the public debt during the last years was mainly a result of debt issues made by past government administrations, specifically the previous one. From 2009 to 2012, the total debt increased by \$17.828 billion, that is, by 38%. This debt increase included nearly \$9 billion in COFINA bond issues to finance government operating costs. Needless to say that this amount does not include around \$5 billion in GDB notes issued to also finance government operations. In considering the notes issued by the previous Administration, public debt increased by nearly \$23.828 billion.

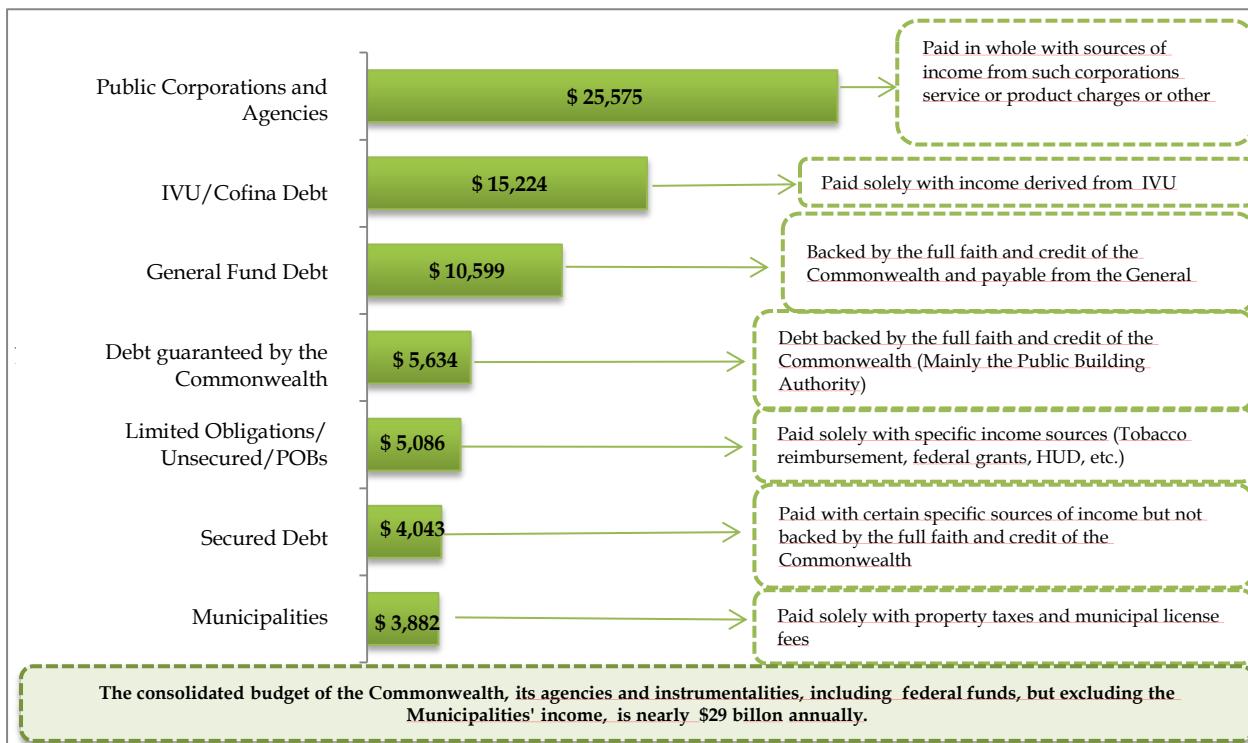
Hence, the historical increase in the public debt during the past four-year term caused the level of debt to account for 94.3% of the GNP for Fiscal Year 2012, compared to 74.8% in Fiscal Year 2008. There is no doubt that the level of indebtedness of the Island for which the previous Administration is responsible, significantly contributed to the downgrading of Commonwealth bonds to junk status, as well as to the economic and liquidity crisis currently undergone by the Island.



Source: Government Development Bank and Planning Board

Figure XII includes in the total of the public debt the \$5.086 billion in debt that does not encumber the public treasury. At present, the sources of payment for this debt come from specific income sources such as the tobacco tax refund and Federal grants, among others. If such sum is taken into consideration, the total amount of the public debt reached \$70.043 billion in Fiscal Year 2013.

Figure XII: Total Outstanding Debt in Puerto Rico as of June 30, 2013 (In millions)



Source: Government Development Bank

As shown in the above figure, the Central Government's debt accounts for 15.1% of the total debt for Fiscal Year 2012-2013. However, public corporations and COFINA debts account for 36.6% and 21.7% of the total debt, respectively.

Public Corporations

It is well known that the fiscal crisis of the Island directly and indirectly affects all sectors, including public corporations. Several public corporations carry over million-dollar deficits given that their operating expenses exceed the revenues generated on account of the services they render. In the past, money was taken on loan from the GDB, regardless of whether sources of repayment were identified to make up their operating deficit.

Today, some of these corporations lack the cash flow needed to meet their obligations, including the repayment of the GDB debt. An example of this, and as stated before, is the case of the HTA whose line of credit with the Bank has an unpaid balance of \$2.045 billion according to its financial statements as of June 30, 2013, audited by Ernst & Young LLP.

Likewise, the financial statements of the Medical Services Administration (MSA) as of June 30, 2013, audited by FPV & Galíndez, PSC, show that MSA's line of credit with the Bank has an unpaid balance of \$273 million. In the case of the Health Insurance Administration (ASES, Spanish acronym), its financial statements as of June 30, 2013, also audited by FPV & Galíndez, PSC, show that the line of credit with the Bank has an unpaid balance of \$171 million.

Furthermore, the Aqueduct and Sewer Authority (ASA) has an outstanding debt with the Bank. According to ASA's financial statements as of June 30, 2013, audited by the public accountants firm Ernst & Young LLP, ASA's line of credit with the Bank has an unpaid balance of \$90 million. Moreover, the financial statements of the Ports Authority as of June 30, 2013, audited by Nieves Velázquez

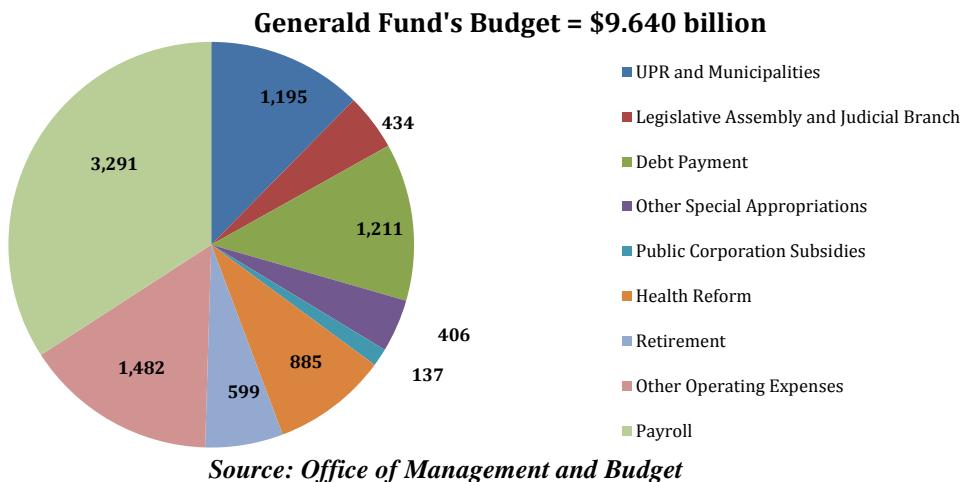
& Co, PSC, show that the Authority's line of credit with the Bank has an unpaid balance of \$216 million.

The outstanding debt of these five public corporations on account of lines of credit with the Bank amounts to \$2.795 billion as of June 30, 2013. This amount accounts for forty-one percent (41%) of the \$6.889 billion in loans pending payment from public corporations, as shown in the audited financial statements of the Bank.

2014-2015 BUDGET

Figure XIII shows the recommended General Fund's budget for Fiscal Year 2014-2015 which amounts to \$9.640 billion and are allocated as follows:

Figure XIII



It is evident that the main areas of expenditure in the Government's budget chargeable to the General Fund are the budget formulas for the University of Puerto Rico, the Municipalities, and the Judicial Branch; the debt payment; Retirement Systems' contributions and special laws; and Health Reform contributions. Budget allocations under these items amount to \$4.213 billion or 44% of the recommended budget.

The other portion of the recommended budget is allocated primarily to cover payroll and other operating expenses such as rents, utilities, transportation, and procurements for the Department of Education, the Puerto Rico Police Department, the Department of Corrections, and the Department of the Family. It also includes subsidies for public corporations related to healthcare and public transportation.

Our challenge is to achieve a balanced budget for Fiscal Year 2014-2015, when the current fiscal year deficit is significantly high. This deficit is a result of automatic increase in budget items, namely the appropriation formulas for the University, Municipalities, and the Judicial Branch; pre-negotiated collective bargaining agreements; the increase in the amortization of general obligations; and the increase in interest rates; the increase in employer contributions to retirement systems; government lawsuits; and others that will significantly increase the expenditures and obligations chargeable to the General Fund. Table 10 below shows the changes in the budget for Fiscal Year 2014-2015 if measures are not taken to adjust the obligations chargeable to the General Fund to the resources that the Commonwealth has available to meet them (in millions):

Table 10: Changes for the Budget of Fiscal Year 2014-2015

Current Budget (fiscal year 2013-2014)	\$9,770
Increase in debt service	648
Increase in collective bargainings	181
Increase in the formulas for the UPR, Judicial Branch, and Municipalities	132
Increase in legislated and new appropriations	35
Increases in Retirement System special laws	29
Increases in Education, Corporations, and others	202
Total	\$10,997

Source: Office of Management and Budget

Note that the increase in the General Fund would exceed \$1.2 billion and the budget of expenditures will near \$11 billion. For such reason, the Commonwealth is bound to seek mechanisms to cutback on spending and have a budget that is consistent with its level of income.

As previously explained, the alternative of increasing the income is limited. This Administration has been consistent with its fiscal policy of not increasing taxes that directly affect taxpayers. Said fiscal policy was set forth recognizing the impact that it could potentially have on our economy's already slow recovery. An increase in the taxes imposed on individuals will reduce their personal income and, therefore, their level of consumption. According to the Planning Board, the economy will indirectly lose around \$0.92 for every dollar reduction of total consumption. For such reason, should the Government decide to increase Puerto Rico income taxes by \$100 million the economy could lose around \$192 million, either directly or indirectly. The Government needs to increase its revenues in order to overcome its fiscal challenges. However, the alternative of increasing taxes will adversely affect the Island's economic growth and, in turn, medium- and long-term revenues. Hence, the measures to be implemented to improve the Commonwealth's cash flow must consist of cutting back on spending.

The corrective measures considered within the recommended budget for Fiscal Year 2014-2015 to reduce the budget deficit and the criteria used for the adoption thereof are stated below.

Savings Measures for the Non-Operating Budget Debt Payment

The item allocated for debt payment in the recommended budget for Fiscal Year 2014-2015 amounts to \$1.211 billion or 12.6% of the total recommended budget. The amount allocated to debt payment should not be reduced, since it is precisely the practice of refinancing the constitutional debt that has led Puerto Rico

to its current situation. Of Fiscal Year 2012-2013's budget, the sum of \$775 million was refinanced through general obligation bonds of the Commonwealth and the Public Buildings Authority, which are guaranteed by the Commonwealth and mostly paid out of the rent paid by the Central Government to the Authority. In the budget of Fiscal Year 2013-2014, this practice was reduced and the sum of \$575 million was refinanced through general obligation bonds of the Commonwealth. The recommended General Fund's budget for Fiscal Year 2014-2015 halts the practice of refinancing through general obligation bonds of the Commonwealth. The recommendations for this fiscal year include an increase of \$745 million for debt payment, the elimination of the refinancing practice, the increase in GDB's debt, and the general obligation bonds amortization, higher rates for short-term TRANs, and other effects.

Retirement System Payments

Special Laws Acts and other appropriations to the Retirement System, beyond the basic employer contribution, amount to \$599 million or 6.2% of the recommended budget for Fiscal Year 2014-2015. The Retirement System's situation is uncertain and reducing the additional employer contribution would affect the basis of the Reform established under Act No. 3-2013. The recommended budget takes into account a 1% increase in the State's employer contributions, for both the Retirement System for Employees of the Government and the Teacher's Retirement System, in accordance with Acts No. 114-2011 and 116-2011. Regarding the Uniform Additional Contribution of \$120 million granted in Fiscal Year 2013-2014, and established under Act No. 3-2013, the recommended budget includes an approximate \$90 million reduction. Considering the short-term crisis of the General Fund and the importance of having liquidity to carry out the basic operations of the State, this Legislative Assembly

believes that a further reduction would compromise even more the fiscal health of both retirement systems in the medium- and long-term.

Mi Salud Program Grants (“Health Reform”)

The General Fund’s appropriation for the Health Reform amounts to \$885 million in the recommended budget for Fiscal Year 2014-2015 and remains unchanged at 9.2% of the total. The fiscal situation of the Health Reform is uncertain. No proposals were received in the Request for Proposals to select the insurance companies that shall render services for Fiscal Year 2014-2015, since there were no providers willing to offer services in all the regions and under the terms, including costs, deemed acceptable by the ASES and its Board of Directors. The current contract was extended until April 30, 2015, with the consent of the Federal government, when an increase in the cost of the Health Reform is expected. For the next fiscal year, ASES currently projects a \$37.3 million deficit and it is already devising a plan to take corrective action. The cost of the Health Reform is somewhat discretionary, since 89% of the population served participates in highly regulated Federal programs. The Health Reform program has projected to use a substantial amount of nonrecurring funds from the American Affordable Care Act of 2010. Once those funds are depleted, and the United States Congress takes no further action, the Health Reform will have to reduce costs and increase income to compensate for the loss of such nonrecurring funds. In view of this situation, this Legislative Assembly does not deem it wise to reduce the appropriation of the Health Reform and implement legislation to reduce Health Reform expenditures.

Special Appropriations – Subsidies to Public Corporations

Subsidies to public corporations in the fields of healthcare and mass transportation services amounted to \$137 million or 1.4% of the budget, and accounts for a \$47 million increase compared to the budget for the previous fiscal year. This increase seeks to reduce the operating deficit of said public corporations

as part of the process to render their operations more efficient. It is worth noting that there have been substantial cutbacks in the Maritime Transport Authority, the Metropolitan Bus Authority, and the Medical Services Administration. For such reason, the scope of action to carry out further cutbacks in this area is limited.

Contributions to the University of Puerto Rico and Municipalities

The operating expenses of the University of Puerto Rico have remained at \$834 million, that is, 8.7% of the recommended budget for Fiscal Year 2014-2015. The operating expenses of municipalities remain at \$228 million for the Matching Fund, established under Act No. 80-1991, and at \$133 million for the Exoneration Fund established under Act No. 83-1991; these two funds combined account for 3.8% of the recommended budget for Fiscal Year 2014-2015. This Act freezes the formulas that would otherwise determine the budget of these autonomous entities.

Even though the University of Puerto Rico would have been entitled to a \$70-million budget increase, such amount is hereby frozen as a result of the Island's fiscal crisis. However, this Legislative Assembly believes that an additional reduction in the net budget of the University of Puerto Rico, consistently with the reductions in the three Government Branches, would cause an irreparable harm to the University, including its enrollment, the discharge of its educational duty, and above all, to its fiscal soundness. Our recent experience with the latest budget reductions and higher costs imposed on students, which has had serious consequences on the institution, has led us to arrive at such conclusion. Considering the particularities of the University, this Legislative Assembly understands that a reduction in the budget thereof would be financially counterproductive and detrimental to the economy of the Island. For such reason, this Act does not include the University of Puerto Rico in the uniform cut that includes the three Government Branches.

Although the Municipalities would have been entitled to a \$13-million budget increase (\$10 million for the Exemption Fund and \$3 million for the Matching Fund), such amount is hereby frozen as a result of the Island's fiscal crisis. However, this Legislative Assembly believes that an additional reduction in the net budget of the Municipalities would place them in a precarious financial situation that would eventually lead to layoffs, partial shifts, and deficit financing, which is precisely what this Act is attempting to prevent. Municipalities have taken drastic measures, in many cases, to reduce their operating expenses, but they do not have the same tools as the Central Government. The bankruptcy of a significant number of Municipalities would adversely affect the Island's economy, the treasury, and the services offered to the people.

Appropriations to the Legislative Assembly, the Judicial Branch, and Autonomous Entities

Special appropriations for the operations of the Judicial Branch total \$323 million or 3.4% of the recommended budget for Fiscal Year 2014-2015; recommended appropriations for the General Budget of the Legislative Assembly amount to \$110 million or 1.1% of the recommended budget. In both cases, this Act freezes any increase and provides for a 7.4%-reduction in its budget for Fiscal Year 2014-2015. This cut is equal to a reduction in the total budget of the General Fund between Fiscal Year 2013-2014 and the recommended budget for Fiscal Year 2014-2015, if the repayment of the constitutional debt and the budget of autonomous entities, such as the State Election Commission, the Office of the Comptroller, the Office of Government Ethics, the Office of the Special Independent Prosecutor's Panel, and the Office of the Ombudsman are excluded from both years. In this manner, the budget autonomy is observed —i.e., the form in which each entity administers its budget resources— but budgets are adjusted to the fiscal reality of the government in general. Moreover, this does not entail a

discretionary evaluation of the total budget of each entity whose favorable or unfavorable result may be understood as an attempt to exert some sort of influence on said entities. It must be noted that the operating expenses of the Executive Branch, once nonoperational elements, such as the Payment of the Debt, Retirement Contributions, Health Reform Contributions, and Contributions made according to Formula are excluded, are progressively reduced by a higher percentage of approximately 10.5%.

Other Special Appropriations

All other Special Appropriations total nearly \$406 million or 4.2% of the recommended budget for Fiscal Year 2014-2015. This represents a \$177-million or 30%-reduction in relation to Fiscal Year 2013-2014. These appropriations include different items, to wit, contributions to third parties such as foundations and museums, legal contingency funds, and government agencies' programs. The cuts in this item were substantial, emphasizing on those appropriations that do not affect the direct services to the people.

Savings Measures in the Operating Budget

The operating expenses of the Government amount to \$4.773 billion or 50% of the General Fund's budget. The payroll paid directly from the accounting system accounts for nearly \$2.471 billion of said expenses, and the payroll paid from the resources of the Schoolwide Program of the Department of Education accounts for \$820 million and is shown as "Global Appropriations" in the budget's accounting.

Payroll

As a starting point, it is important to mention that during Fiscal Year 2013-2014, the number of employees in agencies whose operating expenses are defrayed in whole or in part from the General Fund was substantially reduced. From December 2012 to April 2014, the number of employees in these agencies

was reduced by 9,607 or 8.45%, mainly through the practice of rehiring employees. If we only consider the payroll of those employees that is directly defrayed from the General Fund —excluding those defrayed from Federal funds, special funds, or own income— the net reduction would be 7,849 or 7.92%. The practice of rehiring employees was one of the main reasons that made possible a mid-year (in February) \$170 million budget amendment for Fiscal Year 2013-2014, and, if we continue doing this, next year's budget appropriations may be adjusted by an estimated \$116 million.

This Administration has thoroughly analyzed the alternatives available to promote cutbacks on government spending. The measures implemented under Act No. 7-2009 that included the layoff of Central Government employees, which, at that time, was estimated to generate \$30,000 in savings per dismissed employee, were included as part of the analysis. The effect on the government operations of the massive layoff of government employees under Act No. 7-2009 resulted in serious harm to the government services offered to the people in sectors such as: child protection, the elderly, social welfare programs, services of the Department of Transportation and Public Works, and the internal revenue collections centers of the Department of the Treasury, to name a few. Not to mention the adverse impact that the layoff of over 20 thousand government employees had on our already weak economy; this situation is analyzed further on. We cannot repeat past mistakes and resort to massive layoffs as a mechanism to cut back on spending without considering the consequences of such action from all aspects.

Since the beginning, this Administration has been clear that laying off employees is not an option given the serious consequences resulting from the implementation of Act No. 7-2009.

Impact of the Employee Layoff under Act No. 7-2009.

Studies conducted by a Retired Professor of the University of Puerto Rico, Dr. Ángel Ruiz in 2009, and by Dr. José I. Alameda in 2012, showed that if the Government decides to implement the public employee layoff mechanism as a basic strategy to balance the budget of the Central Government, it would have to layoff more than 30,000 employees.

According to Dr. Ruiz's analysis, the layoff of 30,000 employees would result in an initial loss of over \$1.002 billion in wages, the loss of \$2.796.7 billion in direct, indirect, and induced intersectoral production; of 55,764 direct, indirect, and induced jobs (30,000 direct jobs and 25,764 indirect and induced jobs) as well as the loss of \$1.384.8 billion in wages (of which \$1.002 billion are direct and the difference are indirect and induced). Of the total direct and indirect jobs, the manufacturing sector would lose 3,379 employees; the trade and the business service sectors would lose 4,304 and 1,604 employees, respectively; and other professional services sector would lose 6,157. The government would experience the greater loss, that is, 36,245 employees, as a result of the initial impact caused by the layoff of 30,000 public employees. It is important to point out that, in estimating induced impacts, the wholesale and retail trade sectors suffer a significant job loss.

Even though all the estimates included in Dr. Ruiz's report date back to 2009, they are still in effect, because his methodology was based on the Island's economic structure as of said date, which has not experienced significant changes as of recently.

On the other hand, Dr. Alameda's study revealed that the impact was based on the layoff of 17,147 employees and a payroll reduction of \$647.9 million, which caused a 0.7%-reduction in the Gross National Product for Fiscal Years 2009 and 2010. In addition, the effect of Act No. 7-2009 increased the unemployment rate

by 3.1% in Fiscal Year 2010. This represented a total of 37,000 additional unemployed individuals. A reduction of 30,000 employees and a payroll reduction of over \$1 billion are expected to have a greater impact on the economy and unemployment rates.

Loss in Tax Revenues

With regard to fiscal impact, Dr. Ruiz states the following in his study:

The significant loss in tax revenues is worrisome, since it tends to reduce any positive impact on any savings that the government may have achieved with the layoff of public employees. The study estimates reveal that a reduction of 30,000 employees would result in a total tax revenue loss of \$317.8 million. That is, for every job lost in the government there will be a \$10,600 loss in tax revenues. This reduction in tax revenues would aggravate even more the government's fiscal situation thus adversely affecting public services.

[Our translation] See: *Boletín de Economía, Unidad de Investigaciones Económicas, Departamento de Economía, Universidad de Puerto Rico, Recinto de Río Piedras, Vol. X, Núm. 1, enero-junio 2009*, p. 4.

Dr. Ruiz concludes his study by stating that:

The policy of laying off employees has both direct and indirect adverse economic impacts. These impacts exacerbate even more in times of recession. These impacts not only affect the economy, but also society. These impacts entail tax revenues losses. Implementing such policy without first conducting a careful and thorough analysis jeopardizes the rendering of critical public services, as well as the social and political stability. With regard to society, unemployment

strongly affects the emotional stability and the health of unemployed individuals and their families. Lastly, it is important to note that, under the current economic situation, this kind of policy worsens the recession phase of the economic cycle, thus delaying the recovery period and affecting the depth of the cycle.

In light of the fiscal crisis, work-shift reduction has been proposed as an alternative. However, the effects of a partial shift may have adverse consequences on the economy and the services offered to the people. For such reason, less burdensome measures such as those proposed herein and that are consistent with the public policy of this Administration must be implemented.

Other Measures to Reduce Payroll Expenses

This Act establishes corrective measures in the area of important payroll.

First, payroll expenses on account of employees in trust positions are reduced by an additional 10% through provisions that shall strengthen the existing restrictions that prohibit the hiring of additional employees until payroll expenses are reduced by 20% compared to December 2012.

Second, hiring is froze and limited mainly to critical positions that render direct services that are defrayed with own income or Federal funds, and in response to a judicial order, among others.

Third, increases of economic benefits are hereby prohibited. This includes increases in salary or contributions to all groups of employees, including those holding trust positions. The first action to be taken is to freeze any increase in payroll costs. It must be mentioned that this determination has a less burdensome impact on employees, the services rendered by the government, and the economy.

Fourth, special economic benefits are hereby prohibited. These include: a Christmas Bonus in excess of \$600 (private sector cap); a Summer Bonus in excess of \$200, and other bonuses. These bonuses are granted by virtue of law or

regulations, but are not part of the employee's basic salary. This Legislative Assembly believes that the basic salary of employees must be protected over any fringe benefit, particularly those that are atypical of the labor sector in general.

Fifth, a reorganization of the teaching staff of the Department of Education is hereby contemplated. The student population of the public education system has decreased from 730 thousand in the 1980s to 430 thousand at present; it is expected to continue decreasing to 300 thousand in the next 5 years. The teacher-to-student ratio, however, has not remained even. The restructuring of the Department of Education, including the consolidation of approximately 80 schools, as well as the retirement of a significant number of teachers, will provide the opportunity to reduce the total number of teachers, without layoffs, and reinforce direct services provided to students.

This Act clearly recognizes the value of public employee's labor unions and the legal framework that applies to them. For such reason, a mandate is hereby established to provide for an alternative negotiation process aimed at achieving comparable savings and at modifying the legal provisions regarding incremental economic benefits and special compensations.

In general, these payroll-related measures are less burdensome than the layoff of public employees and even the reduction of work-shifts; these measures however, achieve savings that, along with the set of measures contemplated herein, correct next year's operating deficit.

Other Operating Expenses

This Act establishes several measures aimed at reducing operating expenses, including payroll expenses. These constitute \$1.482 billion or 31.0% of the operating budget and 15.4% of the total General Fund's recommended budget for Fiscal Year 2014-2015. This item includes not only services, but also the payment of utilities and rents to public corporations such as the Aqueducts and Sewers

Authority, the Electric Power Authority, and the Public Buildings Authority, among others.

The measures aimed at reducing operating expenses are focused on reducing service rates and fees.

First, a reduction in purchased and professional services rates without the need to execute a bilateral written agreement is hereby authorized. Most purchased and professional services in the General Fund are geared toward offering essential services to the people. For example, the top five programs with the highest budget appropriations for purchased and professional services are, in order: Community Schools of the Department of Education (\$82 million); Healthcare Services to the Penal Population (\$24 million); Integral Educational Services for Persons with Disabilities (\$19 million); Inmate Services including food (\$19 million); and Mental Disabilities Healthcare Services (\$16 million). Given this concentration of essential direct services, we are compelled to develop mechanisms to expedite the renegotiation of rates.

Second, the regulatory and fiscal structure of school transportation programs is hereby modified. School transportation programs are governed by a geographic monitoring and regulatory structure that impairs dynamic competition among suppliers. School transportation expenditures have risen from approximately \$120 million in Fiscal Year 2010-2011 to a projected \$185 million in Fiscal Year 2013-2014, mainly due to rate agreements revised in calendar year 2012. Given the essential nature of this service, and the costs and regulatory structure thereof, the Department of Education needs additional tools to achieve cost efficiency promptly.

Third, new management-related measures are hereby implemented to achieve a sound fiscal administration in expenditure control and financial management areas. This includes new budget rules such as prohibition on budget overdrafts, certification of funds in projected overdrafts, transactions not authorized by the Office of Management and Budget, or the Office of the Governor, and others. It also includes a plan to achieve savings in energy use and leasing of facilities. The reduction in expenses that have a minor impact, such as protective detail, traveling, and use of electronic devices, shall be required by law. This will prove the government's commitment to lead by example. In general, the Legislative Assembly considers this Act to be a vehicle not to provide additional flexibilities in public administration, but to reinforce fiscal control structures.

Lastly, this Act provide spending control measures such as limiting hiring, reducing service-related expenses, and budget management measures, among others, that shall apply to public corporations. There is no doubt that public corporations' decentralized governance model, particularly in infrastructure, has resulted in unsustainable cost structures and in the corresponding deficits and financing of the GDB that have aggravated the General Fund's situation due to the fiscal interconnection of the Government.

During the last two years, budget appropriations for purchased and professional services were reduced by \$103 million, that is, from a \$447-million appropriation in Fiscal Year 2012-2013 to \$344 million in Fiscal Year 2014-2015. Although the measures contemplated herein will result in savings, the size of the gap and the limited operating expenses basis after excluding the payroll and payments to public corporations, call for a broad and comprehensive reduction program, including the impact on the payroll, appropriations by formula, and all those actions that may be taken without affecting essential healthcare, security and welfare services provided to the people.

Other Savings Measures

A wide range of spending cutbacks have been considered but were not included in this Act because they do not require any action by the Legislative Assembly or because they have been addressed in other legislations. This includes (i) the consolidation of schools in the Department of Education; the reduction in the number of agencies and public corporations to improve the effectiveness and cost-efficiency of the public sector; (iii) the reduction in special appropriations from the General Fund to defray the operating or programmatic expenses of public corporations (e.g. the reduction in the Tourism Company of incentives granted to the cruise industry); (iv) contributions from Special State Funds and from financially solvent public corporations, with sufficient balance, so that it does not affect the programs or operations of the corresponding agencies; and others.

Table 11 summarizes the corrective actions, which amount to \$1.357 billion:

Payroll expenses, including the no increase in economic benefits or special compensation; reduction in the payroll expenses on account of employees in trust positions and no recruiting to fill vacancies.	\$337
Freeze pay raises based on formulas in the UPR, the Judicial Branch and the Municipalities	132
Reduction in the Department of Education, including a reduction in school transportation expenses, payroll savings on account of teacher's retirement system and no contracting to fill vacancies other than for essential positions and the reduction of operating costs by relocating students to schools with broader services, better physical facilities, and academic achievements.	296
Reduction of special appropriations	100
Reduction in the budgets of the Judicial Branch, the Legislative Assembly, and autonomous entities	45
Reduction in professional and purchased services expenses	26
Reduction in utility costs, including consumption savings	37
Modifications to additional contributions to the Retirement System	92
Reallocation of Special State Funds to Government Agencies for the payment of lawsuits against the Commonwealth	59
Adjustments in public corporations, including a reduction in payroll, professional service contracts, and procurement expenses; the reallocation of the resources of public corporations to meet similar obligations in the General Fund; the elimination of certain subsidies to programs or operations; and additional measures to generate income and achieve savings in ASEM.	233
Total	\$1,357

Employees and public corporations in general are included in this Act because they are part of the Commonwealth, thus its fiscal health affects the fiscal health of the Central Government. Therefore, whether its is because this Act improves the unstable situation typical of corporations or because it enables corporations to directly or indirectly contribute to the General Fund's situation, it is necessary to include them within the scope of this Act. In order for the Island to continue achieving its social and economic objectives, it is necessary for the whole government to be fiscally sustainable.

Moreover, this Act includes provisions that change how the lawsuits against the Commonwealth are billed. The number of judgments and lawsuits against the Commonwealth at a late stage amount to hundreds of millions of dollars and the code of laws in effect does not provide for an orderly payment system that allows for the matching of the sums to be paid with the available resources, always bearing in mind that there are obligations to be met. The recommended budget for Fiscal Year 2014-2015 only includes an \$84 million fund to pay for judgments, settlements, and stipulations, an additional appropriation of nearly \$16 million to payoff the fines imposed in the Morales-Feliciano Federal case, and nearly \$18 million for the repayment of a line of credit to pay for judgments. The State is committed and willing to pay, but it is of utmost importance that an orderly and structured payment process is established therefor.

In view of the fund insufficiency, the Office of Management and Budget Organic Act, Act No. 147 of June 18, 1980, as amended, establishes that the Governor or the Director of the OMB shall act, pursuant to Section 8, Article VI of the Constitution of the Commonwealth of Puerto Rico, according to the following priority guidelines for the disbursement of public funds, when the available funds for a specific fiscal year are not sufficient to cover the appropriations approved for that year.

(1) Direct the payment of interest and amortizations corresponding to the public debt.

(2) Direct that the commitments entered into by virtue of legal contracts in force, judgments of the courts in cases of condemnation under eminent domain, and binding obligations to safeguard the credit, reputation and good name of the Government of the Commonwealth of Puerto Rico, be met.

(3) Order that preference be given to disbursements charged to appropriations for regular expenses connected with the:

(A) Conservation of public health,

(B) Protection of persons and property,

(C) Public education programs,

(D) Public welfare programs,

(E) Payment of employer contributions to retirement systems and payment of pensions to individuals granted under special statutes; and then, the remaining public services in the order of priority determined by the Governor; provided that the disbursements related to the services listed hereunder shall not have preference among themselves but shall be handled simultaneously; provided, further, that any adjustments due to reductions may be made in any of the appropriations for regular expenses, including the service areas indicated in this subparagraph.

(4) Order the construction of capital works or improvements with duly executed contracts; provided that priority shall be given to emergency works caused by catastrophes or acts of nature, acts of God; and then, to those works that are most responsive to the development of the normal and economic life of Puerto Rico.

(5) Order that the payment of contracts and commitments contracted under special appropriations for operations be honored, and then, that special preference be given to those phases of the programs that are in the process of development or in a stage of planning which, if postponed, would affect the interests of the clients served by the program, directly or indirectly.

In accordance with this constitutional mandate, public debt has absolute priority; this means only for general obligation bonds and debt expressly guaranteed by the Commonwealth. It does not include, for instance, the debt of public corporations, municipalities, or debt contingent on legislative appropriations. The second priority includes, among others, “the binding obligations to safeguard the credit, reputation, and good name of the Government of the Commonwealth of Puerto Rico.”

If the expenditure control measures introduced in this special law are not adopted, the operating costs of the Government will exceed the economic resources available. The mandatory order of priority prescribed under the Constitution will render the government inoperative. This would result in an even more burdensome situation for the Island. After careful analysis of this foreseeable reality, and given the fact that there are no less burdensome alternatives to obtain the resources needed by the government, it can be concluded that the measures adopted herein are the less onerous alternatives to guarantee the continuity of operations and prevent a government shutdown that will result in the loss of wages for public employees and sink us deeper into recession. Taking more money on loan to finance the deficit is not an option at this time, since capital markets do not trust that Puerto Rico will be able to straighten out its finances (let's not forget that, for over ten years, Puerto Rico has been claiming that it will make up the structural deficit in two years). Moreover, increasing taxes is not an option either since such action will worsen the recession.

For all of the foregoing, this Legislative Assembly deems it necessary to approve this Act in order to guarantee the continuity of government operations and the general well-being of the Island, thus ensuring that essential services are provided to the people regardless the fiscal emergency undergone by the Island. Furthermore, it is hereby stated that these are the least burdensome measures to attain this goal. With regard to measures that promote the legitimate interest of safeguarding general well-being, the Supreme Court of Puerto Rico has recognized that our precarious economy is a reality that of necessity carries weight on the definition of the scope of governmental actions under the police power. *See, Domínguez Castro v. E.L.A., supra.* Therefore, this Legislative Assembly is fully empowered to adopt the socioeconomic measures herein in order to cut back on spending and, thus, prevent a government shutdown and guarantee essential services to the people.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

CHAPTER I.- INITIAL PROVISIONS

Section 1.- Title.

This Act shall be known as the “Government of the Commonwealth of Puerto Rico Special Fiscal and Operational Sustainability Act.”

Section 2.- Declaration of Public Policy.

A state of emergency is hereby declared to attain Puerto Rico’s fiscal and economic recovery after the downgrading of its credit rating and decrease in revenues that affect the Commonwealth’s liquidity, thus safeguarding the constitutional mandate for the payment of interest and amortization of the public debt. Furthermore, a plan is hereby devised to deal with the consequences thereof and to establish a structured management that allows the Island to meet its obligations. This shall guarantee the continuity of public efforts in essential areas such as health, security, education, social work, and development, among others,

as well as the provision of necessary and essential services for the people. The public policy set forth in this Act is aimed at restoring the credit of the Commonwealth of Puerto Rico by eliminating the General Fund's deficit within a short timeframe and improving the fiscal condition of public corporations, without resorting to the layoff of career or regular employees, affecting critical functions of government agencies that provide security, education, healthcare, or social work services. This structured plan is necessary to protect the cash availability of the Commonwealth of Puerto Rico without affecting essential services provided to the people. This plan considers the challenges faced by Puerto Rico to restore public credit rating and address the uncertainty as to the length, magnitude, and cost of tapping into capital markets absent an investment-grade rating.

Thus, in the exercise of the State's police power, the Legislative Assembly has the authority to adopt measures to preserve the health, safety, and welfare of the people in a structured manner while addressing the fiscal crisis faced by the Island. To such purposes, the Legislative Assembly is empowered to enact statutes to address social and economic issues, as well as emergency situations. Section 19 of the Bill of Rights of the Constitution of the Commonwealth of Puerto Rico provides that the enumeration of rights in Article II shall not be construed as to restrict "the power of the Legislative Assembly to enact laws for the protection of the life, health, and general welfare of the people." Likewise, Section 18 of the Bill of Rights grants the Legislative Assembly the power to enact laws to deal with grave emergencies that clearly imperil the public health or safety or essential public services.

Section 3.- Supremacy of this Special Law.

This Special Law is hereby enacted by virtue of the State's police power and the constitutional authority conferred on the Legislative Assembly under Article II, Sections 18 and 19 of the Constitution of the Commonwealth of Puerto Rico to

enact laws for the protection of the life, health, and general welfare of the people"; as well as under Sections 7 and 8 of Article VI of the Constitution of the Commonwealth of Puerto Rico. Therefore, this Act shall have supremacy over any other law.

Section 4.- Fiscal Sustainability Tests and Quarterly Reports.

In order to promote the public policy set forth in this Act, the measures provided in Chapters II and III shall be in effect through July 1st, 2017, or if accomplished before, through July 1st of any fiscal year for which, as part of their respective recommendation process of the General Expense Budget submitted by the Governor to the Legislative Assembly, a certification signed by the corresponding official has been included, and whereby:

- (a) The Chair of the Planning Board certifies that the actual growth of the Gross National Product projected for said fiscal year is equal to or higher than one point five percent (1.5%);
- (b) The President of the Government Development Bank certifies that a credit rating agency in capital markets has rated, as of the certification date, the creditworthiness of the general obligations of the Commonwealth of Puerto Rico as investment grade; and
- (c) The Secretary of the Treasury and the Director of the Office of Management and Budget certify that, the fiscal year ending before the date on which the certification is submitted, closed, or is estimated to close without refinancing general obligations of the Commonwealth of Puerto Rico or public or private financing used to cover gaps between projected income or expenditures in excess of the corresponding appropriations.

Every Entity of the Executive Branch shall have the ministerial duty to draft and file with the Governor and with the Secretary of the Senate and the Clerk of the House of Representatives a quarterly report within ninety (90) days after the approval of this Act and during the effective term thereof, stating in an itemized and detailed manner the measures taken, as well as the results and any other pertinent information to show and assess compliance with the provisions of this Act.

CHAPTER II.- MEASURES TO CUT BACK ON SPENDING IN THE EXECUTIVE BRANCH

Section 5.- Applicability.

The provisions of this Chapter shall apply to every Entity of the Executive Branch of the Commonwealth of Puerto Rico. For purposes of this Chapter, “Entity of the Executive Branch” shall be deemed to include all agencies, instrumentalities, and public corporations of the Commonwealth of Puerto Rico, notwithstanding their degree of fiscal or budget autonomy otherwise conferred to them under their organic act or any other applicable legislation. However, the provisions of this Chapter shall not apply to the State Election Commission, the Office of Government Ethics, the Office of the Special Independent Prosecutor’s Panel, and the Office of the Election Comptroller unless otherwise expressively provided. For purposes of this Chapter, the University of Puerto Rico, its branches, and the Municipalities shall not be deemed to be Entities of the Executive Branch.

Section 6.- Reduction in the Contracting of Professional and Purchased Services of the Executive Branch.

The annual expenditures incurred in purchased or professional services by each Entity of the Executive Branch shall be reduced by at least ten percent (10%) *vis-à-vis* the expenditures incurred in Fiscal Year 2014, and shall remain below said level during the effectiveness of this Chapter.

This reduction shall apply to all purchased and professional services, contracted through all sources of funds, and apply independently to the total annual expenditure incurred in purchased or professional services chargeable to the General Fund. The implementation of this measure may be carried out through any of the following options or a combination thereof:

- (i) the renegotiation of rate structure, costs, or sum of existing contracts or to be renewed, with the appropriate documentation;
- (ii) limiting the award of contracts for essential services;
- (iii) the cancellation or nonrenewal of nonessential contracts;
- (iv) the reduction in the scope or service hours included in contracts.

Purchased or professional services shall include, but are not limited to, liability insurance, property insurance, or other type of insurance that is not related to the rendering of medical or healthcare services; technological support services; technical support services; professional services requiring State-issued licenses such as engineers, attorneys, certified public accountants, architects, surveyors, appraisers, among others; technical services requiring license such as expert electricians, master plumbers, auto technicians, among others; consulting or advisory services; advertising services; public relations or representation services; payment of advertisements or spots in mass media; communications and telecommunications services; customer or subscriber services; billing or collection services; lobbying services; security services; cleaning or maintenance services; infrastructure repair or maintenance services; public buildings or structures repair or maintenance services; landscape maintenance services; human resources or management consulting services; and miscellaneous services. Purchased or professional family or healthcare services geared to provide direct services to children and the elderly and to children with special education needs, among other essential services of this kind are hereby excluded. The Entities of the Executive

Branch and the Office of Management and Budget shall implement the necessary safeguards to ensure that the provisions of this Section do not result in a loss of Federal funding.

Every Entity of the Executive Branch shall be required to submit within ninety (90) days a report to the Legislative Assembly including and itemizing any executed purchased or professional services contracts to which the expenditure reduction provided for in this Section shall apply, including contracts that are not under said category, but the services provided thereunder include professional and purchased services. Every Entity of the Executive Branch shall annually certify to the Office of Management and Budget, on or before July 31st, 2014, and every subsequent July 31st, the expenditures incurred in purchased or professional services; expenditure shall be understood as the sums of the contracts entered into or purchases made during the preceding fiscal year, regardless of the amount billed or paid for such services, including an itemization per source of funds, to wit, Federal, special, own income, General Fund, or other. On July 31st, 2014, expenditures incurred in both Fiscal Year ending on June 30th, 2013 and in Fiscal Year ending on June 30th, 2014 shall be certified.

On or before August 30th, 2014, and every August 30th thereafter, the Office of Management and Budget shall file with the Legislative Assembly and the Office of the Governor a report of the certifications received. If the head of an Entity of the Executive Branch fails to submit the required certification as of the corresponding July 31st, the Office of Management and Budget shall issue a notice of noncompliance in an amount that shall be equal to an expenditure of twenty-five percent (25%) over the preceding year level. The Office of Management and Budget shall send a letter stating the over-expenditure to the head of those Entities of the Executive Branch whose reports show a noncompliance in the previous year. For those Entities of the Executive Branch whose operating expenses are covered

under the Operating Expenses Joint Resolution, the Office of Management and Budget shall transfer, on or before September 30th, 2014, or every September 30th thereafter, from the operating expenses account, the amount overspent in the previous year, which shall be covered into the Budget Fund to be used as provided in this Act. The Entities of the Executive Branch that have their own budget, the appointing authority or his/her representative shall be authorized and required to make a payment to the Secretary of the Treasury in the amount of the notified over-expenditure to be covered into the Budget Fund. Said payment may be made on equal installments for the remainder of the fiscal year; however, the first payment shall be made not later than thirty (30) days after the date of the Office of Management and Budget notice. Entities of the Executive Branch shall not deduct any valuable consideration or obligation that the State may owe to them or that they have in their favor from the payment of the amount of the over-expenditure stated in the notice.

Notwithstanding the foregoing, the Office of Management and Budget may deduct any State's debt from the over-expenditure notified to an Entity of the Executive Branch in accordance with this Act.

The Office of Management and Budget shall issue the rules that shall govern this requirement.

Section 7.- Adjustment of Purchased or Professional Service Rates.

Pursuant to the public policy set forth in this Act, the Entities of the Executive Branch shall have the authority to reduce on their own motion purchased or professional service rates within the effective term of an agreement or other acquisition document. To exercise said authority, the appointing authority or the authorized representative of the Entity of the Executive Branch shall notify the contractor or supplier, in writing, within at least ten (10) days in advance, about the following: its intent to modify the financial terms, the effective date, and the

modifications to be made. The contractor or supplier shall have ten (10) calendar days to accept the modifications or terminate the agreement in writing. Once such term elapses, the appointing authority or the authorized representative of the Entity of the Executive Branch at his/her discretion may make the reduction so notified. If, once said term has elapsed, the contractor or supplier continues providing services, it shall be deemed that the contractor or supplier has accepted the proposed reduction and shall not be required to submit a written acceptance or take additional steps. The modification of the terms of the contractual obligation shall be notified, once it takes effect, by letter and signed only by the appointing authority or the authorized representative of the Entity of the Executive Branch, to the Office of the Comptroller, which shall attach the same to the contractor's hard copy and electronic files. In addition, a copy thereof shall be sent to the contractor or supplier, the Governor or the person to whom he/she delegates, and the Director of the Office of Management and Budget. Reductions under this Section shall not require an additional authorization of the Governor, the person to whom he/she delegates, or the Office of Management and Budget; however, said reduction shall not be deemed to waive, relieve, or exempt from, the filing of the initial authorization of the agreement or other document subject to the modification.

Reductions authorized under this Section shall not be retroactive, that is, applicable to services that have already been rendered on the effective date of the modification. The provisions of this Section do not provide the contractor or supplier with the unilateral, independent, and separate right to terminate an agreement. Notices to contractors or suppliers in accordance with this Section shall be delivered by certified mail return receipt requested or personally to an agent of the contractor or supplier or to the address of record included in the agreement or acquisition document.

The provisions of this Section shall also apply to the State Election Commission, the Office of Government Ethics, the Office of the Special Independent Prosecutor's Panel, and the Office of the Election Comptroller.

The Office of Management and Budget shall implement regulatory provisions as are necessary to enforce the provisions of this Section.

Nothing provided in this Section shall apply to purchased and/or professional services defrayed by Federal funds, including the matching thereof with State funds.

Section 8.- Reduction of Payroll Expenses in Connection with Employees Holding Trust Positions.

Every Entity of the Executive Branch shall reduce payroll expenses on account of employees in trust positions by twenty percent (20%) effective June 30th, 2012, and keep such reduction for subsequent fiscal years.

Every appointing authority or the authorized representative of the Entity of the Executive Branch shall submit, within sixty (60) days, beginning on July 1st, 2014, a report to the Office of Management and Budget stating on detail the number of employees holding trust positions as of June 30th, 2014 *vis-à-vis* the number of employees holding such positions as of June 30th, 2012, including salaries, job classification and other information.

The Office of Management and Budget shall issue rules setting forth the format of the information to be provided, and the manner in which such information shall be considered by comparing elements such as the officials who were or are rendering services in detail; changes in job classifications from trust to career positions, and vice versa; the granting of salary differentials; and any other element that is relevant to make a fair and equitable comparison between the levels of expenditures.

The Office of Management and Budget, based on the rules thus issued, shall send a letter to the appointing authority or authorized representative of the Entity of the Executive Branch stating their compliance with this Section. Any appointing authority or authorized representative of the Entity of the Executive Branch that fails to comply with this Section, as notified in their corresponding communication, shall receive a letter directing it to make the necessary adjustments to its payroll of employees holding trust positions to comply with this Section. In addition, no appointing authority or authorized representative of the Entity of the Executive Branch shall hire employees to hold trust positions, including replacements, while such noncompliance persists. Any appointment to a trust position inconsistent with these provisions shall be null. Notwithstanding the provisions of this paragraph, an official may be appointed regardless of the payroll grade established in this Section, if he/she, for the same or lower salary, replaces another official holding a trust position who has resigned, ceased duties, or been dismissed, and: (i) provides, within the organizational structure of the Entity of the Executive Branch, direct supervision to two or more career employees; (ii) directs an operational area that is critical to the agency's operations, such as Legal, Human Resources, or Technology; or (iii) is critical to the agency services or operations, as stated in detail by the appointing authority of the Entity of the Executive Branch. The exceptions of individual appointments provided under this paragraph shall require the specific authorization of the Governor or the person to whom he/she delegates, regardless of the proposed compensation.

Section 9.- Filling of Vacancies.

No Entity of the Executive Branch shall appoint regular or career, transitory or irregular employees after July 1st, 2014 and during the effective term of this Act. Excepted from this prohibition are appointed employees that: (i) provide essential services directly to the people; (ii) are essential and indispensable to assure

compliance with the ministerial duties of the agency; (iii) directly generate revenues for the Government; (iv) replace services provided by subcontractors as of June 30th, 2014, when it may prove to achieve net savings, taking into account all relative costs between the two options; (v) hire transitory employees to carry out duties in the same position; (vi) fifty percent (50%) or more are defrayed by Federal funds or its own income; (vii) are necessary for the matching of Federal funds or a requirement to obtain such funds; or (viii) respond to a specific and direct requirement of a competent court or administrative forum to fill the position. Furthermore, in the event it is necessary to fill a vacancy, the first option would be to transfer or detail regular and transitory employees. New appointments shall, including those subject to exception, require the authorization of the Office of Management and Budget prior to filling the position. Appointments with a proposed salary higher than seventy thousand dollars (\$70,000) shall also require the authorization of the Governor or person to whom he/she delegates. Requests to fill vacancies made to the Office of Management and Budget shall include a certification signed by the appointing authority attesting to the existence and applicability of the exception under which such request is being submitted, a detailed statement of the basis thereof, and a confirmation of the inability to fill the position by means of transfer or detail. In the case of appointments defrayed solely by Federal funds, the Office of Management and Budget shall obtain an authorization within a term that shall not exceed thirty (30) days after the date of the request to fill a vacancy.

Any provision or rule of an agreement, law, regulation, or administrative provision that is contrary to or inconsistent with the provisions of this Section shall be deemed to be suspended. The foregoing includes, but is not limited to, any provision or rule requiring or seeking to require the filling of additional vacancies, the conditions under which employees are replaced, and the classification of filled

positions; or impairing or seeking to impair in any way, the power of the Government to determine the number or type of employees needed to operate and provide services to the people.

In their appointment process, the Entities of the Executive Branch shall include as part of the documents required to execute the same, in addition to the appointment affidavit and letter, an additional document whereby the head of the Entity of the Executive Branch or delegated official authorized to make appointments shall certify compliance with the provisions of this Section, and the candidate to be appointed recognizes the risk of nullity for noncompliance and his/her right to demand a copy of the authorizations required under this Section. The Office of Management and Budget shall establish by rules the format of the document to be completed by the parties, the contents and format of which shall be reproduced and used. Every appointment made in contravention with the provisions of this Section shall be null.

Public corporations whose operating expenses are defrayed, in whole or in part, from the General Fund shall follow the same procedure and require the same authorizations as those agencies or instrumentalities whose operating expenses are defrayed from the General Fund including the authorizations of the Office of Management and Budget and the Governor or his/her authorized representative. Public corporations whose operating expenses are defrayed in whole from their own funds or other sources shall follow the same procedure and require the same authorizations, except that, as a prerequisite for submitting a request for the approval of an appointment with the Office of Management and Budget, of the Governor or his/her authorized representative, as the case may be, such corporations shall obtain a written endorsement from the Government Development Bank.

Section 10.- Transfers and Administrative Details.

In order to ensure the continuity, cost efficiency, and quality of government services, during and until the effective term of this Act, upon previous authorization of the Office of Management and Budget, the transfer and administrative detail of regular and transitory employees between positions, job classifications and levels, group of employees, appropriate units, union units and nonunion units and vice versa, among Entities of the Executive Branch shall be allowed; provided, that employees on detail or transferred shall meet the minimum requirements of education and experience needed to hold the position; moreover, details and transfers under this Section shall not be used as a punitive measure, be made arbitrarily, or be burdensome for the employee. Details and transfers within the same Entity of the Executive Branch shall be made by the appointing authority or his/her authorized representative without the previous or subsequent authorization of the Office of Management and Budget.

These personnel actions shall entail a reduction of the employees' salaries or fringe benefits. Any provision of law, regulation, covenant, agreement, or precept that is contrary to the provisions of this Chapter shall be suspended during the effective term thereof; provided that there shall be full flexibility to make transfers and administrative details.

The Office of Management and Budget may implement regulatory provisions as are necessary to enforce the provisions of this Section.

Section 11.- Increase of Economic Benefits or Special Monetary Compensations.

(a) As of the effective date and during the effectiveness of this Act, the economic benefits or special monetary compensations granted to the employees of the Entities of the Executive Branch shall not be increased, except as provided in subsection (d) of this Section.

(b) An increase of economic benefits shall be deemed to be the following:

(i) Salary raises for years of service, merit pay, additional compensation for skills or competency, and general raises.

(ii) Increase of employer contributions for fringe benefits such as health, life, and other insurance.

(iii) Increase of retirement plan contributions beyond those provided by law for government retirement systems.

(iv) Increase of Christmas, summer or other bonuses.

(v) Raises for promotions or transfers, unless such promotion or transfers results in net savings for the Entity of the Executive Branch, thus satisfying the need to recruit an additional net employee; provided that such recruitment meets the requirements to fill vacancies provided in Section 9 of this Chapter.

(vi) Raises for reinstated employees.

(vii) Payment of salary differentials due to special circumstances or due to acting assignments, unless said differential results in net savings, thus satisfying the need to recruit an additional net employee; provided that such recruitment meets the requirements to fill vacancies provided in Section 9 of this Chapter.

(c) A special monetary compensation shall be deemed to be the following:

(i) Cash liquidations of vacation leave accrued in excess in the case of final liquidations upon the employee's separation from public service. Provided, that during the effectiveness of this Act, the maximum of days subject to liquidation upon separation from service shall be sixty (60) days. Likewise, during the effectiveness of this Act, any public employee who accrues more than sixty (60) days at the end of each calendar year shall use such excess within the nearest

date on or before the next six (6) months of the following calendar year. Provided further that every Entity of the Executive Branch shall pay, on or before August 31st of each year, any excess accrued as of the effective date of this Act and during the effectiveness thereof, when the employee has been unable to use such leave within the term provided herein due to special service circumstances beyond his/her control. All that pertains to vacation leave, in the case of public corporations, shall be addressed as provided in Section 17 of this Act.

(ii) Cash liquidations for sick leave accrued in excess in the case of liquidations upon the employee's separation from public service. Provided, that during the effectiveness of this Act, the maximum of days subject to liquidation upon separation from service shall be ninety (90) days. The employee shall keep the balance accrued as of the effective date of this Act, but accrual over such maximum balance shall be eliminated during the effective term of this Act. Provided further that, during the effectiveness of this Act, any excess annual accrual not used on or before December 31st of the corresponding year shall be forfeited. All that pertains to sick leave, in the case of public corporations, shall be addressed as provided in Section 17 of this Act.

(iii) Christmas Bonus in excess of six hundred dollars (\$600).

(iv) Summer Bonus in excess of two hundred dollars (\$200).

(v) Payment of bonuses in any amount due to productivity, performance, attendance, punctuality, retirement, special holiday, ratification or anniversary of ratification of collective bargaining agreements, or any other payment of bonuses for any other reason or account other than the Christmas or Summer bonus within the limits of this Section.

(vi) Paid leaves and time off without charge to any leave.

(vii) Paid leaves that are not statutorily established.

(d) The following shall not be deemed as an increase of economic benefits or special monetary compensation:

- (i) Paid leaves to pursue education, attend seminars, courses, or workshops, provided that an agreement is executed whereby the benefited employee commits to provide services for twice the time it takes him/her to complete education, seminars, courses, or workshops and to return any paid leave in the event of noncompliance;
- (ii) Employee Scholarship Programs;
- (iii) Employee Assistance Programs;
- (iv) Child care programs;
- (v) Training, skill-building, and development plans up to a maximum of six hundred dollars (\$600) per employee.

Notwithstanding the foregoing, except for the Employee Assistance Programs and the training provided by the Training and Labor Affairs Advisory and Human Resources Administration Office (OCALARH, Spanish acronym), the appointing authority or his/her authorized representative shall consider that the aforementioned situations constitute an increase of economic benefits or special monetary compensation when they are necessary to adjust the expenditures of the Entity of the Executive Branch to the approved budget or to deal with a projected operating deficit.

(e) If the Entity of the Executive Branch has questions as to whether or not the granting or continuance of an economic benefit or special monetary compensation constitutes an increase of economic benefits or special monetary compensation, the appointing authority or authorized representative of the Entity of the Executive Branch shall submit a consultation to the Office of Management and Budget, which shall reply to the same within sixty (60) days or less; the reply to

the consultation shall be binding for the Entity of the Executive Branch submitting the same.

(f) The limitations established in this Section shall apply to all employees of the Entities of the Executive Branch, regardless of their classification as a trust, regular, career, transitory or irregular employee; and regardless of their specific duties within the Entity of the Executive Branch.

(g) The limitations established in this Section shall apply to all employees of the Entities of the Executive Branch, regardless of any provision to the contrary of any law, standard, regulations, collective bargaining, policy, employee handbook, circular letter, contract letter, certifications, regulations, employment rules and conditions, policy letters, classification, or compensation plans. This includes, but is not limited to, Act No. 184-2004, as amended, known as the “Public Service Human Resources Administration Act”; and the regulations issued and adopted in the case of public corporations, by the corresponding board of directors or appointing authority; or in the case of other public entities, by the corresponding board of governors or appointing authority.

(h) The Office of Management and Budget may implement regulatory provisions as are necessary to enforce the provisions of this Section.

(i) Recognizing the importance of public employees union affiliation, not only in representation of the economic wellbeing of workers, but also in taking public service to its highest level and keeping labor peace, an alternative and uniform participatory process is hereby established to achieve the goals of the public policy set forth in this Act, including the necessary savings within the parameters set forth in subsections (j) and (k), as the case may be, following collective bargaining as guiding principle. The agreements reached by the authorized representatives of union employees, and ratified in writing by the members of the corresponding labor union and the authorized representative of the

Entity of the Executive Branch through and in accordance with the collective bargaining parameters allowed herein, shall replace the provisions of subsections (a), (b), (c), and (d) of this Section and any other pertinent provision of this Act and that have been object of the bargaining. For every alternative participatory process recognized under this Act leading to a bargaining between Entities of the Executive Branch and labor unions, any necessary information, such as a report of audited financial statements of the Entity of the Executive Branch, a report of all contracts and the sums thereof, a report of all trust positions and the sums thereof, among other pertinent data shall be provided. The Entities of the Executive Branch shall agree to a labor union's request to begin the alternative participatory process.

Once the period of the participatory process provided in this Act concludes, the Entity of the Executive Branch and the labor union shall notify the Secretary of Labor and Human Resources of any impasse reached, if any, during the bargaining process. The Secretary shall grant the parties fifteen (15) additional days to conclude the bargaining efforts.

(j) In the case of Entities of the Executive Branch subject to Act No. 45-1998, as amended, the Governor or the person to whom he/she delegates, and the Director of the Office of Management and Budget and the Secretary of the Department of Labor and Human Resources are hereby authorized to enter into, beginning on or before July 1st, 2014, one or various negotiations, personally or through their authorized representatives, to amend by mutual agreement the collective bargaining agreements in effect establishing modifications to the financial job conditions that replace the provisions of subsections (a), (b), (c), and (d) of this Section, but that achieve an average savings per union employee comparable to the savings that would have been achieved should the aforementioned subsections had been applied, as estimated at the discretion and in the judgment of the Office of Management and Budget. The negotiated

amendments shall take effect only for appropriate units that adopt and ratify the same and, in any case, shall take effect retroactively to July 1st, 2014. The provisions of subsections (a), (b), (c), and (d) of this Section shall apply retroactively to July 1st, 2014 and be final and binding for any appropriate unit that fails to adopt and ratify any amendment under this subsection on or before August 31st, 2014. The appointing authority or authorized representative of an Entity of the Executive Branch is hereby authorized to make the corresponding payroll adjustments to enforce this subsection.

(k) In the case of Entities of the Executive Branch with union employees that are not subject to Act No. 45-1998, as amended, the appointing authority or authorized representative of an Entity of the Executive Branch may negotiate amendments to collective bargaining agreements in effect establishing modifications to the financial job conditions that replace the provisions of subsections (a), (b), (c), and (d) of this Section, provided that such amendments are approved and ratified by all the parties on or before July 31st, 2014; that are retroactive to July 1st, 2014; and that the average savings achieved per union employee by implementing said amendments are comparable to the savings that would have been achieved should the aforementioned subsections had been applied.

The savings goal of the negotiation, as well as the achievement thereof as a result of the proposed amendments, shall be determined by the Board of Directors or other governing body of the Entity of the Executive Branch concerned, whose final approval shall be necessary to prevent subsections (a), (b), (c), and (d) of this Section from being applied. If the amendments are not signed and ratified by August 31st, 2014, the provisions of subsections (a), (b), (c), and (d) of this Section shall apply retroactively to July 1st, 2014. The appointing authority or authorized

representative of an Entity of the Executive Branch is hereby authorized to make the corresponding payroll adjustments to enforce this subsection.

Section 12.- Expired Collective Bargaining Agreements.

The non financial clauses and other clauses of the collective bargaining agreements that have not been affected by this Act, but which have expired as of the effective date of this Act or shall expire during the effective term of this Chapter II, shall be extended until the expiration of the effective term of this Chapter. Said extension shall impair the presentation and holding of representative's elections.

Once the effective term of this Chapter II expires, labor unions that as of July 1st, 2014 represented union employees of every Entity of the Executive Branch may begin to negotiate new collective bargaining agreements, including financial and non financial clauses, and the Entities of the Executive Branch shall negotiate the same in accordance with the applicable rules and law, taking into account the realities of the economic and financial conditions of the Entity of the Executive Branch and the Government in general.

Section 13.- Unlawful Practices.

The implementation of any measure authorized under this Chapter, whether by the Office of Management and Budget, the Entities of the Executive Branch and their respective officials, the Governor, or any representative thereof, shall not constitute a violation of the existing collective bargaining agreements nor constitute an unlawful practice.

The provisions of this Section shall also apply to the State Election Commission, the Office of Government Ethics, the Office of the Special Independent Prosecutor's Panel, and the Office of the Election Comptroller.

Section 14.- Forum to Settle Disputes.

The Public Service Appellate Commission (PSAC) or its successor, in all that pertains to labor or that would otherwise be under the jurisdiction of PSAC, shall have exclusive primary jurisdiction to address appeals arising as a result of actions taken or decisions made in accordance with this Chapter filed by employees covered or not covered by the provisions of Act No. 45-1998, as amended, known as the Public Service Labor Relations Act, as well as those filed by nonunion employees of the Entities of the Executive Branch excluded from the application of the provisions of Act No. 184-2004, as amended, known as the Public Service Human Resources Administration Act of the Commonwealth of Puerto Rico, and employees of the Entities of the Executive Branch that do not have labor unions, but to whom the provisions of Act No. 184-2004 apply.

Furthermore, the Labor Relations Board, or its successor, shall have exclusive primary jurisdiction to address appeals arising as a result of actions taken or decisions made in accordance with this Chapter filed by employees covered by Act No. 130 of May 8, 1945, as amended. Provided, that pursuant to the provisions of this Act, no action taken hereunder shall constitute a violation of existing collective bargaining agreements, or a refusal to negotiate in good faith, or an unlawful practice.

Section 15.- School Transportation.

The Secretary of Education is hereby authorized and directed to establish alternative measures and strategies to maximize the efficiency and cost effectiveness of school transportation, particularly in connection with the direct or indirect subcontracting with the Municipalities, as well as with any Entity of the Executive Branch or private entity that guarantees savings in the cost of providing such services. Likewise, the Secretary of Education is hereby directed, in conjunction with the Office of Management and Budget, to devise a plan for the

adequate control of the payments made for rendered services and for the evaluation of documents that validate the rendering thereof. Said control plan shall be promulgated within a term that shall not exceed sixty (60) days after the approval of this Act, and filed with the Secretary of the Senate and the Clerk of the House not later than thirty (30) days after the adoption thereof. The Department of Education shall not spend, on account of school transportation, an amount of Commonwealth funds exceeding the amount set aside therefor in the General Budget Joint Resolution or, if such Joint Resolution does not specifically provide for such allocation, the amount budgeted and accounted for at the beginning of the fiscal year in its approved budget. Neither the Secretary of Education nor the Office of Management and Budget may transfer additional funds during a fiscal year to cover expenditures that exceed the budget or potential overruns on this account. The Secretary of Education is hereby authorized and empowered to take the necessary measures to renegotiate, restructure, or modify contracts with carriers in order to comply with the mandate of austerity and expenditure control, as provided above. Notwithstanding the provisions of any other law, the Secretary is hereby empowered to execute, modify, or cancel the service contract or legal agreement entered into with any carrier to provide school transportation services in the service zones and under the conditions that he/she may determine. Likewise, the Secretary is hereby empowered to either recover the money paid, or to not pay, for school transportation services charged for an enrolled student, but not rendered due to absenteeism, transfers, or dropouts.

Section 16.- Prohibition to Overspend Budget.

The provisions of Section 8 of Act No. 103-2006, as amended, which prohibit spending in excess of budget appropriations is herein reasserted. Every public employee who, knowing that the Entity of the Executive Branch is projected to overspend its appropriations chargeable to the General Fund, certifies or

provides incorrect information to be incorporated in such certification to the Governor, or the person to whom he/she delegates, or to the Office of Management and Budget, about the availability of the funds to carry out a transaction, including appointments or the execution of contracts; or carries out said transaction without the appropriate authorizations, shall be subject to a fine of two hundred dollars (\$200) per incident, and up to a maximum of five thousand dollars (\$5,000), in the aggregate for all the incidents that take place within the same calendar year. The official may rely on amended projections that make up for such over-expenditures, provided that said projections are sent to the Governor or to the person to whom he/she delegates, or to the Office of Management and Budget, together with or prior to the request for authorization. Provided, that prior to imposing the aforementioned sanction on a public employee, the latter shall be guaranteed due process of law, whether through an informal hearing or any other administrative procedure, or as provided in a collective bargaining agreement. The Office of Management and Budget shall be responsible for regulating and implementing the provisions of this Section, including all that pertains to the imposition of administrative fines.

The provisions of this Section shall also apply to the State Election Commission, the Office of Government Ethics, the Office of the Special Independent Prosecutor's Panel, and the Office of the Election Comptroller.

Section 17.- Fiscal Control in Public Corporations.

During the effective term of this Act, all public corporations shall suspend the financial terms negotiated under collective bargaining agreements in effect having a direct or indirect economic impact on the operations of the public corporation that aggravate the budget situation thereof or whose suspension is warranted to improve its budget situation. The non financial terms that could have a direct or indirect economic impact include, but are not limited to, the following:

- (a) Training, skill-building, and development plans, except for those circumstances in which it is extremely necessary, and in accordance with the criteria established in this Chapter II;
- (b) Paid leaves to pursue education, attend seminars, courses, or workshops that are inconsistent with the criteria established in this Chapter II;
- (c) Paid leave and time off without charge to any leave;
- (d) Any provision that prevents assigning or reassigning tasks to employees, group of employees, job classification, level or appropriate unit in order to render the administration and operation of the public corporation more cost efficient and meet the criteria of this Chapter II;
- (e) Any provision that prevents the subdivision of tasks or assignment of work schedules to employees, group of employees, job classification, level or appropriate unit in order to render the administration and operation of the public corporation more cost efficient and meet the criteria of this Chapter II;
- (f) Any provision that prevents the subcontracting of tasks assigned to employees, group of employees, job classification, level or appropriate unit in order to render the administration and operation of the public corporation more cost efficient and meet the criteria of this Chapter II;
- (g) Provisions regarding the limitations on management or administrative rights of the employer in order to render the administration and operation of the public corporation more cost efficient and meet the criteria of this Chapter II;
- (h) Provisions or terms compelling the employer to faithfully comply with what has been agreed or accepted, regarding matters that are in conflict with the provisions of this Chapter II;
- (i) Requirements to use seniority, to the extent the provisions on seniority are contrary to the provisions of this Chapter II or constitute a limitation to change duties, promotions, demotions, relocations, transfers, details, or other transactions

needed to prevent services from being affected, in order to render the administration and operation of the public corporation more cost effective and meet the requirements of this Chapter II.

If any questions arise as to whether a specific provision of a collective bargaining agreement has a direct or indirect economic impact on a public corporation that aggravates its budget situation or that must be suspended to improve the budget situation, a consultation shall be submitted to the Government Development Bank, which shall reply to the same within a term not to exceed sixty (60) days. The reply to said consultation shall be binding for the public corporation submitting the same.

Provided, further, that public corporations shall recognize to both union and nonunion employees their vacation leaves accrued as of the effective date of this Act; however, the excess thereof accrued before and during the effective term of this Act shall not be liquidated in cash. Public corporations shall establish a plan whereby both union and nonunion employees shall exhaust the leaves accrued in excess so that no excess is carried over after the effective term of this Act.

Provided, further, that sick leaves accrued in excess by union or nonunion employees of the public corporations before the effective date of this Act shall be frozen at the pay rate in effect as of June 30th, 2014, and the liquidation thereof in cash shall only be made in the event of separation from public service. Any sick leaves accrued in excess after the effective date of this Act, as well as that accrued as of December 31st of each year, shall be used on or before June 30th of the year following the year in which it was accrued; after said date such balance shall be forfeited.

Beginning on the first year of the effectiveness of this Act, and annually for the next three (3) years, every public corporation shall establish a process whereby the Executive Director of the Entity and the representatives of their respective

unions shall assess, in a transparent manner, the financial situation and the fiscal reality of their respective public corporation. If, in light of the assessment, in accordance with the mechanism adopted, it is established that the public corporation does not have an operating deficit, but a stable financial situation, and does not depend on the General Fund for its operation, it may begin negotiating the terms of the collective bargaining agreement that had been frozen under the provisions of this Section. Once the effective term of this Act expires, the collective bargaining agreement in effect at the time of the approval of this Act shall be reestablished for the remainder of its effective term, if any, and shall apply prospectively.

Section 18.- Contribution of Savings of Public Corporations in Health-related Fields to the General Fund's Deficit.

The savings generated by the Automobile Accidents Compensation Administration and the State Insurance Fund Corporation as a result of the implementation of the provisions of Section 11 of this Chapter, shall be contributed to the "Special Education Student Services and Therapies Fund," under the custody of the Department of Education, created through special legislation specifically for said purposes. This would reduce the General Fund's fiscal burden, which requires the rendering of adequate services to the special education population, in accordance with Federal legislation, the public policy, and the existing legal framework.

On or before July 31st, 2014, both entities shall certify to the Office of Management and Budget the number of employees on their payrolls as of June 30th, 2014, and the sums paid during the fiscal year ending on said date to cover the following items: Christmas Bonus; Summer Bonus; other general bonuses, including, but not limited to, ratification of collective bargaining agreements, attendance, punctuality, productivity, or retirement; liquidation of sick

and vacation leaves accrued in excess. In the case of the Christmas Bonus and the Summer Bonus, the certification of the sums paid shall be reduced by an amount equal to the number of employees who received the Christmas Bonus, multiplied by six hundred dollars (\$600), plus the number of employees that received the Summer Bonus, multiplied by two hundred dollars (\$200). The information to be provided shall separate union employees from nonunion employees.

The corresponding amounts certified by June 30th, 2014, shall be considered conclusively as the savings generated under this Act for the following Fiscal Year 2015, and shall be transferred to the Department of the Treasury by the Automobile Accidents Compensation Administration and the State Insurance Fund Corporation beginning on or before July 31st, 2014. The funds thus transferred shall be deemed allocated to the Special Education Student Services and Therapies Fund. Said transfers may be made in equal installments for the remaining months of the fiscal year, but must be completed before June 30th, 2015. The Automobile Accident Compensation Administration and the State Insurance Fund Corporation shall continue to make their respective additional transfers in an amount equal to that paid during Fiscal Year 2015, beginning on July 31st, 2015; for Fiscal Year 2016 and every July 31st thereafter, during the effective term of this Act.

Section 19.- Contribution of Savings of Public Corporations in Economic Development-related Fields to the General Fund's Deficit.

The savings generated by public corporations related to the promotion of economic development, and some other corporations designated in this Section, as a result of the implementation of the provisions of Section 11 of this Chapter, shall be deposited in the "Employment Promotion and Economic Activity Fund," under the custody of the Puerto Rico Trade and Export Company, created through special legislation specifically for such purposes. This would reduce the burden

currently imposed on the General Fund by the appropriations for job promotion and business incentives.

For purposes of this Section, public corporations related to the economic development promotion field are the following: the Land Administration, the Lands Authority of Puerto Rico, the Puerto Rico Convention Center District Authority, the Puerto Rico Infrastructure Financing Authority, the Housing Financing Authority, the Puerto Rico Economic Development Bank, the Government Development Bank for Puerto Rico, the Development [sic] and Export Company, the Industrial Development Company, the Tourism Company, the Agricultural Insurance Corporation, and the Public Corporation for the Supervision and Insurance of Cooperatives in Puerto Rico. Furthermore, instrumentalities not directly related to economic development shall also contribute to the Employment Promotion and Economic Activity Fund, to wit: the Governing Board of the 9-1-1 Service and the Puerto Rico and the Caribbean Cardiovascular Center Corporation.

On or before July 31st, 2014, each one of these entities shall certify to the Office of Management and Budget the number of employees on their payrolls as of June 30th, 2014, and the sums paid during the fiscal year ending on said date to cover the following items: Christmas Bonus; Summer Bonus; other general bonuses, including, but not limited to, ratification of collective bargaining agreements, attendance, punctuality, productivity, or retirement; liquidation of sick and vacation leaves accrued in excess. In the case of the Christmas Bonus and the Summer Bonus, the certification of the sums paid shall be reduced by an amount equal to the number of employees who received the Christmas Bonus, multiplied by six hundred dollars (\$600), plus the number of employees that received the Summer Bonus, multiplied by two hundred dollars (\$200). The information to be provided shall separate union employees from nonunion employees.

The corresponding amounts certified by June 30th, 2014, shall be considered conclusively as the savings generated under this Act for the following Fiscal Year 2015, and shall be transferred to the Department of the Treasury by each of the corresponding public corporations, beginning on or before July 31st, 2014. The funds thus transferred shall be deemed to be allocated to the Employment Promotion and Economic Activity Fund. Said transfers may be made in equal installments for the remaining months of the fiscal year, but must be completed before June 30th, 2015. Public corporations required to make contributions under this Section shall continue to make their respective additional transfers in an amount equal to that paid during Fiscal Year 2015, beginning on July 31st, 2015 for Fiscal Year 2016, and on every July 31st thereafter during the effective term of this Act.

Section 20.- Budget of the State Election Commission, the Office of Government Ethics, the Office of the Election Comptroller, and the Special Independent Prosecutor's Panel.

For any fiscal year ending during the effective term of this Chapter, the budget of the State Election Commission, the Office of Government Ethics, the Office of the Election Comptroller, and the Special Independent Prosecutor's Panel shall be equal to their respective budgets for the previous fiscal year adjusted by the reduction percentage or global increase in the General Budget of Expenses chargeable to the General Fund, included in the budget recommended by the Governor. Said adjustment shall be calculated excluding the proposed appropriations to service the constitutional debt chargeable to the General Budget of Expenses of both the basis of the previous year and the recommended amount for the fiscal year under consideration. Likewise, said adjustment shall exclude from both basis for comparison the budgets corresponding to the Judicial Branch, the Legislative Assembly, the Office of the Comptroller, the Ombudsman, the

Civil Rights Commission, the State Election Commission, the Office of Government Ethics, the Office of the Election Comptroller, and the Special Independent Prosecutor's Panel.

Section 21.- Prohibitions on the Use of Protective Detail, Traveling, and Contracting of Services, Among Others.

(a) The use of public funds for the payment of protective detail for the heads of the Entities of the Executive Branch is hereby prohibited. As an exception, and due to the nature of the functions they perform, this prohibition shall not apply to the Secretary of State, the Secretary of Justice, the Secretary of Corrections and Rehabilitation, and the Police Superintendent. Likewise, the Governor of Puerto Rico may authorize protective detail when necessary to protect the health, safety, and welfare of any government official who is affected as a result of decisions made in the performance of his/her duties.

(b) The use of public funds for traveling outside of Puerto Rico by the heads of the Entities of the Executive Branch or officials in trust positions is hereby prohibited, except when said trips are essential for the performance of their official duties and have been previously approved by the Governor or by the person to whom he/she delegates. In the case of officials other than employees holding trust positions or heads of the Entities of the Executive Branch, the authorization of the Governor or of the person to whom he/she delegates shall be required in the event that: (i) more than two employees are traveling for the same purpose at the same time; or (ii) the cost of accommodations per night exceeds two hundred fifty dollars (\$250).

(c) The contracting of professional or purchased services in Entities of the Executive Branch in excess of one hundred thousand dollars (\$100,000) within the same fiscal year is hereby prohibited without the previous written authorization of the Governor or the person to whom he/she delegates. Any contract executed in

violation of this requirement shall be null. This authorization requirement is in addition to, and does not substitute any other applicable rules, including those set forth by the Governor or the person to whom he/she delegates pursuant to the Executive Orders to cut back on spending or rule of the Office of Management and Budget.

(d) The use of public funds for the payment of cellular phones, personal digital assistants (PDAs), personal Internet service devices or other technological services for the exclusive use of heads of agencies, employees and officials of the Entities of the Executive Branch of the Commonwealth of Puerto Rico is hereby prohibited. As of the approval of this Act, all contracts for the aforementioned services shall be cancelled. The Governor or the person to whom he/she delegates may grant waivers to this requirement.

Section 22.- Expenditures and Lease Agreement Reduction Plan.

Within a period of thirty (30) days as of the approval of this Act, the Entities of the Executive Branch shall submit to the Office of Management and Budget a list of all their lease agreements in effect, the amount thereof, and a summary of the reason for the execution thereof. Those lease agreements that must be kept by mandate of law or to meet an obligation not subject to discretion, or to preserve an essential service for the citizenry shall be specified.

The Office of Management and Budget may direct not to renew or modify said leasing agreements upon their expiration and subsequent execution, except when such action is detrimental to an essential service or entails a greater financial burden. In said analysis, the Office of Management and Budget may also consider the possibility of consolidating some operations of several agencies in the same location and renegotiate the terms and amount of the lease agreements in order to attain more favorable conditions.

Furthermore, all lease agreements or lease letter of intent shall adhere to the following guidelines:

(a) No agreement may be renewed nor a new agreement may be executed, nor the amount paid for a lease may be increased without the previous authorization of the Office of Management and Budget.

(b) Every Entity of the Executive Branch, with the assistance of the Office of Management and Budget, shall analyze the alternative of not renewing lease agreements upon their expiration, when it is feasible for such entity to consolidate the operations of the activities conducted in a leased building within their existing facilities or in any other available public facility.

(c) Every Entity of the Executive Branch that has a lease agreement in effect and is considering the renewal thereof, or that intends to execute a lease agreement, shall request a lease proposal from the Public Buildings Authority and/or any other Entity of the Executive Branch, municipalities, or other Government Branch that could have space available in order to evaluate the cost-effectiveness of entering into a new agreement with the government entity. It shall be deemed to be cost-effective to enter into a new lease agreement with a government entity when:

(i) a constant and continuous reduction for such operating expense greater than fifteen percent (15%) is projected;

(ii) moving the operations of the agency is not detrimental to the rendering of the services; and

(iii) there is no legal impediment therefor.

(d) Every lease agreement entered into in contravention with these provisions shall be null.

The Office of Management and Budget shall have discretion to make exceptions to the provisions herein in all lease agreements, when so required by Federal or State law or a court order; it is essential to protect the health, safety, and welfare of the citizenry and/or public employees; and when it is necessary to carry out a ministerial duty of the agency in question to prevent any impairment to the public service.

Section 23.- Energy Consumption Reduction Plan and Provision on the Consumption of Aqueduct and Sewer Services.

The Entities of the Executive Branch shall promote the wise and efficient use of public utilities. In order to achieve the objectives and meet the requirements of the current fiscal emergency which demands the responsible and effective use of the limited government resources, the duty of all the Entities of the Executive Branch of reducing the consumption of public utility services such as electric power, as well as aqueduct and sewer, is hereby reasserted.

Regarding the efficient use of electric power, it is hereby provided that all the Entities of the Executive Branch shall faithfully meet the energy conservation requirements established in Sections 4.1, 4.2, and 4.3 of Act No. 57-2014, known as the “Puerto Rico Energy Transformation and Relief Act.” The Entities of the Executive Branch are hereby authorized to request to the Commonwealth Energy Public Policy Office (CEPPO) an adjustment in the energy baseline consumption, according to the consumed kilowatt-hour, in light of the additional burden entailed by new facilities or buildings, or improvements to existing buildings, provided that CEPPO certifies that the additional burden entailed by new facilities or buildings or improvements has been certified as efficient in accordance with the parameters established by CEPPO through regulations. CEPPO shall adopt regulations as are necessary to enforce these requirements.

During the effective term of this Chapter, with respect to the Entities of the Executive Branch whose operating expenses are defrayed totally or partially from the General Fund, the base rate of aqueduct and sewer services in effect on July 1st, 2014, shall not be increased, unless modified by subsequent legislation. The rate provided in Section 8 of Joint Resolution No. 16-2013, whose terms are hereby reasserted and ratified retroactively to the effective date thereof, shall be deemed to be the rate in effect as of July 1st, 2014.

Furthermore, with respect to aqueduct and sewer consumption, the Entities of the Executive Branch whose operating expenses are defrayed totally or partially from the General Fund, shall reduce their expenditures in connection with aqueduct and sewer consumption costs by five percent (5%) annually for the years 2014-15, 2015-16, and 2016-17 to show a total reduction of fifteen percent (15%) in those three (3) years. The reduction percentage shall be computed using as a basis the aqueduct and sewer consumption for 2012-13. The Office of Management and Budget shall oversee faithful compliance with the reduction of aqueduct and sewer spending established for the Entities of the Executive Branch. For those Entities of the Executive Branch that fail to comply with the percentage rate reduction of aqueduct and sewer spending, the Office of Management and Budget may reduce their operating expense budget for the following fiscal year, which shall be equal to the monetary value of the consumption in excess of the reduction rate established.

CHAPTER III.- BUDGET MEASURES FOR THE JUDICIAL BRANCH, LEGISLATIVE BRANCH AND OTHER GOVERNMENT ENTITIES

Section 24.- Budget of the Judicial Branch.

For any fiscal year ending during the effective term of this Chapter, the budget of the Judicial Branch shall be equal to its respective budget for the previous fiscal year, adjusted by the reduction percentage or global increase in the

General Budget of Expenses chargeable to the General Fund, stated in the budget recommended by the Governor. Said adjustment percentage shall be calculated excluding the proposed appropriations to service the constitutional debt of the General Budget of Expenses chargeable to the General Fund, both on the basis of the previous year and on the recommended amount for the fiscal year under consideration. Likewise, said adjustment shall exclude from both basis for comparison the budgets of the Judicial Branch, the Legislative Assembly, the Office of the Comptroller, the Ombudsman, the Civil Rights Commission, the State Election Commission, the Office of Government Ethics, the Office of the Election Comptroller, and the Special Independent Prosecutor's Panel.

For the fiscal year immediately beginning upon the expiration of the effective term of this Chapter, the recommendation and approval of the budget of the Judicial Branch shall be once again governed by the regularly applicable legislation. No debt, obligation, or pledge for future appropriations or payments whatsoever shall be issued for any gap existing between the budget actually appropriated during the effective term of this Act, and what would have been the budget resulting from the application of formulas or other rules established in the laws that would otherwise have governed the drawing up of the budget.

The Judicial Branch, in the exercise of the powers conferred thereto by the Constitution of the Commonwealth of Puerto Rico, may adopt any of the spending reduction and/or control measures provided in this Act as may be necessary to address any budget deficit projected during the effective term of this Act.

Section 25.- Budget of the Legislative Assembly and Attached Entities.

For any fiscal year ending during the effective term of this Chapter, the budget of the Legislative Assembly and each one of its attached entities, to wit, the Office of the Comptroller, the Ombudsman, and the Civil Rights Commission shall be equal to its respective budget for the previous fiscal year, adjusted by the

reduction percentage or global increase in the General Budget of Expenses chargeable to the General Fund, stated in the budget recommended by the Governor. Said adjustment percentage shall be calculated excluding the proposed appropriations to service the constitutional debt of the General Budget of Expenses chargeable to the General Fund, both on the basis of the previous year and on the recommended amount for the fiscal year under consideration. Likewise, said adjustment shall exclude from the basis for comparison the budgets of the Judicial Branch, the Legislative Assembly, the Office of the Comptroller, the Ombudsman, the Civil Rights Commission, the State Election Commission, the Office of Government Ethics, the Office of the Election Comptroller, and the Special Independent Prosecutor's Panel.

For the fiscal year immediately beginning upon the expiration of the effective term of this Chapter, the recommendation and approval of the budget of each entity affected by this Section shall once again be governed by the regularly applicable legislation. No debt, obligation, or pledge for future appropriations or payments whatsoever shall be issued for any gap existing between the budget actually appropriated during the effectiveness of this Act, and what would have been the budget resulting from the application of formulas or other rules established in the laws that would otherwise have governed the drawing up of the budget.

The Legislative Assembly and its attached entities, in the exercise of the powers conferred to them by the Constitution of the Commonwealth of Puerto Rico, may adopt any of the spending reduction and/or control measures provided in this Act as may be necessary to address any budget deficit projected during the effective term of this Act.

Section 26.- Budget of the University of Puerto Rico and Certain Appropriations for the Operation of Municipalities.

For any fiscal year ending during the effective term of this Chapter, any operating subsidy of government entities that are not part of the Central Government shall be equal to their respective operating subsidy for Fiscal Year 2013-2014. For purposes of this Section, the term government entities that are not part of the Central Government, refers to the University of Puerto Rico and the Municipalities. For purposes of this Section, the term operating subsidy with respect to the University of Puerto Rico, refers to the appropriation provided in subsection (a) of Section 3 of Act No. 2 of January 20, 1966, as amended; and with respect to the Municipalities, it refers to the appropriations provided in Section 2.06 of Act No. 83-1991, as amended (Exoneration Fund), and in subsection (c) of Section 16 of Act No. 80-1991, as amended (Matching Fund).

For the fiscal year immediately beginning upon the expiration of the effective term of this Chapter, the recommendation and approval of the budget of each entity affected by this Section shall once again be governed by the regularly applicable legislation. No debt, obligation, or pledge for future appropriations or payments whatsoever shall be issued for any gap existing between the budget actually appropriated during the effective term of this Act, and what would have been the budget resulting from the application of formulas or other rules established in the laws that would otherwise have governed the drawing up of the budget.

Section 27.- Energy and Aqueduct and Sewer Services Consumption Reduction Plan in the Legislative Branch, the Judicial Branch, and the University of Puerto Rico.

No electric power service special or preferential rates shall be established for the Entities of the Legislative Branch, the Judicial Branch, and the University of Puerto Rico. They shall promote the wise and efficient use of public utilities. In order to achieve the objectives and meet the requirements of the current fiscal emergency which demands the responsible and effective use of the limited government resources, the duty of all the Entities of the Legislative Branch, the Judicial Branch, and the University of Puerto Rico of reducing the consumption of public utilities services such as electric power, as well as aqueduct and sewer, is hereby reasserted. The term Entities of the Legislative Branch and the Judicial Branch shall include every agency or body attached thereto or that is part of the Legislative Branch or the Judicial Branch, respectively.

Regarding the efficient use of electric power, it is hereby provided that all Entities of the Legislative Branch, the Judicial Branch, and the University of Puerto Rico shall faithfully meet the energy conservation requirements established in Sections 4.1, 4.2, and 4.3 of Act No. 57-2014, known as the “Puerto Rico Energy Transformation and Relief Act.” The Entities of the Legislative Branch, the Judicial Branch, and the University of Puerto Rico are hereby authorized to request to the Commonwealth Energy Public Policy Office (CEPPO) an adjustment in the energy baseline consumption, according to consumed kilowatt-hour, in light of the additional burden entailed by new facilities or buildings, or improvements to existing buildings, provided that CEPPO certifies that the additional burden entailed by new facilities or buildings or improvements has been certified to be efficient under the parameters established by CEPPO through regulations. CEPPO shall adopt regulations as are necessary to enforce these requirements.

During the effective term of this Chapter, with respect to the Entities of the Legislative Branch, the Judicial Branch, and the University of Puerto Rico, whose operating expenses are defrayed totally or partially from the General Fund, the base rate of aqueduct and sewer services in effect on July 1st, 2014, shall not be increased, unless modified by subsequent legislation. The rate provided in Section 8 of Joint Resolution No. 16-2013, whose terms are hereby reasserted and ratified retroactively to the effective date thereof, shall be deemed to be the rate in effect as of July 1st, 2014.

Furthermore, with respect to aqueduct and sewer consumption, the Entities of the Legislative Branch, the Judicial Branch, and the University of Puerto Rico, whose operating expenses are defrayed totally or partially from the General Fund, shall reduce their expenditures in connection with aqueduct and sewer consumption by five percent (5%) annually for the years 2014-15, 2015-16, and 2016-17 to show a total reduction of fifteen percent (15%) in those three (3) years. The reduction percentage shall be computed using as basis the aqueduct and sewer consumption for the year 2012-13. By petition of the Entities of the Legislative Branch, the Judicial Branch, or the University of Puerto Rico, the Aqueduct and Sewer Authority may authorize a variation in the baseline consumption of aqueduct and sewer in light of the additional demand of new facilities and buildings.

CHAPTER IV.- PLANS FOR FINAL AND BINDING JUDGMENTS PENDING PAYMENT

Section 28.- Applicability and Payment Plans.

In view of the negative impact on the fiscal and operational stability of the Commonwealth of Puerto Rico and the municipal governments that the payment of a lump sum would entail, the provisions of this Chapter shall apply to all final and binding judgments, except for those related to eminent domains that, on the date of

approval of this Act, are pending payment and those issued during the effective term of this Act, whereby the agencies, instrumentalities, public corporations, municipalities, or the Commonwealth of Puerto Rico are compelled to make a disbursement of funds chargeable to the General Fund, the fund of the public corporation in question, or chargeable to the municipal budget, as the case may be.

In the event that the agencies, instrumentalities, public corporations, municipalities, or the Commonwealth of Puerto Rico, or officials who have availed themselves of the benefits of this Act, are required to make a disbursement of funds chargeable to the General Fund, the fund of the public corporation in question, or chargeable to the municipal budget, as the case may be, and there is no payment plan previously agreed on in writing and approved by the Court, the provisions of this Section shall apply, regardless of the nature of the judgment or in the case of an administrative, extrajudicial or judicial transaction. The Secretary of Justice shall evaluate the applicable payment plan in accordance with the amount of the judgment, upon which he/she shall request a certification of the availability of funds to the Director of the Office of Management and Budget, the Board of Directors or the governing body of the public corporation in question, or of the Mayor of the corresponding Municipality. Only for purposes of the application of this Section, the term Commonwealth shall include the Commonwealth of Puerto Rico, its agencies and instrumentalities, public corporations, and municipalities. Payment plans shall be established in accordance with the following terms:

(a) If the amount owed by the Commonwealth, a public corporation or municipality is equal to or less than one hundred thousand dollars (\$100,000), it may be paid off through a one (1) to three (3) year payment plan from the time the payment obligation becomes final and binding.

(b) If the amount owed by the Commonwealth, a public corporation, or municipality exceeds one hundred thousand dollars (\$100,000), but does not exceed one million dollars (\$1,000,000), it may be paid off through a three (3) year and one (1) day to four (4) year payment plan from the time the payment obligation becomes final and binding.

(c) If the amount owed by the Commonwealth, a public corporation, or municipality exceeds one million dollars (\$1,000,000), but does not exceed or is equal to seven million dollars (\$7,000,000), it may be paid off through a four (4) year and one (1) day to seven (7) year payment plan from the time the payment obligation becomes final and binding.

(d) If the amount owed by the Commonwealth, a public corporation, or municipality exceeds seven million dollars (\$7,000,000), but does not exceed twenty million dollars (\$20,000,000), it shall be paid off through a seven (7) year and one (1) day to ten (10) year payment plan from the time the payment obligation becomes final and binding.

(e) If the judgment owed by the Commonwealth, a public corporation, or municipality exceeds twenty million dollars (\$20,000,000), the payment plan applicable thereto shall be fixed during the drawing up of the budget following the date on which the payment obligation becomes final and binding, taking into consideration the fiscal situation, and said payment plan shall never exceed an annual sum of three million dollars (\$3,000,000).

(f) In order to determine the applicable payment plan, the judgment shall not be divided by claimant, but rather the total thereof shall be considered as the item value.

(g) If there were no funds available to honor the payment plan during a specific fiscal year, it shall be postponed for the following fiscal year, thus said payment plan shall be automatically extended for the number of unpaid installments.

(h) If the Director of the Office of Management and Budget determines that the budget of the agency may cover the payment plan arising from a judgment issued against it, he/she shall thus notify the agency, which shall make the adjustments and negotiations needed to defray the same from its own budget, without the need for an additional appropriation of funds. In these cases, the filing of a request for additional funds with the Office of Management and Budget shall not be allowed.

(i) The Commonwealth, a public corporation or municipality shall not make any payment whatsoever unless the creditor of the judgment provides an official certification issued by the pertinent agency stating that the creditor has no outstanding debt with the Department of the Treasury, the Municipal Revenues Collection Center, and the Child Support Administration. In the event that the creditor of the judgment has an outstanding debt with any agency, entity or public corporation of the Commonwealth, or with a municipality, the amount of said debt shall be deducted from the total amount to be paid. In the event that the creditor of the judgment has requested an administrative review of the debt, the Government of the Commonwealth of Puerto Rico, the public corporation or the municipality, as the case may be, shall refrain from making any payment whatsoever until the review process has concluded. If the existence of the challenged debt is confirmed, the amount thereof shall be deducted from the total amount to be paid.

These provisions shall apply to the Municipalities, which shall establish through a municipal ordinance the adequate parameters for the implementation thereof, in accordance with the provisions of subsections (a), (b), (c), (d), (e), (f), (g), and (i) of this Section.

The payment plans for judgments issued by virtue of this Section, as well as the provisions thereof, shall remain in effect for the time frame established in the payment plan, and shall not be affected or invalidated by the expiration of the effectiveness of this Act.

Section 29.- Actions against the Commonwealth, Municipalities, and Officials.

No agency or instrumentality of the Commonwealth, or public corporation or municipality, official or employee shall be compelled to make any payment whatsoever with respect to a previously authorized judgment or payment plan, when there are no funds available therefor when the legislative appropriation for such purposes has been exhausted; therefore, the garnishment of funds to enforce a judgment issued against the Commonwealth is hereby prohibited. The determination of lack of funds to make said payment shall be certified by the agency or instrumentality of the Commonwealth, public corporation or municipality in question and, in the event that such funds are appropriated by the Legislative Assembly, including those from the General Fund, it shall be confirmed by the Office of Management and Budget, whose determination with regard thereto shall be final.

The remedy available when there are no funds available for the payment of judgments shall be the payment of interest on the amount owed pursuant to the provisions of the Rules of Civil Procedure and the applicable special laws.

The provisions of this Section shall also apply to Municipalities.

Section 30.- Substantive Rights.

The provisions of this Chapter shall not create substantive rights or any causes for action not existing prior to its approval.

CHAPTER V.- FINAL PROVISIONS

Section 31.- Prohibition on Retroactive Claims upon the Expiration of the Effective Term of this Act.

Except as provided in Section 11(c) on cash liquidations of vacation and sick leaves accrued in excess, any commitment or obligation that has been temporarily suspended during the effective term of this Act shall not be retroactively claimed, nor shall constitute any credit whatsoever, once the same becomes ineffective.

Section 32.- Implementation and Rulemaking Authority.

In view of the fiscal emergency, and to enable the implementation of the purposes of this Act, the Office of Management and Budget shall have all the powers necessary and convenient to discharge the duties herein entrusted thereto, including but not limited to promulgating regulations; conducting or directing the agencies or departments under its custody to conduct studies as may be needed; requiring from the Entities of the Executive Branch the information needed to carry out its duties; advising the Governor and the Entities of the Executive Branch on all that pertains to spending control and reduction measures, labor and/or fiscal impact measures of the Entities of the Executive Branch; and evaluating, approving, or denying requests for transfers and details, among others.

Except as provided in Section 17, it is hereby provided as the intent of this Legislative Assembly that the powers conferred to the Office of Management and Budget by virtue of this Special Act shall have priority over the respective organic acts of the Entities of the Executive Branch, as defined herein, whether agencies, instrumentalities, or public corporations. For such purposes, inasmuch as it is pertinent and necessary, it shall be construed that during the effectiveness thereof,

this Special Act modifies, adjusts, or conditions any provision of the respective organic acts of the Entities of the Executive Branch in order to comply with the mandates of this Act.

Therefore, the Office of Management and Budget may establish regulations as are necessary geared to the Entities of the Executive Branch, whether agencies, instrumentalities, or public corporations to implement the provisions of this Act. Any regulations implemented by the Office of Management and Budget by virtue of this Act shall be mandatory. The absence or lack of any regulations authorized hereunder shall, in no case, be grounds for invalidating or failing to apply the provisions of this Act.

Section 33.- Immunity from Lawsuits and Forums.

This Act shall not affect the immunity of the Commonwealth of Puerto Rico, and its employees, or officials with respect to lawsuits and forums. None of the provisions herein authorizes actions for damages against the Commonwealth of Puerto Rico, its employees, or officials for acts or omissions of the latter, resulting from compliance with this Act. None of the provisions of this Act shall be construed as to constitute a waiver to the sovereign immunity of the Commonwealth of Puerto Rico.

Section 34.- Separability.

If any clause, paragraph, subparagraph, article, provision, section, subsection, or part of this Act were held to be unconstitutional by a competent court, the holding to such effect shall not affect, impair, nor invalidate the remainder of this Act. The effect of said holding shall be limited to the clause, paragraph, subparagraph, article, provision, section, subsection, or part thereof thus held to be unconstitutional.

Section 35.- Effectiveness.

This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 66-2014 (H. B. 1922)** of the **7th Regular Session of the 17th Legislative Assembly of Puerto Rico:**

AN ACT to create the “Government of the Commonwealth of Puerto Rico Special Fiscal and Operational Sustainability Act,” in order to declare a state of fiscal emergency; devise a plan to deal with the consequences of the fiscal and economic crisis of the downgrading of Puerto Rico’s credit rating; establish a structured management to address this situation; provide for the supremacy of this Act and the applicability thereof; etc.

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, on this 24th day of October, 2014.

Juan Luis Martínez Martínez
Acting Director