

(H. B. 1920)
(Conference)

(No. 78-2014)

(Approved July 1, 2014)

AN ACT

To create the “Legal Liability Fund,” under the control and custody of the Office of Management and Budget and provide for the use thereof; allow the Fund to be nurtured from legislative, municipal, federal or private appropriations or of any other nature and the matching or combination thereof; amend Section 2 of Act No. 20 of April 9, 1976, as amended, in order to transfer the sum of sixteen million dollars (\$16,000,000) from the “Fund for the Investigation and Inspection of Financial Institutions and Gambling Casinos” of the Office of the Commissioner of Financial Institutions to the “Legal Liability Fund”; amend subsection (a)(1) of Section 2.2 of Act No. 83-2010, as amended, known as the “Green Energy Incentives Act of Puerto Rico,” in order to transfer the sum of four million five hundred thousand dollars (\$4,500,000) from the “Green Energy Fund of Puerto Rico” to the “Legal Liability Fund,” and for other purposes; amend subsection (d) of Section 417 of Act No. 60 of June 18, 1963, as amended, known as the “Uniform Securities Act,” in order to transfer the sum of four million, eight hundred and fifty thousand dollars (\$4,850,000) from the “Fund for Investor and Consumer Education in Relation with the Financial System and for the Training of the Personnel of the Office of the Financial Institutions Commissioner” to the “Legal Liability Fund”; amend Section 2.13 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” in order to transfer the sum of four million, eight hundred thousand dollars (\$4,800,000) from the “Special Permit Management Office Fund” to the “Legal Liability Fund”; amend Section 2 of Act No. 66 of May 27, 1976, as amended, in order to transfer to the “Legal Liability Fund”; amend Section 2.09 of Act No. 22-2000, as amended, known as the “Puerto Rico Vehicles and Traffic Act,” to provide that of the funds collected in accordance with this Section and Section 2.34, the sum of five hundred thousand dollars (\$500,000) shall be transferred to

the “Legal Liability Fund;” amend Section 2.17 of Act No. 22-2000, as amended, known as the “Puerto Rico Vehicles and Traffic Act,” to transfer the sum of seven million dollars (\$7,000,000) of the funds collected and deposited in the Special Account provided therein to the “Legal Liability Fund”; add subsection (I) to Section 16 of Act No. 41-2009, as amended, known as the “Puerto Rico Proper Scrap Tire Management Act,” in order to transfer the sum of five million dollars (\$5,000,000) from the Fund created therein to the “Legal Liability Fund”; amend Section 2.03 of Act No. 404-2000, as amended, known as the “Puerto Rico Weapons Act,” in order to transfer the sum of one million dollars (\$1,000,000) from the Fund provided in said Act to the “Legal Liability Fund”; amend Section 1 of Act No. 237-1996, as amended, in order to transfer the sum of eight hundred thousand dollars (\$800,000) from the “Special Fund of the Markets Inspection Office” to the “Legal Liability Fund”; amend the eighth paragraph of Section 9 of Act No. 11 of June 23, 1976, as amended, known as the “Health Services Integral Reform Act of Puerto Rico,” in order to transfer the sum of seven hundred thousand dollars (\$700,000) from the “Health Fund” to the “Legal Liability Fund”; amend subsection (10) of Section 12 of Act No. 75 of June 24, 1975, as amended, known as the “Puerto Rico Planning Board Organic Act,” and to substitute it for a new subsection (10) in order to transfer the sum of five hundred thousand dollars (\$500,000) of the resources covered therein pursuant to the provisions of said Act to the “Legal Liability Fund”; amend Section 7 of Act No. 133 of July 1st, 1975, as amended, known as the “Puerto Rico Forest Act,” in order to transfer the sum of two hundred fifty thousand dollars (\$250,000) from the “Forest Development Special Fund” to the “Legal Liability Fund”; amend subsection (e) of Section 12 of Act No. 136 of June 3, 1976, as amended, known as the “Act for the Conservation, Development, and Use of the Water Resources of Puerto Rico” in order to transfer the sum of one hundred thousand dollars (\$100,000) from the “Water Fund” created therein to the “Legal Liability Fund”; amend the eighth paragraph of Section 13 of Act No. 45 of April 18, 1935, as amended, known as the “Compensation System for Work-Related Accidents Act,” in order to transfer the sum of fifteen million dollars (\$15,000,000) from the Reserve Fund created by said Act to the “Legal Liability Fund”; amend Subsection (4) of Section 16 of Act No. 138 of June 26, 1968, as amended, known as the “Automobile Accident Social Protection Act,” in order to transfer the sum of ten million dollars (\$10,000,000) from the Reserve Fund created in said Act to the “Legal Liability Fund”; direct the Secretary of the Treasury to transfer the sum of one million dollars (\$1,000,000) in account number 273-0780000-

081-2008 to the “Legal Liability Fund”; add subsection (d) to Section 6 of Act No. 144 of December 22, 1994, as amended, known as the “Act for the Speedy Attention of Public Safety 9-1-1 Emergency Calls’ or ‘9-1-1 Calls Act,’” in order to transfer the sum of twelve million dollars (\$12,000,000) from the funds received pursuant to the provisions of said Act to the “Legal Liability Fund”; provide for the distribution of eighty-four million dollars (\$84,000,000) from the “Legal Liability Fund”; for fund advances; and for other purposes.

STATEMENT OF MOTIVES

In accordance with Article IV, Section 4 of the Constitution of the Commonwealth of Puerto Rico, at the beginning of every regular session, the Governor of Puerto Rico delivers to the Legislative Assembly the state of the Commonwealth address and the proposed disbursements for the following fiscal year. In conformity with said constitutional mandate, Act No. 147 of June 18, 1980, as amended, created the Office of Management and Budget (OMB), attached to the Office of the Governor as an advisory body to assist the governor in discharging said duty.

Consistent with said duty, OMB is responsible for formulating, executing, and administering the Annual Budget for Capital Improvements and Operating Expenses of the Commonwealth of Puerto Rico and its public corporations. It is precisely in the process of formulating the budget that the OMB identifies and evaluates the different sources of income that are available for funding the work plans, programs, and services offered by the Government of the Commonwealth of Puerto Rico. Among such sources are the General Fund, Own Funds, and Special Funds.

Specifically, Special Funds are financing sources in which certain resources are deposited for specific purposes in accordance with the legislation in effect. These funds derive from tax revenues, excise taxes and licenses, service fees and other income generated by other government bodies. Thus, while in the process of

formulating the budget for Fiscal Year 2014-2015, OMB identified in some public agencies and entities several Special Funds that have a positive cash flow and a balance that exceeds its general use. For such reason, it sought to render such use more flexible as to reallocate said funds to address pressing needs. In all these instances, the objective of each Fund is attained and the general use thereof is met.

For all of the above, this bill is hereby introduced to create the “Legal Liability Fund” under the custody of the Office of Management and Budget. The surplus of the Special Funds herein identified shall be covered into said Fund in order to meet inherited legal or judicial responsibilities, which no longer have lines of credit or COFINA funds to meet the same. In this manner, existing public resources of the Government of the Commonwealth of Puerto Rico are administered responsibly, earnestly, and efficiently; especially given the Fiscal Situation the Island is undergoing.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.- Creation of the Fund.- There is hereby created the “Legal Liability Fund,” which shall be under the control and custody of the Office of Management and Budget. This Fund may be used for the payment of judgments or claims. This Fund may be nurtured from legislative, municipal, federal or private appropriations or of any other nature and the matching or combination thereof shall be allowed.

Section 2.- Section 2 of Act No. 20 of April 9, 1976, as amended, is hereby amended to read as follows:

“Section 2.- Use of Funds.-

The money so covered into the Fund shall be used to defray personnel expenses, improvement of employees, and expenses of any other nature which the Office of the Commissioner of Financial Institutions may incur to carry out and strengthen the activities referred to in Section 1 of this Act. On October 31st and

April 30th of each year, the sum of five hundred fifty thousand dollars (\$550,000) shall be transferred from the Fund herein created to the Secretary of the Treasury, for a total of one million, one hundred thousand dollars (\$1,100,000) a year. Twenty percent (20%) of the Fund balance at the close of each fiscal year shall be allocated to a reserve fund which shall be increased until it reaches the sum of one hundred thousand dollars (\$100,000) and any amount in the Fund in excess of one million dollars (\$1,000,000) shall be transferred annually to the General Fund. Provided, that any deficiency in the Fund during any year in which the expenditures exceed the revenues shall be covered from the reserve. The used portion shall be paid back from the balance, if any, the following year or years. For Fiscal Year 2011-2012, the sum of six million, seven hundred fifty-two thousand dollars (\$6,752,000) shall be transferred from this Fund to the 2011-2012 Budget Support Fund. Provided, further, that, for Fiscal Year 2013-2014, the sum of fifteen million dollars (\$15,000,000) shall be transferred from this Fund to the ‘2013-2014 Budget Support Fund.’ Moreover, for Fiscal Year 2014-2015, the sum of sixteen million dollars (\$16,000,000) shall be transferred from this Fund to the ‘Legal Liability Fund.’

...”

Section 3.- Subsection (a)(1) of Section 2.2 of Act No. 83-2010, as amended, “Green Energy Incentives Act of Puerto Rico,” is hereby amended to read as follows:

“Section 2.2.- Green Energy Fund Creation; Special Deposit.-

(a) A special fund is hereby created and established to be denominated the Green Energy Fund of Puerto Rico, separate from the General Fund of the Government of Puerto Rico. The Department of the Treasury shall establish said fund as a special fund, separate from other government funds, as provided hereinbelow:

(1) Starting on Fiscal Year 2011-2012, the first collections from excise taxes on account of motor vehicles and motorcycles collected pursuant to Section 2011 of the Puerto Rico Internal Revenue Code shall be covered, when the Department of the Treasury receives them, into a special fund to be maintained by and in favor of the Green Energy Fund, designated as the ‘Green Energy Fund of Puerto Rico,’ and shall be used by the Green Energy Fund for the purposes set forth in this Act up to the maximum amount of:

Fiscal Year	Amount
2011-2012	\$20,000,000
2012-2013	\$20,000,000
2013-2014	\$25,000,000
2014-2015	\$30,000,000
2015-2016	\$35,000,000
2016-2020	\$40,000,000

In the event that the collections of such excise taxes are insufficient to cover the amounts herein appropriated, there shall be no debt, obligation, commitment whatsoever with public entities or third parties due to the partial or total omission of sufficient resources to cover the same. Provided, that, for Fiscal Year 2014-2015, the sum of four million, five hundred thousand dollars (\$4,500,000) of the balance available in this Fund as of the date of the approval of this Act shall be transferred to the ‘Legal Liability Fund.’

(2) ...

...”

Section 4.- Subsection (d) of Section 417 of Act No. 60 of June 18, 1963, as amended, known as the “Uniform Securities Act,” is hereby amended to read as follows:

“Section 417.- Special Fund.-

- (a) ...
- (b) ...
- (c) ...

(d) Temporary Provision. For the purpose of contributing towards defraying the operating expenses of the Cooperative Development Commission (COOPDC) of the Government of Puerto Rico, the Office of the Commissioner of Financial Institutions (OCFI) shall allocate the sum of two million dollars (\$2,000,000) annually during fiscal years 2011-2012 and 2012-2013 from the funds generated under the provision of this Section, known as the ‘Fund for Investor and Consumer Education in Relation with the Financial System and for the Training of the Personnel of the Office of the Financial Institutions Commissioner,’ of Act No. 24 of June 2, 2009, as amended. Said annual allocation shall be transferred to the Secretary of the Treasury who shall create and keep a special account in favor of the COOPDC to defray its operating expenses during fiscal years 2011-2012 and 2012-2013. The Secretary of the Treasury shall promptly promulgate regulations to provide the mechanisms for COOPDC to access such funds. Once the aforementioned particular purpose has concluded and been accomplished, the allocation from the Office of the Commissioner of Financial Institutions shall cease on July 1, 2013. Provided, that, for Fiscal Year 2014-2015, the sum of four million, eight hundred fifty thousand dollars (\$4,850,000) shall be transferred from the ‘Fund for Investor and Consumer Education in Relation with the Financial System and for the Training of the Personnel of the Office of the Financial Institutions Commissioner,’ created in this Section, to the ‘Legal Liability Fund.’”

Section 5.- Section 2.13 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.13.- Special Permit Management Office Fund.-

All charges, fees, reimbursements, or payments established under this Act and received by the Management Office shall be covered into a Special Fund created for such purposes by the Secretary of the Department of the Treasury, in order to defray regular operating expenses of the Management Office, of which any surplus shall be transferred to the General Fund of the Treasury of Puerto Rico upon the closing of the fiscal year, after giving notice to the Office of Management and Budget of the Government of Puerto Rico. Provided, that for Fiscal Year 2014-2015, the sum of four million, eight hundred thousand dollars (\$4,800,000) shall be transferred from the Special Permit Management Office Fund created in this Act to the ‘Legal Liability Fund.’”

Section 6.- Section 2.09 of Act No. 22-2000, as amended, known as the “Puerto Rico Vehicle and Traffic Act,” is hereby amended to read as follows:

“Section 2.09.- Power of the Secretary to Regulate.-

The Secretary shall have the power to regulate all matters pertaining to the issuance, provisional registration, and to the documentation he/she may deem necessary for the final registration of any motor vehicle or trailer with the Office of Drivers Services (DISCO, Spanish acronym). The Secretary is hereby authorized to determine, through regulations, the amount the petitioner must pay for listing any lien in the Registry of Motor Vehicles and Trailers of the Department. The money collected on said account shall be deposited in its totality in a Special Fund devoted to improving the services, facilities and mechanization systems of DISCO. Those liens for which the way and manner in which the payment is to be made is provided by law are exempt from this provision. Provided, that for Fiscal Year 2014-2015, of the funds collected in accordance with this Section and Section 2.34 of this Act, the sum of five hundred thousand dollars (\$500,000) shall be transferred to the ‘Legal Liability Fund.’

The Secretary may authorize the receipt or issue of any document required or allowed under the provisions of this Act, in Spanish or English, according to his/her determination of the needs or best interests of the Department or its users, or by request of the interested party, as provided by regulations.

The Secretary shall be empowered to regulate all matters concerning the concession and registration, and to the documentation he/she deems necessary for the final registration of any all-terrain or four-track vehicle in the register.”

Section 7.- Section 2.17 of Act No. 22-2000, as amended, known as the “Puerto Rico Vehicle and Traffic Act,” is hereby amended to read as follows:

“Section 2.17.-Issuance and Use of Motor Vehicle, Trailer, or Semi-trailer License Plates.-

The Secretary shall issue, along with the motor vehicle, trailer or semi-trailer permit, the corresponding license plates, in the following cases:

- (a) ...
- (b) ...
- (c) ...
- (d) ...

The Secretary shall contract with Employment and Training Enterprises Corporation, currently located at the Río Piedras State Penitentiary, created by virtue of Act No. 47 of August 6, 1991, as amended, all work pertaining to the manufacturing of license plates to be issued; setting forth, also, he shall hereby set forth by regulation all matters pertaining to the design, characteristics, issuing, renewal and use of said license plates, as well as the payment of ten dollars (\$10), which shall be covered into the special account of the Office of Drivers Services (DISCO, Spanish acronym). Provided, that, for Fiscal Year 2014-2015, of the funds collected in accordance with this Section, the sum of seven million dollars (\$7,000,000) shall be transferred to the ‘Legal Liability Fund.’”

Section 8.- Subsection (I) is hereby added to Section 16 of Act No. 41-2009, as amended, known as the “Puerto Rico Proper Scrap Tire Management Act,” is hereby added to read as follows:

“Section 16.- Proper Scrap Tire Management Fund.-

- A. ...
- B. ...
- C. ...
- D. ...
- E. ...
- F. ...
- G. ...
- H. ...

I. It is hereby provided that, for Fiscal Year 2014-2015, the sum of five million dollars (\$5,000,000) shall be transferred from this Fund to the ‘Legal Liability Fund.’”

Section 9.- Section 2.03 of Act No. 404-2000, as amended, known as the “Puerto Rico Weapons Act,” is hereby amended to read as follows:

“Section 2.03.- Transfer of Funds.-

The Department of the Treasury is hereby directed to transfer to the Superintendent the moneys collected on account of the Internal Revenue vouchers included in the application required by Sections 2.02, 2.05, 3.02, 3.04, 4.02, 4.04, and 7.04 of this Act, as well as the total amount of funds collected for administrative fines as set forth in the various sections of this chapter. These funds shall be used exclusively for all matters directly pertaining to the continuous and uninterrupted operations of the electronic register and to the process for issuing

weapons licenses, as well as to defray the cost of any campaign deemed to be needed to orient the public on the use and handling of the weapons, and the legislation pertinent thereto. Provided, further, that for Fiscal Year 2013-2014, the sum of six million dollars (\$6,000,000) shall be transferred from this Special Fund to the ‘2013-2014 Budget Support Fund.’ Moreover, for Fiscal Year 2014-2015, the sum of one million dollars (\$1,000,000) shall be transferred from this Special Fund to the ‘Legal Liability Fund.’”

Section 10.- Section 1 of Act No. 237-1996, as amended, is hereby amended to read as follows:

“Section 1.- Agricultural Markets Inspection Office; Special Fund.-

A special fund is hereby created, to be separate and distinct from any other moneys or funds of the Commonwealth of Puerto Rico, under the custody of the Secretary of Agriculture, in order to institute the Markets Inspection Office, to be known as the ‘Special Fund of the Markets Inspection Office.’

One hundred percent (100%) of the money charged for product inspection and marketing service fees conducted by this Office, pursuant to the provisions in the regulations promulgated under Act No. 241 of May 8, 1950, as amended; funds from administrative fines; and funds obtained from fees for licenses issued under the abovementioned regulations, shall be covered into this Fund.

All of the monies of the Fund shall be deposited in the special account held by the Department of Agriculture to deposit the revenues it generates through the cooperative agreement with the Federal Government (96-229-055-04-081). Disbursements shall be made according to the needs of the Agricultural Markets Inspection Office; provided, that the collections as well as the disbursements shall be made according to the regulations adopted by the Secretary of Agriculture. Disbursements shall not be subject to pre-auditing by the Secretary of the Treasury.

Provided, that for Fiscal Year 2014-2015, eight hundred thousand dollars (\$800,000) shall be transferred from this Fund to the ‘Legal Liability Fund.’”

Section 11.- The eighth paragraph of Section 9 of Act No. 11 of June 23, 1976, as amended, known as the “Health Services Integral Reform Act of Puerto Rico,” is hereby amended to read as follows:

“Section 9.- Transfers.-

All the functions of the Secretary of State and of the Department of State related to the following bodies, and to any other to be created in the future and which are related to health professionals, are hereby transferred to the Department of Health:

(a) ...

...

(p) ...

...

The fees paid for this concept shall be covered into the Health Fund and shall be designated by the Secretary for the exclusive use of the Examining Boards Division of the Department of Health. Provided, however, that for Fiscal Year 2014-2015, the sum of seven thousand dollars (\$700,000) from this Fund to the ‘Legal Liability Fund.’”

Section 12.- Subsection (10) of Section 12 of Act No. 75 of June 24, 1975, as amended, known as the “Puerto Rico Planning Board Organic Act,” is hereby amended to read as follows:

“Section 12.- Duties and Powers of the Chair.-

The Chair of the Board shall have, among other duties assigned by law, the following duties and powers:

(1) ...

...

(10) To charge the corresponding fees for copies of publications, documents or studies owned by the Board, offered simultaneously in at least (3) three of the following communications media, to wit, paper, CD-ROM, or on-line access, or copies of documents filed in the records of the Board. He/she is also authorized to contract for the publishing, sale and distribution of opinions, studies and documents prepared by the Board and that may be of interest for the citizens; Provided, that such publication, sale, and distribution shall be made simultaneously in at least three (3) communications media, to wit, paper, CD-ROM, or on-line access. Notwithstanding the above, the Board shall not charge the members of the Legislative Assembly, the Office of the Governor, and the Office of the Chief Justice of the Supreme Court of Puerto Rico, for said fees. Said publications may be given on consignment, in which case, the commission agreed upon between the Board and the consignee may be added to the cost of publication. If there are any intermediaries in the process of printing, promotion, marketing or distribution of said documents, they may participate in the net profits at the percentage agreed upon by the parties. To such effects, the Board may open any special accounts it deems necessary to classify the income, according to its source and purpose. In the event of consignment, the commission agreed upon by the Board and the consignee for such purposes shall be added to the cost of the publications. When there are intermediaries who participate in the production, promotion, marketing, distribution of the Board's products, among others, they may participate in the net profits of said sales at the percentage agreed upon by the parties to such effects. The moneys obtained from such sources shall be covered into a special fund in the name of the Planning Board. Said proceeds may be used by the Board to defray, among others, any costs needed for the production, printing, reproduction and distribution of publications, documents or studies owned by the agency. Said

proceeds may also be used to defray other nonrecurring expenses inherent to the duties of the Board, but not for payment of the agency's payroll. Prior to using the resources deposited in the special fund, the Chairperson shall submit annually, for approval by the Office of Management and Budget, a budget of expenses chargeable to said funds. Any remaining funds that, as of June 30 of each fiscal year, have not been used and obligated for the purposes of this Act, shall be retained in the Board to be used in subsequent fiscal years. The Chairperson of the Board shall not use the resources in this special fund in substitution for the appropriations from the General Fund of the Commonwealth of Puerto Rico. The resources covered into this special fund shall be accounted for in the books of the Secretary of the Treasury and kept separate from any other funds received by the Board from other sources, regardless of any specific financial year, in order to facilitate its identification and use. However, the Chairperson may distribute copies of said publications, documents, or studies, free of charge or at a reduced cost, to government organizations, universities, and public and private schools, upon request, as well as to any person, if in the judgment of the Board such distribution is necessary to foster the development of its programs; promote public understanding of the Integral Development Plan, the other important programs, plans, or studies, and of the planning problems in Puerto Rico, or to promote the other objectives of this Act. The Board shall establish, in the regulations adopted thereunder, the guidelines, and conditions that shall govern the free or low-cost distribution of such publications, documents, and studies. Special consideration shall be given to those petitions for publications filed with the Board by professors, students, and other persons devoted to education and/or research. Provided, that of the funds covered into the special fund herein created, from the income collected pursuant to the provisions of this Act, for Fiscal Year 2014-2015, the sum of five

hundred thousand dollars (\$500,000) shall be transferred to the ‘Legal Liability Fund.’”

Section 13.- Section 7 of Act No. 133 of July 1st, 1975, as amended, known as the “Puerto Rico Forest Act,” is hereby amended to read as follows:

“Section 7.- Forest Development Special Fund.-

All income accruing from any Commonwealth Forest or from any activity within the scope of this chapter shall be deposited by the Secretary of the Treasury in a special fund which shall be designated as the “Forest Development Special Fund” to be used by the Secretary of Natural and Environmental Resources for the improvement and development of the Commonwealth Forests in activities such as acquisition of forest land, reforestation and the establishment, extension and improvement of facilities for a better use of the forests and for passive recreation, and any others that are necessary or convenient for the best application and performance of this Act and achievement of its purposes. Provided, that for Fiscal Year 2014-2015, the sum of two hundred fifty thousand dollars (\$250,000) shall be transferred from this Fund to the ‘Legal Liability Fund.’”

Section 14.- Subsection (e) of Section 12 of Act No. 136 of June 3, 1976, as amended, known as the “Act for the Conservation, Development, and Use of the Water Resources of Puerto Rico” is hereby amended to read as follows:

“Section 12.- Fees.-

(a) ...

...

(e) The funds corresponding to the collection of the fees provided in this Section shall be deposited in a special account at the Department of the Treasury, known as the ‘Water Fund,’ in favor of the Department of Natural and Environmental Resources. Provided, that, for Fiscal Year 2014-2015, the sum of

one hundred thousand dollars (\$100,000) shall be transferred from this Fund to the ‘Legal Liability Fund.’

(f) ...
...”

Section 15.- The eighth paragraph of Section 13 of Act No. 45 of April 18, 1935, as amended, known as the “Compensation System for Work-Related Accidents Act,” is hereby amended to read as follows:

“Section 13.- Uninsured Employers.-

...
...
...
...
...
...
...
...

The Manager of the State Insurance Fund is hereby authorized to transfer from the Reserve Fund to the Uninsured-Employer Cases Fund up to the amount of five hundred thousand dollars (\$500,000), which amount shall be devoted to cover the costs of cases which on the date of approval of this act may be pending collection; Provided, That the total amount of the collections hereinafter made in cases of uninsured employers, paid chargeable to the funds herein authorized to be transferred, shall be reimbursed to the Reserve Fund; and provided, further, that there shall be maintained in the Uninsured-Employer Cases Fund, through transfer from the Reserve Fund when necessary, and subject to reimbursement, sufficient funds which at no time shall be less than fifty thousand dollars (\$50,000), for the

prompt payment of future cases of uninsured employers. Provided, that for Fiscal Year 2012-2013, the sum of twenty-four million dollars (\$24,000,000) shall be transferred from the Reserve Fund to the ‘2012-2013 Budget Support Fund.’ Provided, further, that for Fiscal Year 2013-2014, the sum of forty million dollars (\$40,000,000) shall be transferred from the Reserve Fund to the ‘2013-2014 Budget Support Fund’ in two installments of twenty million dollars (\$20,000,000) to be made on or before September 30th, 2013 and March 31st, 2014, respectively. Likewise, for Fiscal Year 2014-2015, the sum of fifteen million dollars (\$15,000,000) shall be transferred from the Reserve Fund to the ‘Legal Liability Fund.’

...
...
...
...
...”

Section 16.- Subsection (4) of Section 16 of Act No. 138 of June 26, 1968, as amended, known as the “Automobile Accident Social Protection Act,” is hereby amended to read as follows:

“Section 16.- Financing.-

- (1) ...
- (2) ...
- (3) ...

(4) Any receipts not required for the payment of claims and expenses shall be deposited in a Reserve Fund which shall be used exclusively for the payment of claims in subsequent years, in case that the claims incurred in any of the said years exceed the advanced claims upon determining the type of contribution. Provided, that for Fiscal Year 2012-2013, the sum of twelve million,

five hundred thousand dollars (\$12,500,000) shall be transferred from the Reserve Fund to the '2012-2013 Budget Support Fund.' Provided, further, that for Fiscal Year 2014-2015, the sum of ten million dollars (\$10,000,000) shall be transferred from the Reserve Fund to the 'Legal Liability Fund.'

(5) ...”

Section 17.- The Secretary of the Treasury is hereby directed to transfer the sum of one million dollars (\$1,000,000) in account number 273-0780000-081-2008 from the Department of Housing's accounting system to the "Legal Liability Fund," created under this Act. Said transfer shall be made immediately after the effective date of this Act.

Section 18.- Subsection (d) is hereby added to Section 6 of Act No. 144 of December 22, 1994, as amended, known as the "Act for the Speedy Attention of Public Safety 9-1-1 Emergency Calls" or "9-1-1 Calls Act," to read as follows:

"Section 6.- Distribution and Use of the Funds Collected for Charges to Telephone Subscribers.-

(a) ...

(b) ...

(c) ...

(d) Notwithstanding the provisions of this Section, for Fiscal Year 2014-2015, the sum of twelve million dollars (\$12,000,000) shall be transferred from the funds collected from charges imposed on telephone subscribers or any other income received by the Board on other accounts to the 'Legal Liability Fund.' Said transfer shall be made on or before five (5) days have elapsed from the approval of this Act."

Section 19.- The transfers provided in this Act shall be made on or before twenty (20) calendar days have elapsed from the approval of this Act, with the exception of the term established in Sections 22 and 23 of this Act.

Section 20.- The sum of eighty-four million dollars (\$84,000,000) from the Legal Liability Fund shall be allocated to the different government agencies itemized hereinbelow, to meet obligations relating to:

1.	Puerto Rico Police Department	
	a. For expenses related to the Police Reform as provided in the lawsuit of the U.S. Department of Justice and reengineering processes incidental to the reform, including procurement, professional services, technology, consulting services, and any other expense deemed pertinent and convenient for the Reform.	\$20,000,000
	b. For agreements related to the payment of retroactive salary benefits in the Puerto Rico Police that have the written consent of the Department of Justice.	\$16,000,000
2.	Allocations under the custody of the Office of Management and Budget	
	a. To satisfy judgments against the State.	\$5,000,000
	b. To satisfy judgments to different agencies.	\$4,058,000
	c. To comply with the payment of claims related to the operation of 330 Centers of ambulatory care.	\$22,500,000
	d. For the payment of the lawsuit in connection with unpaid overtime of the Department of Corrections and Rehabilitation or entities attached thereto.	\$6,942,000
3.	Department of Agriculture	
	a. To be transferred to the Milk Industry Regulating Office to incentivize Dairy Farmers, to promote milk price stability.	\$9,500,000
	Grand Total	\$84,000,000

Section 21.- The Secretary of the Treasury is hereby authorized to make temporary advances from any funds available in the Treasury of Puerto Rico to be applied to the allocations provided in Section 25 of this Act. The Secretary of the Treasury shall reimburse any temporary advance made from the first monies available in the Legal Liability Fund.

Section 22.- The funds appropriated in this Act may be matched with federal, state, and/or municipal funds.

Section 23.-Severability.-

If any clause, paragraph, subparagraph, article, provision, section or part of this Act were held to be unconstitutional by a court with jurisdiction, said holding shall not affect, impair or invalidate the remaining provisions of this Act. The effect of said holding shall be limited to the clause, paragraph, subparagraph, article, provision, section or part thereof thus held to be unconstitutional.

Section 24.- This Act shall take effect on July 1st, 2014.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 78-2014 (H. B. 1920) (Conference)** of the **3rd Regular Session** of the **17th Legislative Assembly of Puerto Rico**:

AN ACT to create the “Legal Liability Fund,” under the control and custody of the Office of Management and Budget and provide for the use thereof; allow the Fund to be nurtured from legislative, municipal, federal or private appropriations or of any other nature and the matching or combination thereof; amend Section 2 of Act No. 20 of April 9, 1976, as amended, in order to transfer the sum of sixteen million dollars (\$16,000,000) from the “Fund for the Investigation and Inspection of Financial Institutions and Gambling Casinos” of the Office of the Commissioner of Financial Institutions to the “Legal Liability Fund”; etc.

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, on this 18th day of September, 2015.

Juan Luis Martínez Martínez
Director