

August 3, 2017

Legislation Update

On July 27, 2017, the Governor of Puerto Rico issued Executive Order 2017-040 (“EO-2017-040”) convening the first extraordinary session of the Eighteenth Puerto Rico Legislative Assembly, scheduled to begin on July 31, 2017 and ending on August 19, 2017 (“Special Session”). Pursuant to EO-2017-040, the following bills will be considered in the Special Session:

- House Bill 1142 – To amend Act 1-2011, as amended, known as the Internal Revenue Code for a New Puerto Rico, in order to increase the license fee payable for adult entertainment machines from \$2,500 to \$3,000.
- A-45 – To amend Act 30-2017, the Act for Equality and Congressional Representation of the United States Citizens of Puerto Rico, to incorporate the results of the July 2017 plebiscite and provide that members of the Puerto Rico Commission for Equality shall not be entitled to remuneration.
- A-46 – To create the Act to Guarantee Payment to Our Pensioners and Establish a New Defined Contribution Plan for Public Servants, in order to reform the Puerto Rico Employee and Teachers Retirement Systems by implementing a “pay as you go” system, whereby the General Fund will assume payment of the contributions the Retirement Systems are not able to satisfy.
- A-47 – To create the Act for Debt Restructuring of the Government Development Bank for Puerto Rico, to establish the legal framework for the GDB’s debt restructuring under Title IV of the Puerto Rico Oversight Management and Economic Stability Act, known as “PROMESA”.

EO-2017-040 also provides for the ratification of various appointments to the Commission for Equality for Puerto Rico and the Governing Board of the University of Puerto Rico. The Puerto Rico Senate convened on August 2, 2017 and confirmed all the aforementioned appointments.

On August 2, 2017, the Governor of Puerto Rico issued Executive Order 2017-041 (“EO-2017-041”), amending EO-2017-040 to include House Bill 1122 for consideration in the Special Session.

- House Bill 1122 – To amend Act 214-2004, as amended, known as the Science and Technology Trust Act, to replace the Puerto Rico Science, Technology & Research Trust’s (“PRST”) council with a board composed of eight private sector members, designated by the Governor of Puerto Rico and subject to confirmation by the Senate, and one member of the government, the Secretary of the Puerto Rico Department of Economic Development and Commerce, to redefine the purpose of the PRST, and other technical amendments.



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Several other appointments to be addressed in the Special Session as per EO-2017-041 include the designation of Mr. George R. Joyner as Commissioner of the Office of the Commissioner of Financial Institutions of Puerto Rico, and Mr. Eduardo Arosemena Muñoz, Esq., as President of the Board of Directors of the Institute of Puerto Rican Culture.

You may access EO-2017-040 and EO-2017-041 [here](#).

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