

(S. B. 330)  
(Reconsidered)

**(No. 2-2023)**

(Approved January 9, 2023)

## **AN ACT**

To amend Sections 3, 7, and 10 of Act No. 4 of October 11, 1985, as amended, known as the “Financial Institutions Commissioner’s Office Act,” in order to group and consolidate the powers, duties, and functions of the Puerto Rico Institute of Financial Education; provide for the transfer of all property, documents, unexpended balances of appropriations, items, and other funds in the possession and under the custody of the Institute in the Office of the Commissioner of Financial Institutions; repeal Reorganization Plan No. 5-2010, as amended, known as the “Reorganization Plan to Establish the Puerto Rico Institute of Financial Education”; and for other related purposes.

### **STATEMENT OF MOTIVES**

Act No. 122-2017, known as the “Act for the New Government of Puerto Rico,” declared as public policy the reduction of government spending and bureaucracy, ensuring that it is swift, efficient, and substantially improves the rendering of services to the people of Puerto Rico. To comply with said public policy, Act No. 122-2017 provides for the assessment of Government services in order to determine which ones may be consolidated and delegated to other sectors. Likewise, it declares as public policy to allow services that may be provided more efficiently by nonprofit entities, municipalities, or other entities, to be outsourced.

Consistent with the aforementioned public policy, in 2017, both the Executive and the Legislative Branches, began a complex study process on the operations of government agencies and enacted laws aimed at modernizing the government, reformulating the current bureaucratic model, and reducing spending in obsolete structures, eliminating redundancy, consolidating functions facilitating employee

transfers, merging several agencies, decentralizing services, and using technology to simplify processes and interconnect all agencies and public corporations, among other measures. The foregoing is done pursuant to the constitutional powers described in Article III, Section 16 of the Constitution of Puerto Rico, which provides that the Legislative Assembly shall have the power to create, consolidate, or reorganize executive departments and define their functions.

In light of the foregoing, and consistent with the public policy that seeks to reduce government spending and transform the Government into a swift, efficient, and less bureaucratic entity, as well as substantially improve the rendering of services to the people, it is crucial to approve legislation that groups and consolidates the functions, powers, and duties of the Puerto Rico Institute of Financial Education.

Essentially, this Act eliminates the bureaucratic obstacles inherently attached to the Puerto Rico Institute of Financial Education, which was created by virtue of Reorganization Plan No. 5-2010, as amended, and transfers all such responsibilities to the Office of the Commissioner of Financial Institutions (OCFI). Furthermore, it eliminates the work and organizational structure entailed by the creation and operation of the Institute and consolidates it into the position of the Commissioner of Financial Institutions. It is not necessary to create two parallel systems to manage personnel or equipment and materials when it all may be operated under only one organizational structure: namely, the OCFI.

In fact, we must stress that the Institute was created based on the provisions of the now-repealed “Act for the Reorganization and Modernization of the Executive Branch of the Government of Puerto Rico of 2009.” This Institute, as well as any public entity, is subject to being restructured if such restructuring implies that public spending is reduced and its functions are simplified and improved.

***BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:***

Section 1.- Section 3 of Act No. 4 of October 11, 1985, as amended, is hereby amended to read as follows:

“Section 3.- Purpose of the Office of the Commissioner.

The Office of the Commissioner of Financial Institutions shall be charged with the main responsibility of controlling and supervising the financial institutions that operate or do business in the Commonwealth of Puerto Rico, among its other functions provided in this Act.

The Office of the Commissioner of Financial Institutions shall be deemed an agency of public law and order for the sole purpose that it may compile and verify information that shall be obtained from and made available by the traditional agencies of public law and order of the Government of Puerto Rico on the criminal record of those persons of whom there is a need to evaluate said record for the discharge of the duties imposed by this Act, and other laws and regulations. In case that said information is in custody of state, federal, or foreign agencies of public law and order, the Office of the Commissioner of Financial Institutions shall also be recognized as such by the Government before said agencies, so that the information may be requested directly from the body in question. The information obtained through the inherent power herein granted shall be given by the Office of the Commissioner of Financial Institutions that degree of confidentiality given to said information by the investigative and public law and order agency that has furnished the same.

Furthermore, the Office of the Commissioner of Financial Institutions shall be responsible for establishing a unit within its organizational structure to form alliances for the financial literacy of the people of Puerto Rico. The duties of the Unit shall include: to conduct studies and establish the necessary mechanisms and tools that allow it to provide people of all ages with the educational resources and

consumer education on proper financial habits, such as savings and medium- and long-term financial planning, to face various situations and events, including, but not limited to the purchase of a home, family planning, children's education, retirement, and death.

Consistent with the foregoing, the Office of the Commissioner shall take measures as are necessary to ensure that the financial education tools are available to all the residents of Puerto Rico, including the most vulnerable populations, and that it is consistent with the vision of promoting a streamlined, modern, and flexible financial public policy that strikes a balance and ensures equality between the interests of the depositors, shareholders, investors, and users of financial services.”

Section 2.- Section 7 of Act No. 4 of October 11, 1985, as amended, is hereby amended to read as follows:

“Section 7.- Transfer to the Office of the Commissioner of Financial Institutions.

The following are hereby transferred to the Office of the Commissioner of Financial Institutions:

(a) ...

(b) ...

(c) ...

(d) All the functions, powers, and duties conferred to the Puerto Rico Institute of Financial Education, created under Reorganization Plan No. 5-2010, as amended, known as the ‘Reorganization Plan to Establish the Puerto Rico Institute of Financial Education,’ as well as all its property, documents, and operating budget approved in Program 1246 of the Puerto Rico Institute of Financial Education. Likewise, all authorized positions created under Reorganization Plan No. 5-2010 and the positions held by employees who shall maintain the privileges and vested

rights under Act No. 8-2017, as amended, known as the ‘Government of Puerto Rico Human Resources Administration and Transformation Act.’

(e) The Financial Education Division shall be created; provided, that the position of Director established under Reorganization Plan No. 5-2010 shall be reclassified to a position of Assistant Commissioner for Financial Education and Attention to the Community, to be appointed by the Commissioner.”

Section 3.- Section 10 of Act No. 4 of October 11, 1985, as amended, is hereby amended to read as follows:

“Section 10.- Powers of the Commissioner.

(a) ...

(b) ...

(c) The Commissioner, in connection with his or her responsibility of providing financial literacy to the people of Puerto Rico, shall have power and authority to:

(1) Facilitate access to information about financial products and sound practices for citizens to manage their personal finances adequately;

(2) Establish and develop programs geared to promote financial literacy in the various sectors of the population, namely: students in elementary school up to college students, parents and heads of household, low-income individuals, elderly persons, public and private sector professionals, and the adult and juvenile correctional population, among others;

(3) Carry out educational activities, campaigns, and strategies consistent with the objective of developing an effective financial culture in all persons, groups, sectors, and organizations within our society, including but not limited to, educational workshops for the groups of people listed in the previous paragraph, in conjunction with the corresponding government agency;

(4) Access technological mechanisms as are necessary to offer the appropriate and pertinent information to citizens of all ages, including a link conspicuously placed on the Government's Web Portal ([www.pr.gov](http://www.pr.gov)) and in the home pages of the websites of government agencies and entities, namely, the Department of the Treasury, the Department of State, the Department of Education, the Highway and Transportation Authority, the Socio-economic Development Administration of the Department of the Family, the Aqueduct and Sewer Authority, the Electric Power Authority, the Municipal Revenues Collection Center, the Department of Economic Development and Commerce, the Department of Consumer Affairs, and the Office of the Governor of Puerto Rico, among others;

(5) Conduct studies, surveys, interviews, and collect information in order to develop strategies and programs intended for the sectors of the population that are the subject of analysis, as the need is identified;

(6) Hold research and analysis forums with professionals of recognized competence and impartially in their fields to achieve the objectives of the Institute;

(7) Form partnerships with Government agencies, such as the Department of Education, the Department of Justice, and the Department of Corrections and Rehabilitation, as well as the Federal and state governments and, with the prior approval of the Secretary of State, with international government agencies. The Commissioner shall also form partnerships with community-based organizations, the University of Puerto Rico, and other universities, municipalities, the private sector, the financial industry, associations, foundations, and nonprofit organizations to encourage citizens to make informed financial decisions;

(8) Develop programs to inform, educate, and teach consumers, including students in elementary school up to college, about financial products and services, as well as for other related purposes;

(9) Establish educational priorities based on the fundamental principles of personal finance that citizens should know, in order to help them achieve their financial goals;

(10) Foster the development of public policy that promotes the dissemination of information resources to prevent, address, and help fight against financial fraud and its consequences;

(11) Prepare proposals to compete for national and international funding to enable the development of programs for the benefit of citizens;

(12) Create, offer, develop, sponsor, or co-sponsor activities such as: seminars, workshops, trainings, symposiums, or conferences relating to the implementation of the programs and objectives herein established;

(13) Collect reasonable fees or impose charges at the lowest possible cost for the distribution of educational materials or the rendering of services;

(14) Carry out activities, campaigns, and strategies to educate the people and the groups listed in paragraph (2) on the importance of developing and maintaining a positive credit history;

(15) Observe the Official Financial Literacy Month in April of each year and conduct a national campaign on the importance of financial education in all aspects of the lives of citizens. As part of the Official Financial Literacy Month, the Commissioner may conduct a general survey online to assess citizens' basic financial knowledge and publish on the agency's website the results of said survey not later than June 15 of each year;

(16) Collect data as necessary, in conjunction with the Puerto Rico Institute of Statistics, to ensure the generation of annual statistics on financial literacy in Puerto Rico, which shall be the official statistics the Commonwealth of Puerto Rico uses to measure the progress of this Act;

(17) Establish specific parameters to measure the attainment of the goals established in this subsection and ensure due compliance therewith; and

(18) File on August 30 of each year a report with the Governor and the Legislative Assembly about the activities carried out pursuant to this subsection. Said report shall include information on the actions, studies, and investigations conducted during the previous fiscal year.”

Section 4.- Reorganization Plan No. 5-2010, as amended, known as the “Reorganization Plan to Establish the Puerto Rico Institute of Financial Education,” as well as any law, standard of procedure, or rule that is inconsistent with the provisions herein is hereby repealed.

Section 5.- This Act shall take effect upon its approval.



## CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 2-2023 (S. B. 330) (Reconsidered)** of the **4<sup>th</sup> Regular Session** of the **19<sup>th</sup> Legislative Assembly of Puerto Rico**:

**AN ACT** amend Sections 3, 7, and 10 of Act No. 4 of October 11, 1985, as amended, known as the “Financial Institutions Commissioner’s Office Act,” in order to group and consolidate the powers, duties, and functions of the Puerto Rico Institute of Financial Education; provide for the transfer of all property, documents, unexpended balances of appropriations, items, and other funds in the possession and under the custody of the Institute in the Office of the Commissioner of Financial Institutions; repeal Reorganization Plan No. 5-2010, as amended, known as the “Reorganization Plan to Establish the Puerto Rico Institute of Financial Education”; and for other related purposes.

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

In San Juan, Puerto Rico, on this 7<sup>th</sup> day of December, 2023.

Mónica Freire-Florit, Esq.  
Director