

(S. B. 310)

(No. 19-2017)

(Approved April 4, 2017)

AN ACT

To amend Sections 1.2, 1.5, 2.1, 2.2, 2.3, 2.4, 2.5, 2.7, 2.10, 2.11, 2.12, 2.13, 2.16, 2.17, 2.18, 3.1, 3.2, 7.3, 7.4, 7.9, 8.1, 8.2, 8.3, 8.4, 8.5, 8.8, 8.8A, 8.10, 8.11, 8.13, 8.14, 9.1, 9.2, 9.5, 9.6, 9.7, 9.8, 9.9, 9.12, 13.1, 14.1, 14.2, 15.1, 16.1, 18.2, 18.7, 18.9, 18.10, 19.7; repeal Sections 2.3B, 2.8A, and 7.8 and renumber the subsequent Sections; repeal Sections 14.4, 14.5, and 14.6 and substitute them for new Sections 14.4, 14.5 and 14.6; add Sections 14.7, 14.8, 14.9, 14.10, 14.11, 14.12, 14.13; repeal Sections 8.15 and 8.16 and substitute them for new Sections 8.15 and 8.16; repeal Section 16.2; and add a Section 8.4A and Chapters VI and XI to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act”; amend subsection (d) of Section 10 of Act No. 8 of January 8, 2004, as amended, known as the “Sports and Recreation Department Organic Act”; amend Sections 13.008, 13.012 and 13.015 of Act No. 81-1991, as amended, known as the “Autonomous Municipalities Act”; amend Sections 1, 4, 5, 6, and 7 of Act No. 374 of May 14, 1949, as amended; amend Section 4 of Act No. 416-2004, as amended, known as the “Environmental Public Policy Act”; repeal subsection (31) of Section 11 of Act No. 75 of June 24, 1975, as amended, known as the “Puerto Rico Planning Board Organic Act”; amend Sections 3, 5, and 7 of Act No. 76-2000, known as the “Procedures for Emergency Situations or Events Act” for the purposes of simplifying and transforming the permitting process in the jurisdiction of Puerto Rico in order to provide it with certainty, reliability, efficiency, and stability; continue taking agreed upon actions directed at transforming Puerto Rico into a location that is open for businesses by improving the permitting process as it was stated by the Financial Oversight Board created pursuant to the Puerto Rico Oversight, Management, and Economic Stability Act, known as “PROMESA,” Pub. L. 114-187; order the Planning Board to revise and amend Land Use Plans; and for other related purposes.

STATEMENT OF MOTIVES

According to data provided by the U.S. Department of the Treasury, Puerto Rico is suffering a 14.6% economic contraction in the Gross State Product (actual GSP) and an additional 3% contraction over the next two years has been forecasted. For years, the Government of Puerto Rico has operated with a structural deficit that has been financed with bond issues and loans from the Government Development Bank. The Government has been lacking liquidity for over a year, and tax refunds, payments to contractors, pensioners' funds, and intra-governmental loans have been used as a substitute for sources of liquidity.

A divided government structure and obsolete government systems have impaired access to the Government's financial information as well as prevented us from making adequate predictions. Revenues are constantly overestimated and continue to decrease despite the imposition of many new taxes. The Government Development Bank has defaulted its obligations to bondholders since May 1, 2016, and is no longer fulfilling its duty to provide liquidity. Puerto Rico's obligations portfolio amounts to \$66 billion and includes 18 different issuers whose financial situation is precarious. Debt service amounts to an average of \$3.5 billion and uses over one-fourth of the sources of income. Retirement systems are practically insolvent with a \$50 billion debt. All of the foregoing is worsened by a decrease in population caused by the emigration wave that began in 2006 and has become one of the obstacles in our path to recovery.

Taking into account this dismal state of affairs, it is time to leave behind the philosophy of "*me vale*" [I couldn't care less], roll up our sleeves, and work hard for the welfare of Puerto Rico. It is our duty to build a new Puerto Rico and implement a public policy that does not rely on improvisation or manages the Island's finances on a year-to-year basis, but rather tackles the long-term fiscal imbalance between

the Government's revenues and spending. Our commitment under the "Plan for Puerto Rico" is to address these situations responsibly and restore the Island's credibility. We must look to the future and anticipate the challenges ahead, rather than simply survive one crisis after another. The leaders and officials of the components the Government of Puerto Rico should concentrate on balancing income and spending, reducing the level of government intervention in Puerto Rico's economy, and creating a competitive business environment governed by good faith, so that investors as well as local and foreign business people may lead the way towards economic recovery.

With the approval of Act No. 4-2017, known as the "Labor Transformation and Flexibility Act," this administration began to implement the reforms that shall make us more competitive to attract investment and create jobs. Through this legislation, we implement another great measure that, together with other reforms such as the tax and energy reforms, shall make Puerto Rico competitive in the 21st century.

The policies of the past led the United States Congress to adopt the Puerto Rico Oversight, Management, and Economic Stability Act of 2016, known as "PROMESA," delegating to a Finance Oversight Board (the FOB) the power to work with the Government of Puerto Rico to help us overcome the crisis we are currently facing. Our commitment is to work hand in hand with the FOB to push Puerto Rico forward. Thus, on December 20, 2016, the FOB requested that the Government of Puerto Rico's priorities include a plan and a commitment to implement significant changes directed to restoring economic growth through structural and fundamental reforms that create a more competitive economy and which include, among other things, **improving the permitting process in order to promote investment.**

In fact, Title V of PROMESA on the Infrastructure Revitalization of Puerto Rico established an expedited permitting process for projects defined as critical, using as a frame of reference the procedure established in Act No. 76-2000, as amended, known as the “Procedures for Emergency Situations or Events Act.” This shows that the intent of Congress was to establish an expedited permitting process to promote the infrastructure and economic development.

The analysis of Puerto Rico’s current situation has been observed by various international entities such as the World Bank and the World Economic Forum which provide indicators on the world’s economies and information on their position with respect to the combination of variables they analyze. With the goal of achieving greater competitiveness, it is important to observe models such as the one used in Singapore. In its 2017 report, the World Bank reported that the Singapore ranked second (2nd) among developed countries on ease of doing business, sixth (6th) on ease of starting a business, tenth (10th) on ease of obtaining building permits and electric power service, and second (2nd) on enforcing contracts. Conversely, Puerto Rico was ranked fifty-fifth (55th) among developed countries on ease of doing business; fifty-first (51st) on ease of starting a business; one hundred and thirty-first (131st) on ease of obtaining building permits; sixty-fifth (65th) on ease of obtaining electric power service; and ninety-seventh (97th) on enforcing contracts.

Taking into consideration the predicament in which we find ourselves, we must make decisions that allow us to move towards a future of stability and development. Puerto Rico requires a clear and consistent public policy geared towards transforming it into an attractive jurisdiction for promoting investments from small, medium, and large entrepreneurs and developers.

The development of any country must focus on planning that seeks to strike a balance between the economic and social sectors, as well as the organization of its physical space. One of the fundamental tools to achieve this balance is the permit

evaluation and processing system for development, as well as for land and property use. This system should facilitate the establishment of new sources of economic activity to create the society we envision.

Over the years, many laws have been enacted in Puerto Rico for the purpose of regulating land classification and zoning, and establishing the entities that would have the authority to evaluate, process, and adjudicate permit applications. The aforementioned legislation includes Act No. 75 of June 24, 1975, as amended, which created the Planning Board to promote the integral development of Puerto Rico in a coordinated manner, and entrusted it with the responsibility to make decisions regarding land use, through the promulgation of land classification and zoning plans, among others. In addition, by virtue of the now repealed Act No. 76 of June 24, 1975, the former Regulations and Permits Administration was created as the operational branch of the Planning Board which, at the time, administered the entire permitting process. Furthermore, upon the approval of Act No. 81-1991, as amended, known as the “Autonomous Municipalities Act,” the Central Government shared its duties under a new system based on decentralization by empowering the Planning Board and the Regulations and Permits Administration to delegate to the municipalities some of their authorities concerning land use and evaluation of permits. In 2009, Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” was enacted to provide Puerto Rico with a streamlined permit application, evaluation, and adjudication system and the Permit Management Office (OGPe, Spanish acronym) was created for such purposes.

This legal framework has resulted in Puerto Rico being regulated by a diverse and confusing set of plans and instruments, such as Territorial Ordinance Plans, Sector Plans or Special Plans, and a great number of regulations with different nomenclatures which currently regulate the permit application and evaluation process. At present, the state government and nineteen (19) Autonomous

Municipalities, together with their permit offices, all lack uniformity with regards to their documentation and the processes to gain access to information and process permit applications. All of this is made worse by a lack of direction towards the common goal that all government structures should promote, to wit: expanding economic activity, creating jobs, and ensuring sustainability.

Act No. 161-2009 proved successful in organizing the environmental evaluation procedures, which were previously delegated to various entities, including the Environmental Quality Board and agencies with the duty to comment on environmental impact. Duties concerning the environment and permit management are currently a matter of central importance for Puerto Rico. However, the implementation phase of Act No. 161-2009 was not completed. Thus, there is still a need to integrate and standardize, in a productive manner, all other government components concerned with permit management, such as the Autonomous Municipalities.

As a result of the foregoing, the permit evaluation and granting parameters lack uniformity and are disparate. This also led to the establishment of different and sometimes incompatible evaluation parameters and procedures in several of the Island's towns. It is therefore necessary to establish **uniform qualification and regulation districts** in Puerto Rico which, shall not only provide the permitting process with certainty and transparency, but also streamline it.

Moreover, it is critical that every application for permit and land use on the Island be processed through a single electronic system, thus ensuring that the permitting process is completely uniform, accurate, and streamlined. At this point in the 21st century, the digitalization of the information concerning permits and the land use cannot be postponed.

It is necessary to establish transparent governance mechanisms devoid of needless bureaucracy, and to promote understanding among all sectors of society. There is no doubt that Puerto Rico needs to refocus in order to demonstrate it is a viable investment and, to provide residents and visitors with an attractive quality of life that has the potential to develop a sustainable and consistent economic activity. Puerto Rico needs a government model that promotes measurable, concrete, and verifiable results in the short-, medium-, and long-term. This model is based on principles and values with parameters and premises that shall guide the implementation of strategies and initiatives. Such principles and values are:

- The economic development of Puerto Rico shall be based on the global principles of competitiveness, innovation, creativity, and sustainability.
- The Government shall be a facilitator of economic development by implementing real and concrete free market reforms that open our economy for a robust growth and job creation.
- The government structure must be cost-effective, efficient, and transparent.
- Public service must be based on integrity, excellence, responsibility and accountability.

The root cause of Puerto Rico's permitting process issues are well known. These causes are critical in the process and include, among others:

1. Excessive regulation and duplication in the case evaluation process at an internal and intergovernmental level;
2. Slow manual processing;
3. Excessive and burdensome documentation load;
4. Noncompliance with the established timelines;
5. Lack of effective oversight; and
6. Uncertainty in and lack of trust in the process.

It is a well-known fact that shortcomings such as excessive regulations, a lack of uniformity, and a complex permit application evaluation processes discourage investments and cause countless economic losses. We seek to overcome the aforementioned shortcomings in order to create an attractive environment in Puerto Rico that promotes the development of all types of projects.

Overcoming these deficiencies requires the establishment of a cost-effective, predictable, and accurate permitting process capable of committing human resources, materials, time, and effort commensurate with the size and potential impact of the proposed actions, activities, and projects.

The transformation of the permitting process shall allow us to:

- Maximize investment opportunities and economic activity;
- Protect the environment;
- Maintain and improve our infrastructure;
- Promote Puerto Rico's economic development by creating a productive synergy between the private and the government sectors;
- Facilitate the attraction of top talent and the collaboration between the government and the private sector in order to promote Puerto Rico as an investment destination and an export center.

The time savings achieved by centralizing the permitting process in OGPe, although positive, did not change the fact that it is a permit system where multiple government actors are involved.

This Administration is committed to establishing a government structure that significantly reduces government spending and substantially improves its functions. In order to achieve this, the permitting process must be streamlined for all activities, actions, and projects that, individually and as a group, shall contribute to our economic development whether these are from local entrepreneurs or foreign

companies, or from a small businesses or an entity that is part of a multinational network. This while ensuring compliance with the federal and local environmental standards in effect in order to safeguard the public health, safety and welfare.

Furthermore, it is of utmost importance to provide the permit system with a professional and highly trained structure. Likewise, the judges who review these cases must be trained individuals capable of hearing such cases promptly and swiftly. Thus, specialized parts in the Court of Appeals are hereby created to hear these cases and the Judicial Branch is hereby recommended, with due respect to its constitutional power, to establish a random system or method for selecting judges in order to provide the process with transparency and trustworthiness.

In fact, a random system had been legislated previously in Act No. 78-2011 and the Supreme Court endorsed it in In re: Disposiciones del Código Electoral de Puerto Rico para el Siglo XXI [Provisions of the Puerto Rico Election Code for the 21st Century], 2012 T.S.P.R. 7. On that occasion, in order to provide the system for selecting the judges who shall hear election-related cases with trustworthiness, the Supreme Court, en banc, implemented a simple random selection system with a replacement option in order to: “(1) to make an unbiased selection, and (2) ensure that when making multiple consecutive selections, the different individuals that compose the group from which the selections are made have the same probability of being selected.” *Id.*, p. 2. In the words of the Court, this was done “to comply with the provisions of the Puerto Rico Election Code.” *Id.*, p. 3. We recognize the constitutional power of the Supreme Court to designate judges to different parts.

The Journal of the Constitutional Convention contains all the statements included in the Report submitted by the Committee on the Judicial Branch discussing the scope of the term “administration” in regards to the Judicial Branch, which includes without excluding other functions: 1) compiling statistics; 2) rent premises; 3) granting vacation and other leaves to officials and employees; 4) investigating

complaints and pressing charges against officials and employees before the competent authority; 5) authorizing disbursements provided by law and examining the accounts of all the courts; 6) designating and transferring judges; 7) adopting regulations for the different courts; and 8) superintending the courts.¹ *See*, Journal of the Constitutional Convention of Puerto Rico 2613 (1961). *See also*, R.L. Rosario Cortés & J.E. Adames Ramos, Administración de la Rama Judicial en Puerto Rico: ¿Delegación Exclusiva o Compartida? [The Administration of the Judicial Branch of Puerto Rico: A Delegation that is Exclusive or Shared?], 82 Rev. Jur. U.P.R. 909, 922 (2013). In fact, it is this Act which recognizes the Supreme Court's authority to designate judges and superintend the courts; therefore, the Legislative Assembly cannot arrogate to itself said power. However, the Legislative Branch can recommend to its sister Judicial Branch a procedure to follow for the designation of judges and the for the creation of special courts to hear certain types of cases.

Thus, it is hereby recommended to the Judicial Branch to adopt a random judge selection method for the two special panels that shall hear all judicial review cases under in this Act. Said judges shall remain in the panels to which the Judicial Branch shall assign them for regular cases by judicial region, but shall give priority to the cases assigned to the special court recommended herein. Moreover, the Government of Puerto Rico Human Resources Administration and Transformation Office, created pursuant to Act No. 8-2017, is hereby directed to develop workshops and panel discussions on this measure in order to professionalize the judges selected through the random selection mechanism. All of this shall provide the permitting system with trustworthiness, professionalism, and transparency, thus making it attractive for investment and, therefore, the Island's economic recovery.

¹ *See*, In re Aprobación de las Reglas para los Procedimientos de Investigaciones [Approval of the Rules for Investigation Procedures], 184 D.P.R. 575, 584 (2012) in which the Supreme Court states that the word "superintend" means to inspect, oversee, and govern.

This measure renders the process of compensating and operating businesses, and promoting investment more efficient and effective through changes incorporated to the permitting system. This makes Puerto Rico more competitive as a jurisdiction and makes the Government and its permitting process more responsive to our goal of creating a streamlined government that addresses the needs of the People, and capable of generating the economic activity that Puerto Rico needs to overcome the fiscal and economic predicament in which it finds itself. Likewise, by promulgating this Act, the current Administration reiterates its firm commitment to and interest in providing Puerto Rico with mechanisms that streamline the permitting process for the development and use of properties, thereby promoting the economic activity on the Island.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.- Section 1.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 1.2.- Declaration of Public Policy.

The Government of Puerto Rico hereby adopts as its public policy the improvement of the quality and efficiency in the administration of processes related to the evaluation of applications for the granting, authorization, or denial of licenses, inspections, complaints, certifications, consultations, authorizations, and any transaction that is necessary or that otherwise affects the operation of a business in Puerto Rico, as well as final determinations and permits for the development of construction projects. As part of such public policy, it is of vital importance to ensure the transparency, reasonableness, reliability, and streamlining of the evaluation process whereby final determinations and permits are granted or denied and recommendations are issued. The processes for evaluating, granting, or denying, licenses, inspections, complaints, certifications, authorizations, final determinations and permits are most highly vested in public interest, for they constitute instruments

for economic development, and as such, they are indispensable for the creation of jobs and the betterment of the services rendered to the people, as well as for the enjoyment of a better quality of life. All of this is to be achieved while ensuring strict compliance with laws and regulations and being guided by the main objective of enabling our integration into the competitive stream which contemplates the fullest sustainable economic, social and physical development of the People of Puerto Rico. This Section is consistent with the constitutional provisions set forth in Article II, Section 7 and Article VI, Section 19 of the Constitution of Puerto Rico. Nevertheless, none of the provisions of this Act shall be interpreted as amending, repealing, or modifying the public policy of the Government of Puerto Rico on the Island Municipality of Culebra pursuant to the provisions of Act No. 66 of June 22, 1975, as amended. No government entity shall issue a permit, endorsement, or document in violation of the provisions of Act No. 66 of June 22, 1975, as amended.”

Section 2.- Subsections 14, 21, 22, 23, 26, 31, 38, 57, 63, and 72 are hereby amended; and subsections 30A, 53A, 57A, 59A, and 62A are hereby added to Section 1.5 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act” to read as follows:

“Section 1.5- Definitions.

For the purposes of this Act, the following terms shall have the meaning stated below, except when the text indicates otherwise:

1) ...

...

14) ‘Site Consultation’- The procedure before the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy to which said power has been delegated through the Transfer Agreement, to evaluate, pass judgment, and make the appropriate determination on proposed land uses that are not ministerially permitted and that cannot be considered through another

mechanism. In non-qualified areas, it includes proposed land uses that, given their nature and complexity, require a greater degree of analysis.

...

21) ‘Final Determination’- An action, resolution, report, or document that contains an agreement or decision issued by the Planning Board, the Executive Director, the Administrative Judge, the Autonomous Municipality with I to V Granted Hierarchy or an Authorized Professional, or a Concerned Government Entity, whereby any issue under their consideration is definitively decided or any other similar determination is made as provided in the Joint Regulation. The determination shall become final and binding once the corresponding periods for review have elapsed. In the case of site consultations, a final determination is not tantamount to the granting of a permit.

22) ‘Environmental Compliance Determination’- For purposes of this Act, any determination from the Executive Director of the Permit Management Office or the Adjudicatory Board as part of a final determination, certifying that the proponent agency has met the substantive and procedural requirements of Section 4(B)(3) of Act No. 416-2004, as amended, known as the ‘Environmental Public Policy Act’ and other applicable regulations.

23) ‘Environmental Compliance Determination under a Categorical Exclusion’- For the purposes of this Act, a determination from the Authorized Professional or the Director of the Permit Management Office as part of a final determination certifying that the action, activity, or project proposed does not require any further environmental planning action since it is classified as a categorical exclusion. Categorical Exclusions shall be all those actions thus determined by the Environmental Quality Board through regulations, order, or resolution promulgated to such effect. As part of the application for an Environmental Compliance Determination under a Categorical Exclusion, the permit applicant shall certify in

writing, under oath, and subject to the penalties imposed by this Act and by any other state or federal laws, that the information furnished in the application is true, correct, and complete and that the proposed action qualifies as a categorical exclusion.

24) ...

...

26) ‘Discretionary’- Describes a determination that requires the subjective judgment of the Adjudicatory Board, the Executive Director, or an Autonomous Municipality with I to V Granted Hierarchy, on the manner in which an activity or action is carried out or proposed. They apply their specialized knowledge, and exercise discretion and judgment to make their determination, since such determination takes into consideration other matters in addition to the use of permanent standards or objective measures. The Executive Director or the Autonomous Municipality with I to V Granted Hierarchy may resort to discretionary subjective judgments when deciding whether an activity should be conducted or how it should be conducted.

27) ...

...

30A) ‘Startup Company’ or ‘Business Incubator’- Emerging companies that may begin their operations in residential spaces without lessening the property’s main purpose as a residence. That is, their inventions or services are marketed and directed at their customers very effectively and have great potential for growth without changing the context of the surroundings or the structure.

31) ‘Concerned Government Entities’- Refers to the Planning Board; the Environmental Quality Board; the Public Service Commission; the Electric Power Authority; the Highways and Transportation Authority; the Department of Natural and Environmental Resources, the Aqueduct and Sewer Authority; the General Services Administration; the Telecommunications Regulatory Board; the

Department of Transportation and Public Works; the Trade and Export Company; the Industrial Development Company; the Tourism Company; the Institute of Puerto Rican Culture; the Department of Agriculture; the Department of Health; the Department of the Treasury; the Department of Consumer Affairs; the Department of the Family; the Firefighters Corps; the Puerto Rico Police; the Department of Housing; the Sports and Recreation Department; the Solid Waste Authority; the Department of Education; the Ports Authority; the Horse Racing Sport and Industry Administration; the Commonwealth Historic Preservation Office; and the Commonwealth Energy Public Policy Office, collectively, as well as any other agency or instrumentality as the Governor may determine through Executive Order that has jurisdiction over the process of evaluating applications for land development and use, consultations, permits, licenses, certifications, authorizations, or any other transaction for the operation of a business in Puerto Rico or is directly or indirectly related to such operation.

32) ...

...

38) 'Digital Files' or 'Digital Records'- Every document or material related to a specific matter that is or has been under the consideration of the Permit Management Office, an Authorized Professional, an Authorized Inspector, a Concerned Government Entity, or an Autonomous Municipality, as applicable, that has not been declared as material statutorily exempt from disclosure. Digital files or digital records shall be made available through the Unified Information System.

39) ...

53A) 'Permit Auditor'- The Planning Board official that directs the Audit and Permit Division. Said official is appointed by the Chair of the Planning Board.

...

57) ‘Permit’- A written approval authorizing the commencement of an action, activity, or project issued by the Permit Management Office or an Autonomous Municipality with I to V Granted Hierarchy, or by an Authorized Professional pursuant to the provisions of this Act, and for which no licenses, inspection certificates, or certifications are included;

57A) ‘Building Permit’- A consolidated procedure that includes one or more of the following activities: construction, reconstruction, remodeling, demolition, or urbanization works.

...

59A) ‘Single Permit’- A permit to start or to continue the operation of a business, construction, and/or incidental activity, which consolidates the permits, licenses, authorizations, or certifications, to be issued by the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, as provided in Chapter VIII of this Act.

60) ...

...

62A) ‘Preauthorization’- A transaction carried out before the Permit Management Office, a Concerned Government Entity, or an Autonomous Municipality with I to V Granted Hierarchy applicable to ministerial procedures, or when there is an approved consultation in which the preliminary plans, connection points, and recommendations are evaluated. A preauthorization does not constitute an authorization for the commencement of a construction or demolition. This transaction shall not be mandatory for obtaining a building permit or a development permit, but may be used for any legal purpose.

63) ‘Pre-application Meeting’- An orientation that, if requested, shall be given by the Permit Management Office, a Concerned Government Entity, or an Autonomous Municipality with I to v Granted Hierarchy prior to the filing of an

application for a proposed project. The statutory and regulatory provisions applicable to the proposed action, activity, or project, as well as the information that must be submitted by the applicant in accordance therewith, shall be identified in the pre-application meeting.

64) ...

...

72) ‘Recommendation’- A non-binding written communication from a Concerned Government Entity, Municipality, Permit Manager, Director of the Environmental Compliance Evaluation Division, and Permit Official, as applicable, on a proposed action stating only whether or not such action is consistent with the applicable laws and regulations under its jurisdiction; such a communication shall not be tantamount to an authorization for the construction of works.

73) ...

...”

Section 3.- Section 2.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.1.- Creation.

The Permit Management Office is hereby created.”

Section 4.- Section 2.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

Section 2.2.- Appointment.

The Permit Management Office shall be under the direction and supervision of an Executive Director appointed by the Governor with the advice and consent of the Senate. In the discharge of his functions, the Executive Director shall be directly accountable to the Governor. The compensation of the Executive Director shall be fixed by the Governor, taking into consideration the compensation established for the Secretaries of the Executive Departments. The Executive Director may appoint

up to three (3) Assistant Executive Directors, to whom he may delegate such functions as he may deem necessary, pursuant to this Act. The Executive Director and the Assistant Executive Directors shall be persons of recognized ability, knowledgeable and experienced in the permit processing field. At least one (1) of these officials shall be a Professional Land Surveyor, an Architect, an Engineer, or a Planner. The Executive Director shall designate one (1) of the Assistant Executive Directors as the Assistant Executive Director of Building and Infrastructure who, in the absence or temporary disability, death, resignation, or removal of the Executive Director, shall discharge the functions and duties of the Executive Director as Acting Executive Director, until the Executive Director resumes office or his substitute is appointed and takes office. In the event that both officials are temporarily absent or their offices become vacant simultaneously, the Governor shall appoint an Acting Executive Director until he formally appoints a substitute for the Executive Director.

Furthermore, the Executive Director shall appoint Regional Directors, who shall administer the regional permit management offices pursuant to the functions assigned by the Executive Director and the Joint Permit Regulation. Regional Directors shall be Professional Land Surveyors, Architects, Engineers, or Planners, and be persons of recognized ability, knowledgeable and experienced in the permit evaluation and processing fields. In the event of absence or temporary disability, death, resignation or removal, the Executive Director shall appoint an Acting Regional Director until his substitute is appointed and takes office.”

Section 5.- Subsections (e), (g), (t), (z), (aa), (bb), (cc), (hh), (pp), and (qq) are hereby amended; current subsections (ll), (mm), and (nn) are hereby repealed; and current subsections (oo), (pp), (qq), and (rr) are hereby renumbered as subsections (ll), (mm), (nn), and (oo) of Section 2.3 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.3.- Authorities, Duties, and Functions of the Executive Director.

The general authorities, duties, and functions of the Executive Director shall be the following:

(a) ...

...

(e) To sign, issue, and notify determinations of environmental compliance, the adjudication of final determinations and ministerial permits, or such discretionary matters delegated by the Adjudicatory Board, and any other transaction that is necessary or that otherwise affects the operation of a business in Puerto Rico, or any communication required under this Act;

(f) ...

(g) To establish the entire organizational structure, as provided in this Act, as necessary for the proper operation of the Permit Management Office, including sharing administrative components or resources with the Agency with which the Executive Director has entered into an agreement whenever practicable, and adopt and keep the Building Codes to be used within the jurisdiction of the Government of Puerto Rico;

(h) ...

...

(t) At any time, he may correct, *motu proprio* or at the request of an interested party, such typographical or grammatical errors or other inadvertent and rectifiable errors or omissions contained in final determinations and permits issued, pursuant to such requirements as may be established by regulation;

...

(z) To evaluate and adjudicate final determinations and ministerial permits and such discretionary matters delegated to him by the Adjudicatory Board as well

as any transaction that is necessary or that otherwise affects the operation of a business in Puerto Rico;

(aa) To establish the Single Permit of the Permit Management Office, which shall encompass every permit, license, authorization, or certificate required by law or regulations to be accessible to the general public in any establishment, business, or site, and adopt the corresponding regulations for such purposes. The Executive Director may fix the effective period of the Single Permit and establish the fee or charge for the issuance thereof;

(bb) In those cases in which a recommendation is not issued by the Permit Management Office, the Executive Director shall establish a period which shall not exceed thirty (30) days within which the Concerned Government Entities shall issue their recommendations. If the recommendation is not issued within the established period, the Executive Director, together with the Permit Official of the Concerned Government Entity, shall issue the recommendation based on all of the information available in the record within a period not to exceed fifteen (15) additional days. Once the Executive Director issues a recommendation, the Concerned Government Entities may not challenge it, for having failed to issue the corresponding recommendation within the period established therefor. The Executive Director may not issue a recommendation and shall take any and all necessary measures to ensure that the Concerned Entities appear and issue their recommendations regarding every land classified as Specially Protected Rural Land and in special flood hazard areas as designated by the Federal Emergency Management Agency (FEMA) when circumstances that endanger the health and security of the population or adversely affect the integrity of the environment and natural resources, or in matters regarding system capacity in Rural Lands, which require the highest possible degree of interdisciplinary evaluation and collection of necessary and pertinent data thereby

recognizing the prevention principle directed at preventing irreversible or serious damage;

(cc) To evaluate and adjudicate land subdivision, construction, and use variances that have been delegated to him by the Adjudicatory Board;

(dd) ...

...

(hh) To Chair the Adjudicatory Board;

(ii) ...

...

(ll) ...

(mm) To evaluate and adjudicate discretionary matters that have been delegated to him by the Adjudicatory Board;

(nn) To evaluate and authorize land subdivisions. The Permit Management Office shall grant authorizations for land subdivision, thus, it shall submit for the Planning Board's approval, the pertinent regulatory provisions, which shall govern land subdivisions, as such term is defined in this Act, to be included in the Joint Regulation.

Upon adopting regulatory provisions and considering land subdivisions into lots, the Permit Management Office shall use as guidance the Puerto Rico Integral Development Plan, the Four-year Investment Program, and Land Use Plans, the provisions of this Act and those of the Planning Board on land division and subdivision, and any others, to the extent applicable, as well as the following rules:

(a) Convenience of avoiding subdivisions in areas that are not ready for such type of development due to: a lack of infrastructure, such as roads or highways with adequate capacity, water, electricity, and sewerage; the distance from other developed areas to prevent isolated developments and, otherwise, promote compact developments; the agricultural significance and exceptional beauty of the land; flood

susceptibility; other similar social, economic, and physical deficiencies; (b) when the special characteristics of any sector within the limits of which an authorization for land subdivision or building or use permit has been requested, prevent the application of the regulatory provisions established for said zone or render the approval of such project undesirable due to factors such as health, security, order, defense, economy, population density, lack of public infrastructure or improvements, a more adequate use of the land, or environmental, aesthetic or exceptional beauty conditions, the Permit Management Office may deny the authorization for such project or permit in seeking to protect the general welfare and taking into account the above factors as well as the recommendations of Concerned Government Entities. In the exercise of such authority, the Permit Management Office shall take any measures as are necessary to prevent the use thereof for the purpose of circumventing regulatory provisions if there are no special circumstances that so warrant. In these cases, the Permit Management Office shall hold public hearings, following the procedure established in this Act, before reaching a decision on the submitted project or requested permit. The Permit Management Office shall deny said application while unfavorable conditions for the project or permit exist, even if the project in question is included among those allowed for the area under the Planning Regulations in effect. Moreover, the Permit Management Office shall state in writing the reasons for denying a permit for a project and a copy thereof shall be attached to the notice of determination given to the applicant. The use of variance mechanisms in subdivisions with the intent to make feasible or create housing developments that would otherwise require a site consultation is hereby prohibited.

The Executive Director may delegate any function or authority conferred on him under this Act, except for authorities conferred under this Section and Sections 2.6, 2.9, 2.15, and 2.18 of this Act, on the regional offices or any other

officials under his authority, pursuant to the provisions of the applicable laws and regulations.

(oo) ...”

Section 6.- Section 2.3B is hereby repealed; and Sections 2.3C, 2.3D, 2.3E, and 2.3F are hereby renumbered as 2.3B, 2.3C, 2.3D, and 2.3E of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act.”

Section 7.- Section 2.4 of Act No. 161-2009, known as the “Puerto Rico Permit Reform Act,” is hereby amended to read as follows:

“Section 2.4.- Minimum Operational Divisions or Components.

The organizational structure of the Permit Management Office may incorporate the following operational divisions, units, or components:

- (a) An Office of the Clerk and Customer Service;
- (b) Environmental Permits;
- (c) Health and Safety;
- (d) Infrastructure;
- (e) Authorized Professionals, Authorized Inspectors, Licensed Professionals Accreditation Division.
- (f) Use Permits;
- (g) Construction and Energy Conservation;
- (h) Consultations and Variances;
- (i) Administrative Reviews;
- (j) Environmental Compliance Evaluation;
- (k) Any other operational division, unit, or component that the Permit Management Office deems necessary to discharge its duties under this Act. Likewise, for the purpose of joining, saving, and preventing the duplication of resources, the Executive Director may consolidate, in whole or in part, the

operational units or components described above with other components, offices, or units of the Concerned Government Entities.”

Section 8.- Section 2.5 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.5.- Authority to Evaluate and Grant or Deny Final Determinations, Permits, and any Transaction that is Necessary or that Otherwise Affects the Operation of a Business in Puerto Rico.

As of the effective date of this Act, the Permit Management Office, through its Executive Director, the Authorized Professionals, the Authorized Inspectors, and any other person authorized by law, or any person to whom the Executive Director of the Permit Management Office delegates such authority, as applicable, shall issue final determinations, permits, licenses, certifications, including fire prevention certifications, authorizations, and any transaction that is necessary or that otherwise affects the operation of a business in Puerto Rico as provided by the Joint Permit Regulation, environmental health certificates directly or indirectly related to the development and use of land or structures that, before the approval of this Act, were evaluated and issued or denied by the Concerned Government Entities under their enabling acts or other special laws, and which shall be included in the Joint Permit Regulation. Likewise, Autonomous Municipalities with I to V Granted Hierarchy may issue final determinations and permits, in accordance with Sections 1.3 and 18.10 of this Act. Applications for permits, certifications, or licenses that fall under the Regulations of the Concerned Government Entities, shall hereinafter be evaluated by the Permit Management Office and the Authorized Professionals, as applicable, and as provided in the Joint Regulation, including those pertaining the location or parameters of the use. As for the Excavations, Demolitions, and Piping Directorate of the Department of Transportation and Public Works, the Permit Management Office shall serve as the center for filing the required notice. The

Permit Management Office or the Adjudicatory Board, as the case may be, shall evaluate and issue licenses and final determinations on consultations of use variance, construction, and site consultations, including those for public improvements and those that have a regional or supraregional impact. Changes of classification or direct reclassification of lots and transactions involving public land, shall be evaluated by the Planning Board, which shall issue the final determination.”

Section 9.- Section 2.7 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.7.- Unified Information Systems.

The Permit Management Office shall have a computerized unified information system whereby: (a) applications for the development, construction, and use of properties in Puerto Rico, such as licenses, permits, inspections, complaints, certifications, consultations, and authorizations, as well as any transaction necessary for, or that otherwise affects the operation of a business in Puerto Rico shall be evaluated and processed. Likewise, any application for license, permit, or inspection, the filing of complaints, certifications, consultations, authorizations, and any other transaction necessary for the operation of a business to be evaluated by the Planning Board, the Autonomous Municipalities with I to V Granted Hierarchy, the Authorized Professionals and Authorized Inspectors, the Concerned Government Entities, or any other instrumentality with direct or indirect jurisdiction over the operation of a business in Puerto Rico shall be filed, processed, and evaluated using the Unified Information System; (b) the Unified Information System may use, free of charge, the contents of all the databases, whether these are from the Permit Management Office, the Planning Board, and the Autonomous Municipalities for processing applications, as well as any other database of the Government of Puerto Rico and its instrumentalities that contains pertinent and useful information for the evaluation of said applications; (c) a person filing an application under this Act, or

any other related law, shall submit all the documents required for the processing of his application electronically through the single portal for electronic processing. Citizens shall have access to any non-confidential information contained in the Unified Information System regarding the applications submitted for the consideration of the agencies, the municipalities, and the Authorized Professionals and Inspectors; (d) the Unified Information System shall comply with any legal provisions applicable to public documents and electronic signatures, among others; e) the Permit Management Office and the Planning Board shall establish clear and updated operational guidelines, and internal mechanisms as appropriate to issue final determinations, licenses, fines, certifications, authorizations, recommendations, permits, and other matters under their jurisdiction in the most efficient and streamlined manner possible using the technology of the Unified Information System; and f) the Unified Information System shall allow for the collection of fees, as appropriate, for transactions related to: permits, consultations, licenses, certifications, authorizations, filing fees, information searches, copies of public documents, fines, research, or inspections, among others.

The Unified Information System shall provide for all business procedures to be carried out from the single portal in order to process those transactions, authorizations, payment of excise taxes, licenses, license taxes, and any other document or transaction required by the agency, government instrumentality, or municipality. The Unified Information System shall provide for all payments and fees corresponding to the Autonomous Municipalities with I to V Granted Hierarchy to be deposited directly in their municipal coffers without entering the General Fund or Special Fund of the Government of Puerto Rico; therefore, such funds shall not constitute available resources of the State Treasury. The Unified Information System shall establish its terms and conditions of use electronically, whether it is by the concerned agencies, government instrumentalities, or municipalities. The

Comptroller of Puerto Rico shall accept such terms and conditions of use as contractual relationship between the parties.”

Section 10.- Section 2.8A of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed.

Section 11.- Section 2.10 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.10.- Construction Plans Stamps and Filing Fees.

As of the effective date of this Act, applicants shall pay the fees to be prescribed by regulations upon the filing of any construction plans and amendments thereto with the Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy, or an Authorized Professional. Authorized Professionals shall remit the payment made by the applicant to the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, as applicable, within a period not to exceed twenty-four (24) hours. Such payments shall be made through the methods or mechanisms established by the Permit Management Office. A certified document to such effect shall include a cost estimate of the construction work stated in the plans thereof and if, the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, as applicable, find that the cost estimate of the work included in the certified document was lower than the actual cost estimate upon the completion of the work or the cost estimate calculated by such agencies, as appropriate, and through an order to such effects, shall require the applicant to pay the corresponding fees according to the cost thus determined. Furthermore, whenever the final cost of a construction work exceeds its cost estimate, the applicant shall pay the fees and additional stamps, either affixed and cancelled, or in digital format, for the difference. Any instrumentality of the Government of Puerto Rico, its municipalities, and the federal government, if applicable, shall pay twenty-five percent (25%) of the applicable fees under this

Section, except as otherwise provided under a specific legal requirement and the applicant either attests so in writing to the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, as appropriate. No public works directly or indirectly involving private investment or contracting shall be exempt; therefore, fees shall be paid as provided in the Joint Regulation. Furthermore, the corresponding professional stamps shall be cancelled as provided in Act No. 319 of May 15, 1938, as amended; Act No. 96 of July 6, 1978, as amended; Act No. 249-2003, as amended, and this Act, according to the cost of the work, except for those corresponding to any public works conducted for and by any instrumentality of the Government of Puerto Rico, its municipalities, and the federal government, which do not involve private investment or contracting either directly or indirectly. If said plans, documents, certifications, or other works were related to public works and drafted, as applicable, by land surveyors, architects, engineers, or Authorized Professionals who are public employees of any municipality, department, or similar entity of the Government of Puerto Rico, they shall be exempt from the payment of stamps, either affixed and cancelled or in digital format. It shall be understood that surveyors, architects, engineers, or Authorized Professionals, shall not be deemed to be public employees for the purposes of this exemption when, in drafting documents for public works, according to the powers vested in them by their respective colleges and licenses, they act as independent professionals, advisors, or consultants engaged in private practice and whose compensation is based on the payment of fees.

The Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy may request the owner, proponent, applicant, project designer, developer, or contractor, bank or financing entity, whether public or private, evidence of the final cost of the project to verify increases in the final construction cost for the purpose of imposing fees and stamps for the increase in the cost of the

work. If the information is not provided, the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy may use experts to estimate the final construction cost of the project in question. Failure to submit any of the declarations or documents required to verify the information furnished, or knowingly furnishing false information on the cost estimate of the work, as well as failing to make the final payment of fees and stamps shall entail the imposition of different penalties, to wit:

1. Administrative Penalty: When it is determined that the applicant has engaged in any of the aforementioned acts, the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy shall issue a notice of collection of additional fees and stamps, as appropriate, and impose an administrative penalty equal to double the original amount of fees and stamps imposed plus the corresponding interest. The applicant shall be entitled to request review by the Administrative Review Division of the penalty and interest imposed; thus, the owner of the project shall pay the additional fees and stamps imposed before challenging the penalty or the interests imposed. In this case, the payment of the penalty and interest shall be made upon the ratification of the determination by the appropriate forum.

2. Criminal Penalty: Any person who willfully, intentionally, and maliciously refuses to furnish the requested information, or intentionally furnishes false information with respect to the final cost of the project in any declaration, in addition to and regardless of any other applicable administrative or criminal provision, said person shall be guilty of a misdemeanor, and upon conviction, punished by a fine not to exceed five hundred dollars (\$500), or by imprisonment for not more than six (6) months, or both penalties at the discretion of the Court.”

Section 12.- Section 2.11 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.11.- Agreements and Reimbursements.

The Permit Management Office may enter into agreements with any other entity of the Government of Puerto Rico, its municipalities and public corporations, cooperatives, private entities, and the federal government, in order to procure or render professional or other services, and to procure or provide facilities to fulfill the purposes of this Act. Such agreements shall specify the services and facilities to be procured or provided and the reimbursement or payment for such services or facilities. The Permit Management Office may entrust any department, agency, bureau, division, authority, instrumentality, entity, or political subdivision of the Government of Puerto Rico with conducting any study or research or any stage or part thereof, and performing any other kind of work as necessary to discharge its functions.”

Section 13.- Section 2.12 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.12.- Main Office and Regional Offices.

The Executive Director shall establish Regional Offices as deemed necessary to achieve the purposes of this Act. However, if the caseload so allows, one regional office may serve more than one (1) region. The Executive Director may eliminate or relocate regional offices. The Main Office of the Permit Management Office shall be located in San Juan and shall at the same time operate as the Regional Office serving the metropolitan area.”

Section 14.- 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 Permit Management Office shall be deposited in 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 Permit Management Office, of which any surplus over ten (10) percent of the budget approved for such year shall be transferred to the General Fund of the Treasury of Puerto Rico at the end of said fiscal year, upon notice to the Office of Management and Budget of the Government of Puerto Rico.”

Section 14-A.- Section 2.16 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed; and current Sections 2.17, 2.18, 2.19, 2.20, and 2.21 are hereby renumbered as 2.16, 2.17, 2.18, 2.19, and 2.20.

Section 15.- New Section 2.16 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.16.- Annual Report.

The Executive Director shall prepare and submit an annual report on the operations and the fiscal situation of the Permit Management Office, together with any such recommendations deemed pertinent for the efficient operation thereof, to the Governor and the Legislative Assembly not later than ninety (90) days after the end of the fiscal year. In subsequent annual reports, the Executive Director shall also include a summary of his previous recommendations, and a description of the action taken in connection with such recommendations. A summary with empirical and statistical data of the cases submitted, approved, and denied shall also be included. Every annual report of the Permit Management Office shall include compliance with the established metrics. Reports and empirical data shall be made available to the general public on the websites of the Permit Management Office and the Concerned Government Entities.”

Section 16.- New Section 2.17 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.17.- Staff.

Regular career employees of the Permit Management Office, the Planning Board, and of all other Concerned Government Entities who, on the effective date of this Act, were holding a regular position with permanent status within the Career Service, and whose positions are necessary for each agency to carry out its duties and authorities under this Act, may be transferred. Employees in trust positions who, on such date were entitled to reinstatement pursuant to the provisions of Act No. 8-2017, shall be transferred with trust-position status and remain in office with such status until the Appointing Authority determines to reinstate them to career status.

Transfers that shall include, in turn, the pertinent budget appropriation, shall be made in consideration of the functions discharged by each employee in the Planning Board, the Permit Management Office, and all other Concerned Government Entities, but subject to the staffing needs and the availability of financial resources in the Permit Management Office, and subject to the caseload of said Office.

The Permit Management Office shall be a Successor Employer pursuant to the case law established in our legal system, and the staff shall retain the same rights and benefits it had, as well as any rights and duties in connection with any pension or retirement system or savings and loan fund. Employees transferred from Concerned Government Entities who are members of an appropriate bargaining unit under the provisions of Act No. 45 of February 25, 1998, as amended, shall retain such right and may assemble into a new appropriate bargaining unit pursuant to the procedures established in said Act, upon the holding of an election to elect their labor union representative.

The classification, reclassification, and pay of job positions shall be established according to the job classification and pay plans applicable to the Permit Management Office. Transferred employees shall, at least, meet the basic requirements for the job classification to which their functions are assigned.

All other matters related to the staff and human resources of the Permit Management Office shall be handled by the Executive Director through an administrative order to that effect, in coordination with the Director of the Government of Puerto Rico Human Resources Administration and Transformation Office, and the heads of the Concerned Government Entities, when applicable, and in compliance with all laws relating to government personnel administration presently in effect, including Act No. 7 of March 9, 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.’ The Executive Director shall work in coordination and in conjunction with the heads of the Concerned Government Entities, in all that pertains to the transfer of staff. Likewise, the Executive Director of the Permit Management Office and the Chair of the Planning Board are hereby authorized to issue any such administrative orders as are necessary to comply with this Act and its public policy in all that pertains to the staff assigned to these bodies, in accordance with the provisions of this Act.”

Section 17.- Section 3.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 3.1.- Creation of Permit Manager and Environmental Compliance Evaluation Director.

The Permit Management Office, including the Regional Offices, shall have Permit Managers as are necessary to head the divisions or units in charge of evaluating applications and one (1) Environmental Compliance Evaluation Director, all of whom shall evaluate applications submitted to the Permit Management Office and issue recommendations.

The Environmental Compliance Evaluation Division shall be composed of the Director of the Division, the employees transferred from the Scientific Advisory

Division of the Environmental Quality Board, and any others as the Executive Director may deem convenient for its sound operation.

The Permit Management Office, through its Executive Director, by means of an administrative order issued to that effect, may increase the number of Managers in the regional offices and add units or divisions to be directed by such additional Permit Managers or Directors as part of the structure of the Permit Management Office upon approval of the Office of Management and Budget.”

Section 18.- Section 3.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 3.2.- Appointments.

The Executive Director shall appoint one (1) Permit Manager to direct each of the units created under Section 2.4 of this Act in each Concerned Government Entity with jurisdiction, respectively.

The Executive Director may appoint employees in addition to those transferred from the Concerned Government Entities as deemed necessary in each of the units created under Section 2.4 of this Act, according to their caseload.

The Managers and the Director of the Environmental Compliance Evaluation Division must have substantial education and professional experience relevant to the unit or division that each shall direct and which enables them to fully discharge the obligations imposed under this Act and to supervise the technical staff under their charge. The Managers and the Director of the Environmental Compliance Evaluation Division must meet such training and continuing education requirements as prescribed by the Permit Management Office through regulation. In order to be appointed as Permit Manager or as Director of the Environmental Compliance Evaluation Division, candidates must have at least five (5) years of professional experience after having been admitted to the practice of their profession in the Government of Puerto Rico, as applicable.

...

The Managers and the Director of Environmental Compliance Evaluation shall be subject to the provisions of Act No. 1-2012, known as the ‘Puerto Rico Government Ethics Act of 2011,’ as amended. No Manager or Division Director may address matters in which they have any direct or indirect personal or financial interest or when they are related to an applicant within the fourth degree of consanguinity or second degree of affinity. Their performance must be evaluated at least every twelve (12) months.”

Section 19.- Chapter VI is hereby created and added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“CHAPTER VI.- PERMIT MANAGEMENT OFFICE ADJUDICATORY BOARD

Section 6.1.- Creation.

The Permit Management Office Adjudicatory Board is hereby created as a body within said Office and to which the responsibility of evaluating and adjudicating applications that are discretionary in nature shall be delegated.

Section 6.2.- Appointment.

The Adjudicatory Board shall be composed of one (1) Chair, who shall be the Executive Director of the Permit Management Office, two (2) associate members, and one (1) alternate member who may partake in the works of the Adjudicatory Board, as the Chair may determine.

The Chair of the Planning Board shall be an associate member of the Adjudicatory Board or may designate one of the associate members of the Planning Board to act as associate member of the Adjudicatory Board.

All other members of the Adjudicatory Board shall be appointed by the Executive Director of the Permit Management Office, including the alternate member.

At least one (1) member of the Adjudicatory Board shall be an attorney-at-law. The Executive Director or his designee shall preside over the Adjudicatory Board. One of the members of the Adjudicatory Board shall have vast experience in environmental compliance matters. Board members shall be persons of recognized ability, knowledgeable and with at least five (5) years of experience in land development and use procedures. Adjudicatory Board members shall be subject to the provisions of Act No. 1-2012, as amended, known as the 'Puerto Rico Government Ethics Act of 2011.' No member of the Adjudicatory Board may decide matters in which he has a direct or an indirect personal or financial interest or when he is related to the applicant within the fourth degree of consanguinity or the second degree of affinity. Board members shall receive per diems to be established through Regulations for each day of session. However, such members shall never earn more than thirty thousand dollars (\$30,000) a year, which amount shall be taxable. Furthermore, if the person appointed to serve as alternate member or associate member is an employee of the Government of Puerto Rico, such employee shall not be entitled receive per diems, but shall be entitled to reimbursement for expenses incurred in the discharge of their functions, as provided by law and authorized by the Executive Director.

Section 6.3.- Powers, Duties, and Functions.

The Adjudicatory Board shall have the following general duties, powers, and functions, in addition to those conferred by this Act or any other law:

- a) To evaluate and adjudicate applications of a discretionary nature;

- b) To evaluate and adjudicate matters involving unqualified areas. In such cases, the determinations made shall not establish a general policy or define the public policy; thus, this responsibility shall rest solely in the Planning Board;
- c) To hold hearings;
- d) As part of its determinations, the Board may modify or impose any condition necessary for the approval of the application;
- e) To discharge any other function delegated thereto under this Act.

The Adjudicatory Board may only delegate the following functions:

- a) The evaluation and adjudication of any site consultation and amendment to a site consultation in such cases where the application does not entail an indirect change of classification;
- b) The evaluation and adjudication of any use variance that does not entail dispensing alcoholic beverages; generate dust, noise, atmospheric emissions; handle, use, or sell explosives or firearms; or are located in specially protected rural lands;
- c) The evaluation and adjudication of all subdivision variances that do not entail a variance exceeding fifty (50) percent of the allowed size; provided, that subdivision variances in lands classified as specially protected rural land shall never be delegated.

The Adjudicatory Board and the Executive Director shall discharge their functions in accordance with the Land Use Plan, the applicable Territorial Ordinance Plans, the Planning Regulations, the Joint Regulation, and any applicable legislation and regulation. The Chair shall be responsible for calling Board meetings to transact the business under its consideration and keep the agenda of the Adjudicatory Board within the terms prescribed in the Joint Regulation.

Section 6.4.- Quorum.

A majority of members of the Adjudicatory Board shall constitute a quorum to hold meetings and make decisions. All of the agreements of the Adjudicatory

Board shall be adopted by a majority vote of the members present. Board members may cast explanatory votes. The vote of each member, whether in favor or against, shall be recorded in the minute books of the Adjudicatory Board, which shall constitute public documents.

Section 6.5.- Notice of Agreement.

Once a matter under consideration by the Adjudicatory Board has been adjudicated, the Executive Director shall proceed to notify whether the application was granted or denied in accordance with the agreement reached by the Adjudicatory Board, as established by regulation. A final determination of the Adjudicatory Board shall be deemed to be a final determination of the Permit Management Office, and shall contain findings of fact and conclusions of law. The Permit Management Office shall notify the Planning Board of final determinations involving indirect changes of land classification or use. Any party adversely affected by an action, a final determination, or a resolution of the Adjudicatory Board may file a Request for Administrative Review pursuant to the provisions of this Act.”

Section 20.- Section 7.3 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.3.- Permits Issued by Authorized Professionals.

(A) Authorized Professionals shall be limited to granting or denying the following final determinations and permits associated with: (a) use permits; (b) demolition permits; (c) building permits for renovation; (d) general permits, except as provided in Section 2.5 of this Act; (e) categorical exclusion determinations; (f) building permits; (g) urbanization project permit through exception; and (h) the single permits established in the Joint Regulation. Authorized Professionals shall require a favorable Recommendation for any use or single permit to be issued for structures officially designated and included in the Historic Site and Zone Register of the Planning Board; permits and final determinations regarding demolition

permits, building permits for renovation, and building permits, shall require the authorization of the Institute of Puerto Rican Culture. Any final determination or certification issued by an Authorized Professional shall include, as part of the record, an evaluation of the applicable parameters in accordance with the laws and regulations in effect that were used to make said determination. Said evaluation shall not require findings of fact or conclusions of law.

(B) Authorized Professionals may issue all permits listed in subsection (A) of this Section, in the Autonomous Municipalities with I to V Granted Hierarchy using the Unified Information System.

(C) In the case of Autonomous Municipalities with V Granted Hierarchy, the Mayor, or the person designated by him, may prescribe through a Resolution or a Circular Letter to be promulgated not later than ninety (90) days after the approval of this Act and based on reasonability criteria, the maximum number of Authorized Professionals who shall serve in the Municipality. Provided, that the Planning Board may render said Resolution or Circular Letter ineffective if the Municipality fails to fully comply with the provisions of this Act.

Authorized Professionals shall notify Autonomous Municipalities with I to V Granted Hierarchy of every permit application filed with them, as well as any permit they issue for projects located in Autonomous Municipalities with I to V granted Hierarchy within a period of twenty-four (24) hours from the issuance of the permit. In turn, the Permit Management Office shall deliver to the Autonomous Municipalities with I to V Granted Hierarchy a monthly itemization of all transactions filed with said Office by the Authorized Professionals regarding the projects located in said Municipality. Autonomous Municipalities with I to V Granted Hierarchy may impose sanctions on Authorized Professionals who repeatedly fail to comply with the provisions of this Section or to fulfill the authorization requirements and oversight mechanisms established by the

Municipality through municipal ordinance. Sanctions shall be imposed in a staggered manner, beginning with fines up to rendering the power vested in the Authorized Professional to practice in the Autonomous Municipality with I to V Granted Hierarchy ineffective.

(D) Authorized Professionals shall receive from applicants and remit to the Autonomous Municipalities with V Granted Hierarchy the appropriate charges and fees, in accordance with the service costs generally collected by the Municipality. Provided, that the fees collected by the Autonomous Municipalities with V Granted Hierarchy in the case of transactions conducted by Authorized Professionals shall not exceed those collected from the applicants for transactions conducted directly with the Municipality.

(E) Autonomous Municipalities with I to V Granted Hierarchy shall use the Unified Information System to file and process permit applications in said Office.”

Section 21.- Section 7.4 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.4.- Required Courses.

The courses to be taken by Authorized Professionals shall be administered by institutions or organizations approved by the Executive Director, which institutions or organizations shall also hold the appropriate accreditations. The subjects to be covered in the required courses for Authorized Professionals shall be established by the Permit Management Office through regulation; such courses, however, shall include at least subjects pertaining to the application and interpretation of Planning Regulations, green design guidelines or any other regulation related to the authorities of the Permit Management Office, as well as the Code of Ethics established by the Permit Management Office. The Permit Management Office may offer courses, seminars, and workshops as are necessary to meet the obligations imposed by this Act.”

Section 22.- Section 7.8 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed, and current Sections 7.9, 7.10, 7.11, and 7.12 are hereby renumbered as Sections 7.8, 7.9, 7.10, and 7.11.

Section 23.- New Section 7.9 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.9.- Service Fees.

The Executive Director shall prescribe by regulation guidelines and the maximum fees that Authorized Professionals may charge applicants for their services, in addition to other fees imposed pursuant to the provisions of this Act.”

Section 24.- Section 8.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.1.- Jurisdiction.

As of the effective date of this Act, any person interested in applying for permits, recommendations, licenses, or certifications in connection with land development and use in Puerto Rico, or any other necessary authorization or transaction, as provided in Sections 1.3, 2.5, and 7.3 of this Act, may do so before the Permit Management Office, whether at the main office or at a regional office, the Autonomous Municipalities with I to V Granted Hierarchy, or through an Authorized Professional, as applicable.

Applications to be submitted to the Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy, or an Authorized Professional, as applicable, shall include those established in the Joint Permit Regulation, including but not limited to: site consultations; lot division or subdivision permits; building permits; use permits; single permits, environmental documents; permits or recommendations previously evaluated and granted by the Concerned Government Entities in connection with land development and use; and any other application provided in the Joint Regulation. Furthermore, the Permit

Management Office shall issue such certifications and documents as required to do or operate businesses in Puerto Rico, subject to the provisions of Section 2.6 of this Act. Nevertheless, the procedure whereby citizens may submit their comments shall be prescribed through Regulation. Lastly, the Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy may issue Green Permits.”

Section 25.- Section 8.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.2.- Pre-application Meeting.

As of the effective date of this Act, any person interested in obtaining permits, licenses, certifications, authorizations, and recommendations, and in carrying out any other transaction that is necessary for or that otherwise affects the operation of a business in Puerto Rico, may request an orientation from the Permit Management Office or the Autonomous Municipality with I to V Granted Hierarchy, as applicable, to identify the legal and regulatory provisions applicable to such action, activity, or project as well as the information to be submitted by the applicant. Upon the applicant’s request, attaching a description of the project, the applicant shall be provided with a list of the permits and authorizations that, pursuant to the applicable legal and regulatory provisions, he shall obtain to begin operations, and if applicable, the construction of the project. The representatives of the Permit Managers or the Director of the Environmental Compliance Evaluation Division, as applicable, at the discretion of the Executive Director or the Regional Director, shall participate in the pre-application meeting. As part of the pre-application meeting, the applicant shall state in detail and in writing, at least, the proposed location and the nature of the activity.

When information related to environmental compliance is requested, the applicant shall be informed whether the proposed action, activity, or project shall

require the preparation of an environmental document. The Permit Management Office or the Autonomous Municipality with I to V Granted Hierarchy, as appropriate, shall respond to the pre-application meeting in writing, and such response as well as the information presented by the applicant shall be available for public inspection in the Unified Information System, unless the applicant claims and justifies that such documents are confidential, for they contain trade secrets that must not be disclosed.”

Section 26.- Section 8.3 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.3.- Application Submittal.

The process for any application to be evaluated by the Autonomous Municipalities with I to V Granted Hierarchy, the Permit Management Office, Authorized Professionals and Inspectors, and the Concerned Government Entities shall begin with the electronic filing thereof through the Unified Information System in the single electronic filing portal. Applications must enclose all required documents, including, among others, the appropriate environmental document or form claiming the applicability of a categorical exclusion, as the case may be, plus the payment of the corresponding charges and fees. The process for any ministerial permit application filed with an Authorized Professional begins when the latter submits all documents required therefor, as provided in the Joint Regulation or in this Act, plus the payment of the corresponding charges and fees.

Every application filed through the Unified Information System shall be assigned an individual identification number, to which the proponent or interested person shall make reference in every document, correspondence, and request for information regarding such application. The Joint Regulation shall prescribe all that pertains to the filing and processing of applications through the Unified Information System.

The administrative digital record created upon the filing of any application shall contain all documents filed or produced by any party with a lawful interest in the procedure, including the proponent, the agency with jurisdiction to adjudicate on the application, the concerned government entities, duly recognized participants or interveners, among others. Requests for intervention and every document related thereto shall be included in the administrative digital record of the originally filed application. The Concerned Government Entities, the Autonomous Municipalities with I to V Granted Hierarchy, as well as the Authorized Professionals and Inspectors shall have full access to the administrative digital records of the applications under their consideration available in the Unified Information System.

A digital stamp shall be affixed to every document uploaded to the administrative digital record showing the date and time of the filing thereof and a notice thereof shall be automatically delivered through the electronic system to the proponent and any other party or agency that appeared or expressed itself in relation to the filed application.

Green Permits are hereby created for every building or design that proves to be compliant with the pre-qualification of the parameters necessary to obtain a green design certification. The Joint Regulation shall establish the procedure for the expedited evaluation and granting of Green Permits. In order for Green Permits to be granted, an application shall be submitted to the Permit Management Office, an Authorized Professional or an Autonomous Municipality with I to V Granted Hierarchy, as provided in Sections 1.3, 2.5, and 7.3 of this Act.”

Section 27.- Section 8.4 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.4.- Evaluation of Permit Applications and Recommendations.

Upon filing, applications shall be accompanied by a plan with a polygon in digital format showing the geographical location using the method selected by the

Permit Management Office, pursuant to the applicable laws and the Joint Regulation. The Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy shall determine whether the application is complete within a period not to exceed five (5) business days from the filing thereof. The application's validation shall be made in writing and notified to the applicant through the electronic system. Once it is determined that the application is complete or if the agency fails to notify its determination on the matter within the five (5) business-day period, the application shall be referred for evaluation by the Permit Managers and the Director of the Environmental Compliance Evaluation Division, as applicable.

If it is determined that the application is incomplete, a notice of deficiency to such effect shall be given, specifying the information missing from the application, the regulatory or statutory grounds on which the information requirement is based, and generally stating the manner and requirements for completing the application. If the applicant does not agree with the information required in the notice, the applicant may file a Request for Expedited Administrative Review with the Administrative Reviews Division within five (5) days from the notice of deficiency, as provided in this Act. Once the application is validated, the period for the agency or the Autonomous Municipality with I to V Granted Hierarchy to act on such application shall begin to run. The agency may later request the applicant to provide new or additional information only in discretionary cases, provided, that said requirement of information is based on regulatory or statutory requirements. When an application is filed pursuant to the Plans or Projects Certification Act, Act No. 135 of June 15, 1967, as amended, the agency may not require additional information after the application is completed and may only approve or deny the application based on the applicable Law and the content of the administrative record. However, as part of the application's evaluation, the applicant may be required to clarify, expand, correct, or supplement the required information. A request to produce supplemental

information does not waive, extend, or delay compliance with the time limits provided in this Act or Regulations for making a determination on the application.

After the corresponding recommendations of the Permit Managers and the Director of the Environmental Compliance Evaluation Division, the Executive Director, the Assistant Director, or the Regional Director, or the Adjudicatory Board, as applicable, shall sign and issue the final determination of the Permit Management Office in cases involving ministerial or discretionary matters.

Permit Managers and the Director of the Environmental Compliance Evaluation Division shall give priority to, and expedite, the evaluation of applications for green permits and PYMES permits. Permit Managers and the Director of the Environmental Compliance Evaluation Division shall evaluate the project in accordance with the criteria for the proper evaluation of green permits and PYMES permits, to be established in the Joint Regulation. Health and Safety Managers and Constructability and Energy Conservation Managers may issue environmental health and fire prevention certificates and make final determinations for PYMES permits.

Whenever the Permit Management Office may require recommendations from the Municipalities or the Environmental Quality Board as part of the process of evaluating the processing, determination, or requested permit, said entities shall issue their recommendations within thirty (30) days from the date of notice of such request for recommendations. If the Municipality or the Environmental Quality Board fails to issue its recommendations within such period, it shall be understood that it has no recommendations.”

Section 28.- Section 8.4A is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 8.4A.- Single Permit.

Every new or existing building for nonresidential purposes, as well as any new or existing business shall obtain a Single Permit to commence or continue operations, which shall include: a use permit, a categorical exclusion certification, a fire prevention certification, an environmental health certification, a sanitary permit, and any other applicable permit or authorization required for the operation of the business activity or use. The purpose of the single permit is to consolidate and incorporate transactions into a single application, in order to simplify procedures and reduce the application evaluation and adjudication time, which are required to commence or continue the operations of a business. Provided, that the Permit Management Office shall be the entity in charge of issuing the certifications and permits needed for the issuance of a Single Permit.

The Single Permit may only be requested when the authorization for use of a business or project is included in the application. Any person who holds a valid use permit at the time of requesting an amendment or change of name shall file a Single Permit application. The Single Permit shall be valid for the period established in the Joint Regulation.

Prior to renewing a Single Permit, an inspection by the Permit Management Office, an Authorized Professional, or an Autonomous Municipality with I to V Granted Hierarchy shall be required. The Joint Regulation shall specify the extent and strictness of such inspections for the purpose of ensuring that the activity meets statutory and regulatory requirements.

If the inspections performed reveal that uses or activities which are not authorized in the Single Permit are being carried out, but such uses or activities are allowed within the classification district, in terms of use and construction parameters, the Single Permit may be amended to add the authorization of the activity or use; provided, that the charges and fees applicable to the year before the

renewal are paid as a penalty for carrying out an activity not included in the Single Permit. However, if the use or activity carried out is not authorized in the Single Permit and is not allowed in the classification district where the property is located, the Single Permit may not be renewed, and a new application must be filed. If the use not permitted ceases, the Single Permit may be renewed upon payment of the corresponding fines and shall contain a warning stating that should the use not permitted continue or should any other use not permitted in the district be established, the permit shall not be renewed.

The Unified Information System shall notify the expiration date of the Single Permit to the owner of the project and the owner of the property. The renewal of the Single Permit for new or existing commercial or institutional buildings that was compliant shall not be reviewable or appealable. In the case of amendments, a review may be requested for the action or activity established in the amendment, but not for the existing one.

Furthermore, the Permit Management Office shall create the Single Incidental Operational Permit, which may include the following permits: Cutting, Pruning, and Transplanting Authorization; General Consolidated Permit; General Permit for other Works; Incidental Extraction Permit for a work authorized by the Permit Management Office; Simple Permits, and any other applicable permit as established in the Joint Regulation. The Permit Management Office may create or consolidate through the appropriate regulations any other permit deemed necessary to simplify and expedite processes.”

Section 29.- Section 8.5 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.5.- Environmental Compliance Evaluation.

...

The Permit Management Office shall direct the process to evaluate the environmental document through the Environmental Compliance Evaluation Division. In cases where the Permit Management Office is the proponent agency, the environmental planning process to be followed shall be the following: when the environmental document submitted is an Environmental Assessment, the Environmental Compliance Evaluation Division shall evaluate the environmental document and submit its recommendations to the Executive Director who, in turn, shall determine environmental compliance, which shall be considered a component of the final determination on the proposed action. If the environmental document submitted is an Environmental Impact Statement (EIS), the Environmental Compliance Evaluation Division shall evaluate such EIS and submit its recommendations to the Adjudicatory Board, for the latter to issue a determination thereon, which shall be a component of the final determination on the proposed action.

However, when an Autonomous Municipality is the proponent agency, the environmental planning process shall be the following: the Autonomous Municipality shall submit to the Permit Management Office the environmental document, be it an Environmental Assessment or an Environmental Impact Statement, which shall be evaluated by the Environmental Compliance Evaluation Division. The Environmental Compliance Evaluation Division shall submit its recommendations to the Executive Director or the Adjudicatory Board, as applicable, which, in turn, shall determine environmental compliance and submit its determination to the Autonomous Municipality; such determination shall be a component of the final determination on the requested permit to be timely issued by the Autonomous Municipality.

When the proposed action is a categorical exclusion for purposes of the environmental planning process, the permit applicant shall certify in writing and

under oath that the proposed action qualifies under a categorical exclusion. The Permit Management Office, through its Executive Director or the Authorized Professionals, may issue an Environmental Compliance Determination under a Categorical Exclusion automatically, which shall be incorporated into the administrative record and be a component of the final determination of the proponent agency or the Autonomous Municipality with I to V Granted Hierarchy on the proposed action.

The Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy, the Planning Board, and the Authorized Professionals shall evaluate the environmental feasibility under a categorical exclusion for green permits and PYMES permits. The environmental feasibility process for the granting of a green permit and a PYMES permit shall be prescribed in the Joint Regulation.

When the Autonomous Municipalities with I to V Granted Hierarchy have jurisdiction to issue final determinations on a proposed action, the Permit Management Office may act as proponent agency, in accordance with this Act.

Environmental Impact Statements and such environmental assessments that require a NEPA-Like Process, shall be submitted for public comment during the environmental planning process through public hearings, as applicable, and shall follow the procedure prescribed by the Environmental Quality Board in the Joint Regulation. In addition, the environmental compliance determination shall be reviewed together with the final determination, as provided in the regulation adopted by the Permit Management Office for such purposes.

In cases where the only action required is the issuance or modification of a permit that is not subject to the provisions of this Act and falls under the sole jurisdiction of the Environmental Quality Board, it shall not be necessary for the Environmental Compliance Evaluation Division to evaluate the environmental impact of the proposed action. In these cases, the Environmental Quality Board shall

prescribe the mechanism for evaluating said environmental impacts by regulations promulgated therefor.

In cases where the proposed action contemplates projects whose operation is regulated by the Environmental Quality Board, the Permit Management Office shall require the Environmental Quality Board to issue a recommendation on the environmental document submitted for such project. Such recommendations shall be submitted within thirty (30) days from the date of notice of the request for recommendations; once said period elapses, the Permit Management Office shall deem that the Environmental Quality Board has no recommendations.”

Section 30.- Section 8.8 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.8.- Notice.

The Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy, and the Authorized Professionals shall serve notice with a copy of every final determination, in accordance with the applicable regulations. Furthermore, they shall serve notice with a copy of such determinations and the permits on the Permit Management Office and the concerned government entities, as applicable, within two (2) business days from the date of issue. The date of such notice, whenever applicable, shall be certified on the text of the final determination and shall be deemed to be the date of entry of the final determination in question for review purposes.”

Section 31.- Section 8.8A of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.8A.- Notice of Discretionary Determinations.

Upon the granting or denial of a discretionary application, the Executive Director or the Autonomous Municipality with I to V Granted Hierarchy shall proceed to notify its determination, in accordance with the procedure prescribed

therefor in the Joint Regulation. The granting or denial of a discretionary application shall be deemed to be a final determination of the Permit Management Office. Said Office shall notify the Planning Board of final determinations related to land uses that entail reclassification. The notice of a final determination of the Permit Management Office shall include findings of fact and conclusions of law. Also, the party adversely affected by an action, final determination, or resolution of the Permit Management Office or an Autonomous Municipality with I to V Granted Hierarchy may file a request for review with the appropriate forum.”

Section 32.- Section 8.10 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.10.- Effectiveness of Final Determinations or Permits.

The effective period of a final determination or a permit granted under this Act by the Permit Management Office, an Autonomous Municipality with I to V Granted Hierarchy, or the Authorized Professionals shall be established to such effect in the Joint Permit Regulation.”

Section 33.- Current Section 8.11 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed and substituted for a new Section 8.11 to read as follows:

“Section 8.11.- Time Limits for Evaluating Applications and Issuing Final Determinations or Permits.

The Joint Permit Regulation shall establish the guidelines that shall regulate the maximum time limits for evaluating each application. It is recognized that the permit application and evaluation process is a dynamic one, therefore, the Executive Director is hereby authorized to establish or reduce the time limits for each transaction through an Administrative Order; add time limits for new transactions; consolidate transactions, or modify time limits; provided, that said Administrative Order shall be disseminated broadly.

Provided, further, that such discretionary transactions that require the holding of a hearing or require an Environmental Impact Statement (EIS) shall be evaluated and adjudicated within a period not to exceed one hundred eighty (180) days from the time the application was deemed to be complete. Discretionary transactions that do not require holding a hearing shall be evaluated and adjudicated within a period not to exceed one hundred twenty (120) days from the time the application was deemed to be complete. Likewise, it is hereby provided that every ministerial transaction shall be evaluated and adjudicated within a period not to exceed thirty (30) days from the time the application was deemed to be complete. The time limits prescribed in the Joint Permit Regulation or established by the Executive Director through administrative order shall never exceed those provided for herein.

When the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy require that a deficiency be corrected in an application, a time period shall be granted to the applicant to meet such requirement. The time the applicant takes to correct the deficiency shall not be included in the calculation of the period granted to the agency to adjudicate the application. If the Permit Management Office or the Autonomous Municipality with I to V Granted Hierarchy requires that the same deficiency be corrected a second time, the applicant may file a request for expedited administrative review with the Administrative Review Division for said forum to decide whether such requirement proceeds under the Law.”

Section 34.- Section 8.13 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.13.- Performance Bonds.

The Permit Management Office, the Autonomous Municipality with I to V Granted Hierarchy, or the Authorized Professional may require as a condition to issue a building or use permit to be developed in stages, the posting of a performance

bond to guarantee completion of the facilities, services, and infrastructure required, pursuant to the provisions of the Joint Permit Regulation.”

Section 35.- Section 8.14 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 8.14.- Exactions and Impact Fees.

As part of the issuance of a final determination, the Concerned Government Agencies or the Autonomous Municipality with I to V Granted Hierarchy shall impose, pursuant to the provisions of the Joint Permit Regulation, such exaction and impact fees applicable to a project and direct the applicant to pay such fees in favor of the pertinent Concerned Government Entity using the payment methods prescribed through regulation by the Concerned Government Entity and this Act. Projects that obtain a green design certification, housing developments duly certified as affordable housing, projects whose owner and proponent is the Government of Puerto Rico, a municipal government, or the United States Government shall be exempt from the payment of exactions and impact fees.

Provided, that if the Concerned Government Entity authorizes the payment of exactions and impact fees in installments, the proponent shall post a financial guarantee bond in favor of the Concerned Government Entity guaranteeing such payment. Said bond shall be issued by a bonding company duly authorized by the Office of the Commissioner of Insurance.

The Joint Permit Regulation shall provide that, in the event that the improvements required from an applicant exceed the exactions and impact fees applicable to the project, the Concerned Government Entity shall provide the applicant with a credit which may be applied towards any other fee charged to the applicant by the Concerned Government Entity in connection with the project, except for consumption charges. Said credit may also be transferred or sold by the

applicant to other projects that require payment of exactions and impact fees to the Concerned Government Entity.”

Section 36.- Section 8.15 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed and substituted for a new Section 8.15 to read as follows:

“Section 8.15.- Conditional Use Permit to Individuals or Small- and Medium-Sized Businesses for the Establishment, Expansion, and Operation of Certain Businesses or Uses Compatible with the Classification of the Site.

The Permit Management Office (OGPe), the Autonomous Municipalities with I to V Granted Hierarchy, and the Authorized Professionals may issue conditional use permits to individuals or small- and medium-sized businesses for the establishment of a new own business or to expand an existing business.

Every business that meets PYMES parameters, as defined in this Act, shall be deemed to be individuals, micro-, small- and medium-sized businesses and may qualify to obtain such permit. This process shall not delay the commencement of a new business activity by an individual or entity for being unable to immediately meet any of the requirements of this Act for the issuance of a use permit for their business.

Provided, that an individual or entity shall be allowed to begin operations through a conditional use permit, in the event such individual or entity does not have the required certifications at the time of applying for a permit, and be granted a six (6)-month period after the issuance thereof to meet the conditions imposed. Any certifications that were not available at the time of applying for a conditional permit must be submitted before the expiration date of the maximum period granted by OGPe or the Autonomous Municipalities with I to V Granted Hierarchy, as the case may be. Said period shall be counted from the filing date of said application and the waiting periods for applicants to receive the requested certification shall not be included therein. Retail stores, commercial offices, professional offices, medical

offices, barbershops, hair salons, and small sales and service businesses not engaged in the preparation and/or sale of food and any other use prescribed by regulation shall qualify for the conditional permit. In order for a conditional use permit to be granted, the applicant shall complete the application in the Unified Information System and present proof of ownership or leasing agreement. Said use permit shall be issued within one (1) business day.

If the individual or juridical entity fails to meet such requirements within the six (6)-month period, such permit shall be revoked. Furthermore, the Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy are hereby authorized to order the closing of the business. In cases involving an individual's willful contempt or disregard for final Orders issued by the Permit Management Office and Autonomous Municipalities with I to V granted Hierarchy, electric power and/or water services may be disconnected. In addition, a fine not to exceed one thousand five hundred dollars (\$1,500.00) may be imposed; and any individual or entity that continues operating without the appropriate permit shall be punished by an additional one hundred dollar (\$100) daily fine.

The fact that an individual or entity applying for a permit has an outstanding debt with any agency of the Commonwealth shall not be grounds for refusing to issue conditional use permits. In such cases, the individual shall be required to satisfy the debt in question or show proof of having availed himself of a payment plan as an additional requirement, and to meet any other requirement under this Act.”

Section 37.- Section 8.16 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed and substituted for a new Section 8.16 to read as follows:

“Section 8.16.- Automatic Use Permits.

Permits may be issued automatically if a Professional Engineer or Architect, pursuant to Act No. 135 of June 15, 1967, as amended, known as the ‘Plans or

Projects Certification Act,' certifies the following: 1) that the requested use is allowed under the classification of the site; 2) that it meets the parameters of the classification district; 3) that it meets the fire prevention and environmental health requirements; and 4) any other requirement prescribed by Regulation.”

Section 38.- Section 9.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.1.- Land Subdivisions.

No Property Registrar shall accept a public instrument for recordation if: (a) the land subdivision plan has not received final approval by the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, as applicable; or (b) in case of a transfer, an agreement to transfer any plot of land, or any interest thereon, within a land subdivision, unless a final or preliminary plan approved by the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy has been recorded.

The execution of any public deed or private land subdivision agreement shall be void if said land subdivision has not been previously approved by the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, except in those cases in which the applicable law or regulations so allow. Every final land subdivision plan shall include a description of the plots of land constituted by the land subdivision, and a description of the remainder according to the deed. Every land subdivision plan approved under the provisions of this Act and any applicable regulation shall be recorded in the Land Subdivision Plan Register of the Property Registry at the district or districts where the plots of land are located, pursuant to the regulations approved by the Secretary of Justice to that effect.

Leasing a portion of a parcel for the sole purpose of building, locating, and using a telecommunications tower in accordance with Act No. 89-2000, as amended, known as the ‘Puerto Rico Construction, Installation, and Location of

Telecommunications Towers Act,' of an advertisement or billboard in accordance with Act No. 355-1999, as amended, known as the 'Uniform Signs and Advertisement Act of Puerto Rico of 1999,' shall not be deemed to be a land subdivision for the purposes of this Act. The Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy shall notify the Municipal Revenues Collection Center of the approval of any land subdivision and its respective plan, in order for the Center to update its registries and conduct any legally appropriate procedures or transactions. The approval of any land subdivision and its respective plan shall be entered by the Planning Board into the georeferencing information system. The Planning Board shall establish the necessary technology to provide the Municipal Revenue Collection Center, the Permit Management Office, and the Autonomous Municipalities with I to V Granted Hierarchy with real time access to all that pertains to such agencies to carry out their duties under this Act. Likewise, the Municipal Revenue Collection Center shall provide the Planning Board, the Permit Management Office, and the Autonomous Municipalities with I to V Granted Hierarchy with access to the cadaster free of charge."

Section 39.- Section 9.2 of Act No. 161-2009, as amended, known as the "Puerto Rico Permit Process Reform Act," is hereby amended to read as follows:

"Section 9.2.- Residential Developments Under Waiver.

The Permit Management Office shall adopt, as part of the Joint Regulation, provisions to regulate the evaluation and granting of permits for residential developments under waiver, as these are defined in Section 1.5 of this Act, and to evaluate and grant the authorizations for such residential developments. When adopting such regulatory provisions and considering land subdivisions for residential developments under waiver, the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy shall adhere to the Puerto Rico Integrated Development Plan, the Four-Year Investment Program, and the

Land Use Plans without prejudice to any delegation of competency and transfer of hierarchy agreement.”

Section 40.- Section 9.5 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.5.- Cost Estimate.

The Permit Management Office shall establish, through resolution or administrative order, the construction industry publication or standard to be used for computing the cost estimate of works. Such publication or guideline shall be revised periodically, at least every five (5) years, in order to update and include therein new construction work modalities. However, said publication by the Permit Management Office is only a guideline. The project applicant shall be fully responsible for furnishing the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, as appropriate, with the actual final construction costs.”

Section 41.- Section 9.6 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.6.- *In rem* Nature of Use Permits.

For the purposes of this Act, use permits are *in rem* in nature. In no case shall the issuance of a new permit shall be required; provided, that the authorized, permitted, or non-conforming legal use continues to be of the same nature and is not interrupted for more than two (2) years. Housing use permits shall not expire. As to non-residential uses, in the event there is a change in the name, owner or successor, the Permit Management Office, the Authorized Professional, or the Autonomous Municipalities with I to V Granted Hierarchy, as appropriate, shall transfer it to a single permit automatically upon filing the presentation of the corresponding application for transferring the use permit in the name of the new owner or successor; provided, that the authorized use for the property or establishment continues to be of the same nature, as provided in the Joint Permit Regulation. The environmental

health certificate, the sanitary permit, and other applicable permits as well as the fire prevention inspection certificate shall be included in the single permit. The Permit Management Office, the Authorized Professional, or the Autonomous Municipalities with I to V Granted Hierarchy, as appropriate, shall notify the agencies and/or municipalities concerned of the transfer of the authorizations described above for them to proceed as legally appropriate. Authorizations transferred pursuant to this Section shall be valid for the same period and have the same effective date as the original. If no inspection was performed, a new effective period shall be granted once an inspection is conducted. When an applicant requires a use permit or a single permit to establish an activity or action of the same nature as the one already authorized for the property and the same is valid, but in the name of another owner, the applicant may present the existing use permit or single permit to obtain the permit automatically, as provided in the Joint Permit Regulation.

No agency, municipality, or instrumentality of the Government of Puerto Rico may establish requirements or deny services in contravention of the provisions of this Section and this Act. Any building used for non-residential purposes shall conspicuously display the use permit or single permit, which shall be printed by the Authorized Professional, the Autonomous Municipality with I to V Granted Hierarchy, or the Permit Management Office, as appropriate, in the specific format established through regulations by the Permit Management Office. The Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, as appropriate, shall issue temporary use permits to conduct a short-term activity, which shall be established through regulations. Temporary use permits shall be valid for a non-extendable period of six (6) months and the granting thereof shall not constitute the approval of a use variance. The 'provisional permit' concept is neither allowed nor contemplated in this Act, and is contrary to planning concepts and purposes; therefore, no provisional permits shall be issued. The issuance of a

provisional permit shall entail the imposition of a fine, as provided in Section 17.1 of this Act.”

Section 42.- Section 9.7 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.7.- Transfer of Building Permits.

In the event there is a change in the name of an entity or owner of a property, the Permit Management Office, the Authorized Professional, or the Autonomous Municipalities with I to V Granted Hierarchy, as appropriate, shall transfer the permit automatically upon the filing of the appropriate application for transfer, in the name of the new owner or entity. The transfer shall be carried out by the entity that issued the original permit. This transfer shall only entail the filing of the forms required and the payment of the appropriate fees through the Unified Information System, as provided by regulations. The Permit Management Office, the Authorized Professional, or the Autonomous Municipalities with I to V Granted Hierarchy, as appropriate, shall notify the agencies and/or municipalities concerned of the transfer of the authorizations described above for them to proceed as legally appropriate.”

Section 43.- Section 9.8 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.8.- Notice to Adjoining Neighbors.

Except for ministerial permits, the applicant shall notify adjoining neighbors of the filing of a permit application for the property where the action is proposed and the period within which the applicant shall present proof to the Permit Management Office of having given such notice, which shall be established through regulations. Said notice shall be served by certified mail return receipt requested or by any other mechanism to be determined by regulation in those cases where the applicant does not have access to the mailing address of the adjoining neighbor. In case of properties adjacent to highways, roads, easements, bodies of water, or public property, the

owner of the property located across the highway, road, easement, or body of water shall be notified.”

Section 44.- Section 9.9 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.9.- Application Submittal or Activity Commencement Sign.

Upon the filing of an application with the Permit Management Office or the Autonomous Municipality with I to V Granted Hierarchy, the applicant shall place a sign at the main entrance of the property where the work is to be performed. Said sign shall be installed within two (2) days from the filing of the application. Applications for and issuance of ministerial use permits shall be excluded from this requirement.

The applicant shall place a sign in the property where the authorized activity is proposed within at least five (5) days before the commencement of the authorized activity and such sign shall remain in said place until the authorized activity is completed. If this requirement is not met, the construction, reconstruction, alteration, demolition, or transfer of a building in Puerto Rico may not be performed.

Once the required sign is installed, the applicant shall certify in writing that the sign was installed pursuant to the provisions of this Section and present proof thereof within three (3) days from the installation of the sign.

Failure to meet the sign installation requirement as provided in this Section shall be deemed to be a violation of the notification requirement.

The requirements concerning the material and size of the sign and the information it shall bear shall be prescribed in the Joint Permit Regulation.”

Section 45.- Section 9.12 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.12.- Permits and Utility Services.

As of the effective date of this Act:

(a) ...

(b) ...

(c) The provision of utility services by public officials, public corporations, government bodies or private entities, including the issuance of municipal or state permits and licenses for the construction, alteration, expansion, transfer or use of buildings, installation, or demolition of facilities requires the presentation by the interested party of a use, building, renovation, alteration, expansion, installation, transfer or use, or demolition permit, as applicable, issued by the Permit Management Office, an Authorized Professional, or an Autonomous Municipality with I to V Granted Hierarchy, as applicable. A request for a service other than that authorized for a property shall be processed by public officials, public corporations, government bodies or private entities when the subscriber or interested party presents a change of use permit authorizing such a change. If any of the public corporations learn that a utility service is being used for a purpose other than that originally authorized, such agency shall change the rate of the service rendered and simultaneously notify the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy in order to conduct the appropriate investigation. The rate adjustment shall not be construed as if the use for a purpose other than that originally authorized were recognized as lawful.

When a use permit or a single permit is rendered ineffective, the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy shall notify public corporations, government bodies, or private or state entities, which shall, in turn, suspend the utilities services such as electricity, water, or other.”

Section 46.- Chapter XI is hereby created and added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“CHAPTER XI.- ADMINISTRATIVE REVIEW DIVISION

Section 11.1.- Creation and Duties of the Administrative Review Division.

The Administrative Review Division is hereby created as a body within the Permit Management Office entrusted with reviewing the actions and determinations of the Adjudicatory Board, the Permit Management Office, the Authorized Professionals, and the Autonomous Municipalities with I to V Granted Hierarchy.

Section 11.2.- Administrative Judge.

The Director of the Administrative Review Division shall be an Administrative Judge appointed by the Governor for a maximum term of four (4) years. However, his appointment date notwithstanding, the appointment of the Administrative Judge shall expire on December 31 of the year in which the General elections are held in Puerto Rico. The Director shall be an attorney admitted to the Bar by the Supreme Court of Puerto Rico and shall have skills, knowledge, and professional experience in the evaluation of applications for land development and use and the fields related to the purposes of this Act.

Once appointed, the Administrative Judge shall remain in office for the aforementioned term, unless the Governor initiates an action for destitution due to gross negligence or mental incapacity of the Administrative Judge to carry out the duties of his office.

The Administrative Judge shall be assisted by Hearing Examiners in the evaluation of the cases under his consideration and the holding of administrative hearings. The Administrative Judge shall be subject to the provisions of Act No. 1-2012, known as the ‘Puerto Rico Government Ethics Act of 2011,’ as amended. Neither the Administrative Judge nor the Hearing Examiners may hear matters in which they have, directly or indirectly, a personal or a financial interest, or in which they are related to the petitioner within the fourth degree of consanguinity or second of affinity.

The Governor shall also appoint one Alternate Administrative Judge who shall act in case of absence, disqualification, or any other reason that prevents the Administrative Judge from acting. The requirements, terms, and restrictions applicable to the appointment of Administrative Judge shall also apply to the appointment of Alternate Administrative Judge. The appointment of Alternate Administrative Judge shall fall on a public official who shall not be entitled to earn any additional compensation whatsoever for his duties.

Section 11.3.- General Powers, Duties, and Functions of the Administrative Review Division and the Administrative Judge.

The powers, duties, and functions of the Administrative Review Division and the Administrative Judge shall be the following:

- a. To discharge the functions, duties, and responsibilities imposed under this Act or any other law, insofar as these are not incompatible with the provisions of this Act;
- b. To hold hearings and adjudicate matters before their consideration swiftly and efficiently, safeguarding the procedural and substantive rights of the parties;
- c. To keep a clear administrative record;
- d. In the discharge of their reviewing duty under this Act, to issue summons requiring the appearance of a person, witness, taking of depositions, or presentation of any kind of evidence in accordance with the code of laws in effect;
- e. To administer oaths through the hearing examiners;
- f. To appear in any part of the Court of First Instance and request the Court to enforce any summons issued that has not been obeyed;
- g. To issue any legally appropriate order, subpoena, or resolution in the cases under its consideration;

h. To delegate to the Hearing Examiners the authority to preside over hearings;

i. Any other assigned thereto under this Act or Regulation.

Section 11.4.- Transfer of Cases Pending before the Final Determinations Reconsideration Division and application of the Rules for Adjudication Proceedings.

As of the effective date of this Act, any cases pending resolution before the Final Determinations Reconsideration Division shall continue to be processed by Administrative Review Division pursuant to the provisions of the laws and regulations in effect at the time of the filing of the application object of the Reconsideration.

Section 11.5.- Administrative Review Process Regulations.

The proceedings to be conducted before the Administrative Review Division shall be governed by the Joint Permit Regulation. However, while said regulation is amended to such effect, the Rules for Adjudication Proceedings of the Final Determinations Division shall apply to any matter insofar as is not incompatible with the provisions of this Act.

Section 11.6.- Time Limitation to Request Administrative Review.

a) Any party adversely affected by an action or final determination of the Permit Management Office, the Adjudicatory Board, the Autonomous Municipalities with I to V Granted Hierarchy, or an Authorized Professional may file a request for administrative review with the Administrative Review Division within the jurisdictional period of twenty (20) days from the date of entry in the record of the case, of a copy of the notice of such action or final determination. Provided, that if the date of entry in the record of the case of a copy of the notice of the action or final determination of the pertinent body is different from the mailing date of such notice, the time limit shall be calculated from the mailing date.

b) The filing of a request for administrative review is not a jurisdictional prerequisite to the filing of a request for review of an administrative decision with the Court of Appeals. However, the timely filing thereof shall toll the time period for resorting to said Court.

c) Once the request for administrative review is filed, the Permit Management Office, the Authorized Professional, the Adjudicatory Board, or the Autonomous Municipality with I to V Granted Hierarchy shall forward a certified copy of the record of the case to the Administrative Review Division within ten (10) calendar days from the filing of the request for review.

d) By agreement of the parties, at any stage of the administrative review process, the parties may request that a case be remanded to the Permit Management Office or Autonomous Municipalities with I to V Granted Hierarchy for them to review the same in whole or in part and proceed as appropriate. Upon the filing of a request for remand by the parties, the Administrative Judge shall remand the case to the appealed forum without delay.

Section 11.7.- Notice of the Filing of Request for Administrative Review.

The petitioner shall use the mechanism provided by the Unified Information System for filing the request electronically with the Administrative Review Division to simultaneously serve notice on the Permit Management Office, the Adjudicatory Board, the Autonomous Municipality with I to V Granted Hierarchy, or the Authorized Professional, as applicable. In addition, the petitioner shall serve the parties and intervenors with a copy of the request for administrative review by certified mail return receipt requested or any other mechanism prescribed by regulations within a period of forty-eight (48) hours from the filing of the request. Timely notice under this Section is a jurisdictional requirement and proof of compliance therewith shall be certified on a timely manner to the Administrative Review Division.

Section 11.8.- Time Limit for Adjudicating Requests for Administrative Review.

Upon the filing of a request for administrative review, the Administrative Judge shall have a period of fifteen (15) days to determine whether he shall accept it. If within said period the request is denied or a determination thereon is not made, in which case it shall be deemed to be denied outright, jurisdiction over it shall be lost, and the thirty (30) day period to resort to the Court of Appeals shall begin to run from the notice of the denial or from the expiration of the fifteen (15)-day period, as the case may be.

The Administrative Review Division shall issue a decision on the requests accepted for its consideration within ninety (90) calendar days from filing. Said period may be extended in exceptional cases for an additional thirty (30) days to be counted from the expiration date. If the Administrative Review Division fails to adjudicate on a request within the period provided herein, said forum shall lose jurisdiction over the same and the thirty (30) day period to resort to the Court of Appeals shall begin to run. The decisions of the Administrative Review Division shall be deemed to be final decisions of the Permit Management Office.

Section 11.9.- Holding of Hearings, Presentation of Evidence, and Standard of Review.

The Administrative Review Division may hold hearings to receive additional evidence supporting the allegations of the parties and allow it to adjudicate the case. The actions or final determinations object of review shall be confirmed if the same are supported upon consideration of the content of the administrative record of the body that initially adjudicated the matter and upon consideration of the evidence admitted by the Administrative Review Division.

Section 11.10.- Request for Expedited Administrative Review.

When the circumstances described in Section 8.4 of this Act arise, the filing of a Request for Expedited Administrative Review shall proceed within a jurisdictional period of five (5) calendar days from the notice of deficiency to be reviewed. The request shall be notified by electronic mail to all parties the same day of filing. The notice of deficiency shall be considered as the official position and determination or action of the agency with respect to the matter brought before the Administrative Review Division. The Request for Expedited Administrative Review shall be adjudicated within a jurisdictional period of fifteen (15) calendar days from filing and the resolution of the Administrative Review Division may be reviewed only together with the final determination made in its day by the Permit Management Office or the Autonomous Municipality with I to V granted Hierarchy in connection with the project.

The filing of a Request for Expedited Administrative Review shall also proceed when the ten (10) day period provided in Section 13.012 of the ‘Autonomous Municipalities Act,’ Act No. 81-1991, as amended, has elapsed and the Autonomous Municipality with I to V granted Hierarchy has failed to forward the administrative record to the agency of the Central Government that retained the authority to adjudicate the request. The Autonomous Municipality with I to V granted Hierarchy may submit its position in relation to the jurisdiction to evaluate the application before its consideration within a period of five (5) business days counted from the filing of the request for review. The Administrative Review Division shall adjudicate the case within twenty (20) calendar days after the filing of the request for review.

Section 47.- Section 13.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 13.1.- Time Limit for Resorting to the Court of Appeals and the Composition Thereof.

a) Any party adversely affected by a final determination, permit or resolution of the Permit Management Office, an Authorized Professional or an Autonomous Municipality with I to V Granted Hierarchy shall have a jurisdictional period of thirty (30) calendar days to file a petition for review of administrative decision with the Court of Appeals. If the Court of Appeals so requests, the Permit Management Office, an Authorized Professional or an Autonomous Municipality with I to V Granted Hierarchy, as appropriate, shall forward to the Court of Appeals the record of the case within ten (10) calendar days from the Court order. The mere filing of a petition for review does not stay the permit granted, which shall remain valid until a decision on the merits to the contrary is issued. The Court of Appeals shall not grant an interlocutory stay order, unless it enters judgment substantiating each of the criteria considered to grant said provisional remedy, including but not limited to the petitioner’s showing of his likelihood of prevailing and an irreparable injury.

b) The Supreme Court en banc shall randomly select the judges of the Court of Appeals who shall review administrative determinations under this Section. Judges shall be selected at random solely among the regular judges appointed to the Court of Appeals to create special panels for these administrative reviews. Said judges shall continue to serve in the regular court part of the geographic location to which they are assigned, but shall give priority to the administrative reviews under this Section. The panels that review administrative determinations shall issue their final decision within sixty (60) days from the filing of the petition for review of administrative decision. To do so, the Court of Appeals may reduce all other parties’ time to file their responses. The Office of Court Administration shall submit quarterly and annual reports to the Supreme Court, the Legislative Assembly, and

the Governor stating in detail the administrative decisions that could not be reviewed within the sixty (60)-day period from the filing of the petition for review. The Government of Puerto Rico Human Resources Administration and Transformation Office, created by Act No. 8-2017, shall develop and offer training and periodically conduct panel discussions on this measure in order to educate the judges selected through said random-selection mechanism.

c) The Court of Appeals shall impose attorney's fees on the party filing a petition for judicial review under this Section if the petition lacks merits or reasonability or is filed for the purpose of stopping a work or permit without legal basis. Attorney's fees under this Section shall be in an amount equal to the fees incurred by the other parties to oppose to the judicial review. If the Court of Appeals finds that the imposition of attorney's fees does not apply, it shall explain so in its decision stating the grounds therefor."

Section 48.- The title of Chapter XIV of Act No. 161-2009, as amended, known as the "Puerto Rico Permit Process Reform Act," is hereby amended to read as follows:

"CHAPTER XIV - PROVISIONS BEFORE THE COURT OF FIRST
INSTANCE"

Section 49.- Section 14.1 of Act No. 161-2009, as amended, known as the "Puerto Rico Permit Process Reform Act," is hereby amended to read as follows:

"Section 14.1.- Extraordinary Writs to Request the Revocation of Permits, Stop Works or Unauthorized Uses, Demolition of Works.

The Planning Board as well as any Concerned Government Entity, Autonomous Municipality with I to V Granted Hierarchy, or any other agency or instrumentality of the Government of Puerto Rico in representation of the public interest or a private person, whether natural or juridical, that has an ownership or personal interest that may be adversely affected, may file a request for injunction, a

petition for a writ of mandamus, a declaratory judgment, or any appropriate action seeking: 1) the revocation of a permit granted, the application of which contains incorrect or false information; 2) the stop of works commenced without the corresponding authorizations and permits or in violation of the provisions and conditions of the permit granted; 3) the stop of an unauthorized use; 4) the demolition of constructed works that, at the time of the filing of the petition and at the time of the adjudication thereof do not have a building permit, whether because it was never obtained or because it was revoked.

Notwithstanding the filing of an administrative complaint with the Planning Board, the Concerned Government Entity, an Autonomous Municipality with I to V Granted Hierarchy, or any other agency or instrumentality of the Government of Puerto Rico asserting the same facts, a party adversely affected may file a petition for an extraordinary writ with the Court of First Instance. Upon the filing of a petition for an extraordinary writ under this Section, the administrative agency shall automatically lose jurisdiction over the complaint and any action taken in relation thereto shall be deemed to be *ultra vires*.

The Court of First Instance shall hold a hearing within a period not to exceed ten (10) calendar days from the filing of the petition and enter judgment within a period not to exceed twenty (20) calendar days from the hearing.

If a stop work or use order requested is granted by the court, such order shall be limited only and solely to challenged permit, work, or use, and not to others performed in the property pursuant to a duly issued permit or authorization.

The Court shall impose attorney's fees on the party filing a petition under this Section if the petition lacks merits or reasonability or is filed for the purpose of stopping a work or permit without legal basis. Attorney's fees under this Section shall be in an amount equal to the fees incurred by the other parties to oppose the petition. If the Court of Appeals finds that the imposition of attorney's fees does not

apply, it shall explain so in its decision stating the grounds therefor. The reviews of determinations under this Section by the Court of Appeals shall be assigned to specialized panels created under this Act and said forum shall have sixty (60) days from the filing to decide on the petition for review.”

Section 50.- Section 14.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 14.2.- Mandamus.

Any natural or judicial person that has filed an application under this Act, which application has not been adjudicated within the period prescribed therefor may file a petition for a peremptory writ of mandamus with the Court of First Instance requesting the court to order that the application be evaluated and adjudicated immediately.

A peremptory writ of mandamus shall be filed upon the filing of a sworn petition stating the facts on which the petition is based and citing the statutory or regulatory provisions which establish the terms that the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy have failed to comply with. The Court shall enter the order requested within ten (10) days.

The Court shall impose attorney’s fees on the party filing a petition under this Section if the petition lacks merits or reasonability or is filed for the purpose of stopping a work or permit without legal basis. Attorney’s fees under this Section shall be in an amount equal to the fees incurred by the other parties to oppose the petition. If the Court of Appeals finds that the imposition of attorney’s fees does not apply, it shall explain so in its decision stating the grounds therefor. The reviews of determinations under this Section by the Court of Appeals shall be assigned to specialized panels created under this Act and said forum shall have sixty (60) days from the filing to decide on the petition for review.”

Section 51.- Section 14.4 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed and substituted for a new Section 14.4 to read as follows:

“Section 14.4.- Permit Auditor.

The Planning Board shall oversee compliance with the final determinations and permits granted by the Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy or an Authorized Professional pursuant to this Act. Any noncompliance identified by the Planning Board through an audit process as well as by any Concerned Government Entity with respect to a final determination or permit granted pursuant to the provisions of Act No. 161-2009 shall be investigated, and if its result constitutes a violation of the Act or regulation, it shall be proceeded as provided in this Act.

a) The Director of the Audit and Complaints Division of the Planning Board shall be the Permit Auditor whose main duties shall include conducting audits of final determinations regardless of the adjudicating entity; the *motu proprio* oversight of works or uses carried out without the pertinent authorizations, and the evaluation and adjudication of the complaints filed pursuant to Act No. 161-2009, Act No. 75 of June 24, 1975, as amended, or the Joint Regulation.

b) The Permit Auditor shall be appointed by the Chair of the Planning Board. The Permit Auditor shall be a professional engineer or a licensed professional architect and have at least five (5) years of experience in the audit of procedures, oversight or in the evaluation or processing of applications for the development and use of lands.

c) The Permit Auditor shall comply with the provisions of Act No. 1-2012, as amended, known as the ‘Puerto Rico Government Ethics Act of 2011.’ The Permit Auditor shall not be involved in matters in which he may have, directly or indirectly a personal or financial interest or is related to the applicant or complainant within

the fourth degree of consanguinity or second of affinity. His performance shall be evaluated at least once every twelve (12) months.”

Section 52.- Section 14.5 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed and substituted for a new Section 14.5 to read as follows:

“Section 14.5.- Powers, Duties, and Functions.

The Planning Board shall have, in addition to any others delegated thereto by law, regulation, or administrative order, the following general powers, duties, and functions:

a) To discharge the functions, duties, and responsibilities imposed under this Act or any other law, insofar as these are not incompatible with the provisions of this Act or Act No. 75 of June 24, 1975, as amended, known as the ‘Puerto Rico Planning Board Organic Act’;

b) To prepare and keep in the Unified Information System digital administrative records on matters before the consideration of the Audits and Complaints Division, which records shall be available for public inspection;

c) To investigate referrals or complaints of the Concerned Government Entities or any natural or juridical person alleging the lack of permits or any noncompliance with the legal provisions applicable to the granting of permits related to areas under their jurisdiction or the operation of granted permits;

d) To appear, when required by a court, in such matters involving the revocation of a Permit or final determination;

e) To appear before the Court of First Instance requiring the revocation of a final determination or the stop of construction works or use, when, upon the corresponding administrative investigation, it learns that said final determination was obtained in violation of the applicable laws or regulations, or when the final

determination was legally obtained, but there is evidence of noncompliance with the laws and regulations during the performance or operation thereof;

f) To issue automatic cease and desist orders or immediate stop orders, for the lack of a building or use permit, when upon the corresponding administrative investigation, it learns that the owner of a work failed to obtain a building permit prior to commencing the same or failed to obtain a use permit prior to commencing operations;

g) To issue orders to show cause;

h) To impose fines when, as a result of an audit or while discharging its duties, it learns of violations of the provisions of any of the applicable laws or the regulations adopted thereunder. To such effect, the requirements and parameters for the imposition of fines shall be prescribed in the Joint Regulation;

i) To delegate to its subordinates any function or power conferred onto it under this Act, in accordance with the applicable laws and regulations;

j) To investigate and resolve complaints against Authorized Professionals, Authorized Inspectors, or Licensed Professionals, when these act in contravention of the powers and privileges granted under any applicable laws or regulations. To such effect, the Planning Board is hereby empowered to request the elimination of such privileges and bar Authorized Professionals, Authorized Inspectors, or Licensed Professionals from continuing to file applications through the Unified Information System for applications regulated under this Act and Act No. 75 of June 24, 1975, as amended, known as the 'Puerto Rico Planning Board Organic Act';

k) To apply the appropriate penalties or fines for engaging in violations or offenses related to the permit application and evaluation process;

l) To adjudicate any complaint and impose fines or sanctions related to the certification of plans and documents for actions in contravention of the

applicable laws and regulations, including Act No. 135 of June 15, 1967, as amended. The fines, sanctions, and penalties to be imposed for such actions shall be prescribed in this Act and the regulations adopted for such purposes;

m) To enter, access, and inspect any property, including but not limited to establishments, sites, equipment, facilities, and documents of any person, entity, firm, agency, business, corporation, or government instrumentality under its jurisdiction, for the purpose of investigating or overseeing compliance with the applicable laws and regulations. The inspectors or the Permit Auditor shall be authorized to take pictures, and to carry out measurements and estimates to discharge their duties. If the owners, holders, or their representatives, or the official in charge refuse to allow the entry, the use of equipment, or the inspection, the representative of the Planning Board shall file a sworn statement with the Court of First Instance stating the Planning Board's intent and requesting authorization to enter the property;

n) To delegate to the Permit Auditor or any official of the Audits and Complaints Division the authority to issue fines in accordance with this Section.”

Section 53.- Section 14.6 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed and substituted for a new Section 14.6 to read as follows:

“Section 14.6.- Filing of Complaints.

Any agency, entity, or instrumentality of the Government of Puerto Rico in representation of the public interest or a natural or juridical private person that has an ownership interest, or is an adjacent neighbor, an owner or an occupant of a neighboring property, whose personal interest may be affected, may file a complaint against any natural or juridical person or a public entity through the Uniform Information System alleging: (a) noncompliance with the provisions of the permits issued; (b) the alleged lack of a required permit; or (c) noncompliance with any

provision of Act No. 75 of June 24, 1975, or this Act, the Enabling Acts of the Concerned Government Entities, the Autonomous Municipalities Act, the Joint Permit Regulation, or other applicable regulations. Under no circumstances, may a complaint be used to make a collateral attack on a final determination or permit that should have been timely filed in accordance with this Act.”

Section 54.- Section 14.7 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby added to read as follows:

“Section 14.7.- Time Limit for the Initial Evaluation and Adjudication of the Complaints.

The Planning Board as well as the Autonomous Municipality with I to V granted Hierarchy, or the Concerned Government Entity, as appropriate, shall initiate an investigation of the facts alleged in the complaint within thirty (30) calendar days counted from the filing thereof through the Unified Information System, and notify the complainant, within said period, of the actions taken. Within sixty (60) calendar days from filing, the Planning Board, the Autonomous Municipality with I to V Granted Hierarchy, or the Concerned Government Entity shall issue its findings or recommendations on the complaint and, if deemed necessary, shall proceed in accordance with this Act.

The Planning Board or the Autonomous Municipality with I to V Granted Hierarchy shall direct that the complaint be dismissed if it determines that no violations or noncompliance with the applicable legal provisions had been found. A party adversely affected by a determination to dismiss the complaint may file a request for reconsideration following the same procedure established in Act No. 170 of August 12, 1988, as amended, known as the ‘Uniform Administrative Procedures Act’.”

Section 55.- Section 14.8 is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 14.8.- Fines.

a) If from the investigation it is concluded that the allegations in the complaint are true, the Planning Board, the Autonomous Municipality with I to V Granted Hierarchy, or the Concerned Government Entity, as appropriate, shall issue an administrative fine. If deemed appropriate, it shall file the appropriate motions with the Court of First Instance seeking the revocation of a permit or the stop of a construction work or unauthorized use or the demolition of works, as appropriate. The authority of the Planning Board to impose administrative fines shall not substitute or lessen the authority of any of the Concerned Government Entities to initiate any applicable judicial proceeding, whether civil or criminal, under the Organic Acts of the Concerned Government Entities.

b) The Joint Permit Regulation shall prescribe the standards for determining the amount of the administrative fines, based on the severity of the violation, the duration of the violation, recidivism, or the financial benefit derived from the violation, and the risk posed or the damage caused to health or safety as a result of the violation.

c) These fines shall place a lien on the title of the property involved in the violation or violations. The sum of all administrative fines imposed by the Planning Board pursuant to this Act shall be deposited in the Special Fund of the Planning Board to strengthen audits and oversight. The fines imposed by the Concerned Government Entities or the Autonomous Municipalities with I to V Granted Hierarchy for complaints evaluated and adjudicated by the Planning Board shall be payable to the order of the Secretary of the Treasury in the case of the Concerned Government Entity or the Autonomous Municipality, as the case may be. The Planning Board shall be entitled to receive a 25% payment for processing the case.”

Section 56.- Section 14.9 is hereby added to of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 14.9.- Register of Debts and Fines.

The Planning Board, the Concerned Government Entities, and the Autonomous Municipalities with I to V Granted Hierarchy shall keep a record of every debt and fine in a permanent register that shall be part of the Unified Information System.”

Section 57.- Section 14.10 is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 14.10.- Procedure for the Issuance, Collection, and Review of Fines.

a) The Planning Board, the Permit Auditor, the Concerned Government Entities, and the Autonomous Municipalities with I to V Granted Hierarchy, or their authorized representatives may avail themselves of the services of their officials and employees, as well as of the Puerto Rico Police or the municipal police corps to issue tickets for administrative fines.

b) The forms used to issue such tickets may be in electronic format in accordance with the regulation to be promulgated by the Planning Board for such purposes. The official who issues the ticket shall include his full name, his printed or digital signature, and shall clearly state therein the alleged administrative offense, the legal provision violated, the ticket date, and the amount of the administrative fine to be paid.

c) The Planning Board, the Concerned Government Entities, or the Autonomous Municipalities with I to V Granted Hierarchy shall deliver in person, by certified mail, or electronically a copy of the ticket to the person in charge of the property, be it the owner, agent, employee, the person in charge, assignee, tenant, or successor. The copy so delivered shall also contain the instructions for requesting reconsideration and review. The Joint Permit Regulation shall provide the mechanisms or steps to be followed when a copy of the ticket cannot be delivered

because the name and/or address of the owner, agent in charge, assignee, tenant, or successor is not available.

d) The Planning Board or the Autonomous Municipalities with I to V Granted Hierarchy shall take steps as are necessary to collect fines that have become final and binding including, but not limited to, resorting to the Court of First Instance, record the fine in the register of fines issued by the Government of Puerto Rico, hiring collection agents, and record the debt on account of fines in the Property Registry. The Planning Board, the Autonomous Municipalities with I to V Granted Hierarchy, or the Authorized Professional shall not issue a permit, license, authorization, final determination, or certification for a property that has an outstanding debt for a final and binding fine in the permanent register of the Unified Information System until the fine is fully paid or a payment plan accepted by the Planning Board is presented.

e) The administrative fines imposed under this Act shall also apply to any person who obstructs, limits, paralyzes, or invades, without legal authority, a construction activity or authorized use, pursuant to the provisions of this Act.

f) The party adversely affected by a fine issued by the Planning Board, the Permit Auditor, the Concerned Government Entity, or the Autonomous Municipalities with I to V Granted Hierarchy may file a request for reconsideration or review, pursuant to Act No. 170 of August 12, 1988, as amended, known as the ‘Uniform Administrative Procedures Act.’”

Section 58.- Section 14.11 is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 14.11.- Compliance Evaluation of Authorized Professionals, Authorized Inspectors, and Licensed Professionals.

The Planning Board shall conduct a compliance evaluation of Authorized Professionals, Authorized Inspectors, and Licensed Professionals with the

provisions of this Act in relation to permits, licenses, or certifications issued under this or any other applicable Act and regulation. To such effect, it shall adjudicate complaints filed *motu proprio*, as a result of an audit, or at the request of any individual. In addition, it shall impose fines as provided in the Joint Permit Regulation; provided, that under no circumstances may said fines or complaints be used to make a collateral attack on a final determination and permits that should have been timely filed, in accordance with all other provisions of this Act. The provisions of Section 9.10 of this Act shall not preclude the filing of any other administrative, civil, or criminal action against an Authorized Professional, an Authorized Inspector, a Licensed Professional or any other person under this Act, the regulations adopted thereunder or Act No. 135 of June 15, 1967, as amended, and any regulations adopted thereunder. The penalties to be imposed by the Autonomous Municipalities with I to V Granted Hierarchy or the Permit Auditor may include the imposition of fines for or restrictions on the filing applications for the period of time provided therefor through regulations, taking into account the severity of the violations.”

Section 59.- Section 14.12 is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 14.12.- Notice of Disciplinary Proceedings.

The Planning Board shall notify the Examining Board of Engineers and Land Surveyors of Puerto Rico, the Board of Examiners of Agronomists, the Board of Examiners of Architects and Landscape Architects of Puerto Rico, the Professional Planners Examining Board, the Board of Examiners of Geologists of Puerto Rico, the College of Engineers and Land Surveyors of Puerto Rico, the Agronomists Association of Puerto Rico, the Puerto Rico Architects and Landscape Architects Association, or any professional association or Examining Board that regulates the practice of an Authorized Professional, about the filing of any complaint, and the

commencement and outcome of any disciplinary proceeding against professionals whose conduct they regulate, so that they may take the pertinent action.

The Examining Board of Engineers and Land Surveyors of Puerto Rico, the Board of Examiners of Agronomists, the Board of Examiners of Architects and Landscape Architects of Puerto Rico, the Professional Planners Examining Board, the Board of Examiners of Geologists of Puerto Rico, the College of Engineers and Land Surveyors of Puerto Rico, the Agronomists Association of Puerto Rico, the Puerto Rico Architects and Landscape Architects Association, or any professional association or Examining Board that regulates the practice of an Authorized Professional, shall notify the Planning Board within twenty-four (24) hours, about the filing of any complaint, and the commencement and outcome of any disciplinary proceedings against professionals whose conduct they regulate. Colleges or boards of Authorized Professionals, as well as any other institution that regulates the practice of an Authorized Professional, shall take action *motu proprio* upon learning about any violation of this Act committed by one of their members without having to be notified by the Planning Board or any agency of the Government of Puerto Rico.”

Section 60.- Section 14.13 is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 14.13.- Administrative Fines.

The Planning Board or the Autonomous Municipalities with I to V Granted Hierarchy have the authority to issue administrative fines to any natural or juridical person that:

(a) Violates this Act, Act No. 75 of June 24, 1975, as amended, known as the ‘Planning Board Organic Act,’ the Joint Regulation, the permits or the conditions of the permits issued thereunder, the Planning Regulations, or any other applicable law. Administrative fines shall not exceed fifty thousand (50,000) dollars for each

violation; provided, that each day the violation continues shall be considered a separate violation.

(b) Fails to comply with any resolution, order, or decision issued. Administrative fines shall not exceed fifty thousand (50,000) dollars for each violation; provided, that each day the violation continues shall be considered a separate violation.

(c) Has been found to be in contempt of court in committing or continuing to commit the actions in violation of this Act or the regulations adopted thereunder or the Planning Regulations, the Planning Board, in the exercise of its discretion, may impose an additional administrative fine of up to a maximum of one hundred thousand (100,000) dollars for each violation.

(d) The administrative fines imposed under this Act shall also apply to any person who obstructs, limits, paralyzes, or invades, without legal authority, a construction activity or authorized use pursuant to the provisions of this Act.

The Planning Board shall prescribe through the Joint Regulation the standards and procedures for imposing the administrative fines established in subsections (a) through (d) of this Section, based on the severity of the violation, the duration of the violation, recidivism, or the financial benefit derived from the violation, and the risk posed or the damage caused to health or safety as a result of the violation. The Planning Board may delegate to the Permit Auditor the authority to issue administrative fines.”

Section 61.- Section 15.1 is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 15.1.- Joint Regulation.

In compliance with the provisions of this Act, the Planning Board in conjunction with the Permit Management Office and the Concerned Government Entities, as applicable, shall draft and adopt a Joint Permit Regulation, subject to the

provisions of this Act, Act No. 81-1991, as amended, known as the ‘Autonomous Municipalities Act,’ the provisions of Act No. 75 of June 25, 1975, as amended, known as the ‘Planning Board Organic Act,’ and Act No. 170 of August 12, 1988, as amended, known as the ‘Uniform Administrative Procedures Act,’ to establish and apply: (a) a uniform adjudicatory system; (b) the evaluation and issuance of final determinations, permits, and recommendations related to construction works and land use; (c) the green design guidelines to train Authorized Professionals and any other person interested in becoming certified under the Puerto Rico green design guidelines; (d) an audit procedure and a procedure to file complaints with the Planning Board, the Concerned Government Entities, and the Autonomous Municipalities with I to V Granted Hierarchy, as applicable; and (e) any other matter to be addressed by regulation as provided in this Act and such others pertaining specifically to the Permit Management Office. The aforementioned Joint Permit Regulation shall be known as the ‘Joint Regulation for the Evaluation and Issuance of Land Development, Use, and Businesses Operation Permits’ and shall be adopted by the Planning Board and approved by the Governor. The drafting of the Joint Regulation shall be exempt from compliance with Act No. 416-2004, as amended.

Within thirty (30) days from the effective date of this Act, the Planning Board, the Permit Management Office, and the Concerned Government Entities shall begin the drafting of the Joint Regulation, which shall conclude within one hundred and eighty (180) days following the effective date of this Act. The Planning Board shall prescribe through Resolution, the mechanism that shall govern the Joint Regulation’s drafting process. Broad citizen participation shall be ensured through public hearings for the approval of the Joint Regulation. The Joint Regulation shall be supplemental to this Act and shall prevail over any other regulation.

Amending a Section or part of the Joint Regulation shall not require amending the entire Regulation. In the case of partial amendments to the Joint Regulation, such

amendments shall only require to be adopted by the Permit Management Office or the Concerned Government Entities affected thereby and to be approved by the Planning Board.

If the Planning Board does not agree with any of the provisions proposed to be included in the Joint Regulation, whether at the time of its adoption, pursuant to the first paragraph of this Section, or during the amendment process, pursuant to the second paragraph of this Section, the Planning Board shall issue a resolution stating its objection and shall return it to the Permit Management Office or the Concerned Government Entities, as applicable, affected thereby in order for them to amend the proposed text. If the Concerned Government Entities, the Permit Management Office, and the Planning Board are unable to reach an agreement regarding the proposed text, the suggested text shall be submitted, enclosed with the Planning Board resolution objecting such text, to the Governor, who shall make the final decision regarding the regulatory provision in dispute. The Planning Board, the Permit Management Office, and the Concerned Government Entities shall adopt the Joint Permit Regulation within one hundred and eighty (180) days from the effective date of this Act.”

Section 62.- Section 16.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 16.1.- Certification of Plans and Documents.

The Green Permit application shall enclose a plan certifying and proving that the design complies with the green design pre-qualification established in the guidelines of the Joint Regulation.”

Section 63.- Section 16.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby repealed.

Section 64.- Section 18.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 18.2.- Applications Pending Processing.

Applications for site consultation duly filed with the Planning Board prior to effective date of this Act shall be transferred to the Permit Management Office for final determination under the applicable law at the time the applications were filed. However, if under the provisions of this Act a permit or recommendation applied for may be issued, that would otherwise not be issued should the previous legal provisions were applied, then the Permit Management Office shall issue such permit or recommendation under this Act or the Joint Regulation to be adopted thereunder.”

Section 65.- Section 18.7 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 18.7.- General Regulation Revision.

Within one hundred and eighty (180) days from the effective date of this Act, the Concerned Government Entities, the Permit Management Office, and all departments, agencies, municipalities, corporations, and public instrumentalities of the Government of Puerto Rico and its political subdivisions shall revise, amend, or repeal their administrative regulations and orders, and memoranda establishing permit procedures, policies, and forms intended for the purpose of simplifying, clarifying, and streamlining permit processes and conform them to the public policy set forth in this Act. Such revision shall seek to render the requirements established in the regulations more specific, clearer, and more accurate, eliminate uses and practices that are incompatible with the regulations, and simplify to the maximum possible extent the number of permits and authorizations required to the regulatory entity. This revision must eliminate deficiencies or inconsistencies that would prevent for full compliance with the purposes and provisions of this Act. Within thirty (30) days after the aforementioned period elapses, the Planning Board shall submit a report to the Governor and the Legislative Assembly of Puerto Rico.”

Section 66.- Section 18.9 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 18.9.- Transition Budgets.

The necessary funds for the creation and the implementation of the Permit Management Office shall derive from the funds earmarked by the Office of Management and Budget in the Concerned Government Entities, which funds shall be deposited in a Special Fund of the Permit Management Office. The funds deposited in such account shall be disbursed by the Secretary of the Treasury at the request of the Executive Director to fulfill the purposes of this Act.”

Section 67.- Section 18.10 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 18.10.- Provisions Related to the Municipalities.

Consistent with the powers granted by Act No. 81-1991, *supra*, to the Autonomous Municipalities that, by virtue of the provisions in Chapters XIII and XIV, have been granted authority to evaluate, issue, or deny permits by the Permit Management Office and the Planning Board, shall be subject to all Sections of this Act. For Municipalities that are, as of the date of approval of this Act, negotiating any delegation of authority, in the process of adopting or revising territorial ordinance plans, or planning to enter in an authority delegation process, shall be required to comply with all the provisions of this Act. On the other hand, those Municipalities that have entered into a Transfer of Authority Agreement, as well as those that enter into such an agreement in the future, shall ensure that all of their procedures are consistent with the provisions of this Act, which are geared toward standardizing, modernizing, and expediting the issuance or denial of permits.

The Autonomous Municipalities that have entered into a delegation of authority agreement and transfer of hierarchies and powers, pursuant to Act No. 81-1991, *supra*, and have thus established in said agreement or those that acquire such

delegation authority of in the future, as of the effective date of this Act, shall receive fifteen percent (15%) of the applicable charges and fees, from applications originating from their municipalities that are not within the hierarchy granted and are adjudicated by the Permit Management Office.”

Section 68.- Paragraphs 1 and 2 of subsection (d) of Section 11 of Act No. 8-2004, as amended, known as the “Sports and Recreation Department Organic Act,” is hereby amended to read as follows:

“Section 11.-

(a) ...

...

(c) ...

(d) Planning and Authorization.

1. The Secretary shall prescribe through regulations the rules for the planning, location, and construction of recreational and sports facilities, in addition to any other prescribed by law, which shall be strictly complied with by every natural or juridical person, public or private entity constructing or ordering the construction of recreational and sports facilities on the Island, except for the Legislative Assembly of Puerto Rico. Such regulations shall be submitted to the Planning Board prior to the adoption thereof in order to receive comments that shall be adopted by the Secretary.

2. The Permit Management Office shall have the authority and duty to evaluate and issue permits and recommendations that regulate activities directly or indirectly related to land development and use in Puerto Rico. The Permit Management Office shall evaluate and issue or deny such recommendations and permits, in accordance with the provisions of the applicable laws and/or regulations. The Secretary shall oversee the applicants’ compliance with the permits and recommendations, the evaluation and

issuance of which has been delegated to the Permit Management Office, and any violations found shall be addressed and adjudicated by the Planning Board.

3. The location or construction of facilities in violation of the planning rules of the Department shall entail the imposition of fines and sanctions as provided in Section 25 of this Act.”

Section 69.- Section 13.008 of Act No. 81-1991, as amended, known as the “Autonomous Municipalities Act,” is hereby amended to read as follows:

“Section 13.008.- Drafting, Adoption, and Review of Ordinance Plans.

...

The Planning Board may determine, through a Resolution, that the partial review requested by the municipality requires a comprehensive review of the entire Ordinance Plan only when said review includes a change in land classification or even when a change in land classification is not included, the partial review impacts common rural land, specially protected rural land, or non-programmed urbanizable land. Said determination shall be duly supported.

The Joint Permit Regulation shall govern all procedural matters and aspects related to the evaluation and adjudication of an application by Autonomous Municipalities with I to V Granted Hierarchy.”

Section 70.- Section 13.012 of Act No. 81-1991, as amended, known as the “Autonomous Municipalities Act,” is hereby amended to read as follows:

“Section 13.012.- Transfer of Jurisdiction on Territorial Ordinance.

...

In cases where a municipality has been granted transfers of authority up to Hierarchy V, inclusively, all applications for authorization or permit, including environmental compliance for categorical exclusions, in accordance with the regulations of the Environmental Quality Board, and those reserved by the Planning

Board or the Permit Management Office shall be filed through the Unified Information System and issued by the Permit Office of the municipality. In the case of applications for environmental compliance for categorical exclusion, the municipality shall require the permit applicant to provide the Permit Management Office with proof of payment prior to processing the application. Once the municipality processes the application, it shall forward the application to the Permit Management Office to be entered in its electronic register or database. The Permit Office of the municipality, upon evaluating the digital record, in the case of projects considered by central agencies, shall forward the record to the appropriate agency within a period not to exceed ten (10) days from the filing date of the application for the agency to act according to the law. If such period elapses and the municipality fails to forward such application, the applicant may petition the appropriate forums to order said record to be immediately forwarded. Repeated noncompliance with the timely processing of the records shall be grounds for modifying or revoking the transfer of authority agreement entered into with the municipality.

Once the authority established for the various hierarchies has been transferred, the municipality shall be responsible for any actions taken in the exercise of said authority. The municipality, however, may agree with the Permit Management Office that the latter evaluate certain applications and render a report thereon, and subsequently, the municipality would adjudicate such applications through its Permit Committee.

When a record is forwarded to the appropriate central agency for evaluation, the evaluation of the application shall be governed by the provisions and documents contained in the Territorial Ordinance Plan, which includes the Joint Regulation, among others. Adjudicative proceedings shall be governed and/or conducted in accordance with the provisions of the Joint Permit Regulations.

...

Every proceeding pending before any central agency of the Government of Puerto Rico or any court on the date of the transfer of authorities, in connection with territorial ordinance, to a municipality shall continue before said forum until a final decision is made on the application or proceeding under consideration”

Section 71.- Section 13.015 of Act No. 81-1991, as amended, known as the “Autonomous Municipalities Act,” is hereby amended to read as follows:

“Section 13.015.- Submittal of Files on Projects authority over which is Retained by the Public Agencies, Notice of Filing of Urbanization Projects, and Notice of the Decisions of the Permits Office.

The Permits Office shall submit to the Planning Board or the Permit Management Office, as the case may be, the full digital record of every project filed with a municipality, which Permit Office has not been granted reviewing authority with the municipality or authority over which has been reserved by the public agencies.

...”

Section 72.- Section 1 of Act No. 374 of May 14, 1949, as amended, is hereby amended to read as follows:

“Section 1.- Building Permits.

For the purpose of preserving the landmarks of Puerto Rico and developing tourism through the conservation and protection of special places and structures, and the orderly planning of the construction of new structures, it is hereby provided that every application for a building permit, use permit, or any other kind of permit application filed with the Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy to be used within the boundaries of an old or historic zone, or within the boundaries of a tourist interest zone shall be previously reviewed and authorized as to details, architectural features, and proper

relationship with the character of such zone, in the manner hereinafter provided and consistent with other applicable laws.

In the case of an old or historic zone, the Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy shall require a written recommendation of the Institute of Puerto Rican Culture before authorizing any building or use permits.

In the case of a tourist interest zone, no franchise, permit, authorization or license for works, constructions, installations, services, use or activities within said zone may be granted by the Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy, as provided by law, without the previous written recommendation of the Tourism Company, pursuant to Act No. 161-2009.”

Section 73.- Section 4 of Act No. 374 of May 14, 1949, as amended, is hereby amended to read as follows:

“Section 4.- Permit Approval Process.

Every project, blueprint, elevation, and all other information accompanying each application for a building, use, or other permit to be effected within an old or historic zone or within a tourist interest zone shall be approved or authorized by the Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy upon written recommendation from the Puerto Rico Tourism Company in the case of tourist interest zone, and from the Institute of Puerto Rican Culture in the case of old or historic zones. The Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy shall take into consideration the design and general arrangement, the material, the color, and architectural style of the building or structure in question, or the use or project to be developed, and the proper relationship thereof with the features and characteristics of the nearby buildings and the immediate neighborhood in general, and may request any information it deems

necessary in order to have all the elements of judgment required to evaluate and process each application.

If the application is denied in whole or in part, the Permit Management Office and the Autonomous Municipalities with I to V Granted Hierarchy shall state the reasons for such action, making, in turn, recommendations on the most suitable design, arrangement, material, or color for the property, project, or work in question, based on the rules or outline that the Planning Board may have established or deemed suitable for the zone where such project is located.”

Section 74.- Section 5 of Act No. 374 of May 14, 1949, as amended, is hereby amended to read as follows:

“Section 5.- Review.

In the event that a building permit or project development permit is so denied, the applicant may request review of the Administrative Review Division of the Permit Management Office within twenty (20) days counted from the date on which a copy of the notice of the final order or determination of the Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy, or the Authorized Professional was entered in the record following the procedure provided therefor in the ‘Puerto Rico Permit Process Reform Act,’ Act No. 161-2009, as amended. Provided, that if the entry date of a copy of the notice of the final order or determination in the record is different from the mailing date of said notice, the period shall be calculated from the mailing date. The filing of a petition for administrative review is not a jurisdictional prerequisite for filing a petition for review of the administrative decision with the Court of Appeals. The timely filing thereof, however, shall toll the period to resort to said Court.”

Section 75.- Section 6 of Act No. 374 of May 14, 1949, as amended, is hereby amended to read as follows:

“Section 6.- Prior Requirements.

No action may be implemented in an old or historic zone or in a tourist interest zone by private persons or government agencies, including municipalities, to modify traffic or alter buildings, structures, property, places, squares, parks, or areas of the zone without the previous approval of the Planning Board or the Permit Management Office, as the case may be. The pertinent agency shall not approve any of the actions listed herein without a written recommendation of the Institute of Puerto Rican Culture, in the case of old or historic zones, and of the Tourism Company, in the case of a tourist interest zone.

For those actions of the nature indicated in the preceding paragraph, the Planning Board, *motu proprio*, and with the advice of the Institute of Puerto Rican Culture in the case of old or historic zones, as designated by the Planning Board, and of the Tourism Company in the case of tourist interest zones, or at the request of any of said agencies or any official, entity, or interested person, may initiate the appropriate investigation to determine if the action in question is consistent with the purposes and objectives of this Act. The Planning Board may require information as necessary from all sources it may deem pertinent, shall offer the parties a reasonable period of time to comment on the information received or generated, and proceed in accordance with the powers delegated thereto under this Act.”

Section 76.- Section 7 of Act No. 374 of May 14, 1949, as amended, is hereby amended to read as follows:

“Section 7.- Penalty.

A fine of not less than five hundred dollars (\$500) and not more than five thousand dollars (\$5,000) per occurrence or violation shall be imposed on any person who violates this Act or the regulations adopted thereunder for the enforcement thereof.

In addition, the judgement entered by the court shall specify a period not to exceed three (3) years, during which no building or use permits may be issued for

properties where this Act or any related regulation has been violated. The court shall give notice of such judgement to the pertinent Property Registry for the recordation thereof in said Registry.”

Section 77.- Subsection (c) of Section 4 of Act No. 416-2004, as amended, known as the “Environmental Public Policy Act,” is hereby amended to read as follows:

“Section 4.- Duties and Responsibilities of the Government of Puerto Rico.

A. ...

B. ...

C. The Permit Management Office shall act as the lead agency and as the body with jurisdiction over or recognized expertise in relation to any action which requires compliance with the provisions of this Section. Any recommendation required from a government entity in relation to an environmental document shall be issued by the Permit Managers of the Permit Management Office and by the Director of the Environmental Compliance Division, except for the recommendations required from the municipalities, the Environmental Quality Board, and the Planning Board, as the case may be, pursuant to the applicable legal and regulatory provisions. For the purposes of this Section, the Environmental Quality Board shall prescribe through regulations, the procedure that shall govern the preparation, evaluation, and processing of environmental documents. The above described regulations shall be drafted, approved, and adopted by the Environmental Quality Board upon consideration of the comments of the Planning Board. In such cases in which the environmental compliance determination requested by the Permit Management Office is not related to the permits issued by such office pursuant to the provisions thereof or any other action under the law, the determination of the Permit Management Office on this particular matter shall not be deemed to be final and the same shall be a component of the final determination of the department,

agency, municipality, public corporation and instrumentality of the Government of Puerto Rico, or political subdivision, as the case may be, on the proposed action, and reviewable together with such final determination.

...

In the event that the Department of Transportation and Public Works or any instrumentality or entity thereof, or any other government entity of the Government of Puerto Rico, in conjunction with the U.S. Department of Transportation or any instrumentality and agency thereof, or any other government entity of the Government of the United States of America, are co-lead agencies in the preparation of an Environmental Impact Statement or other environmental document under Section 102(C) of the ‘National Environmental Policy Act of 1969’ (NEPA), (Pub. L. 91-190), (42 U.S.C. secs. 4321-4370h, 4332 (C)), as amended, and Section 6002 of the ‘Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users,’ (SAFETEA-LU), (Pub. L. 109-59) (2005) (23 U.S.C. sec. 139), as amended, for any road, bridge, highway construction project, or other ‘traffic and transportation facilities,’ as defined in Section 3 of Act No. 74 of June 23, 1965, as amended; it shall not be necessary to obtain a determination of the Environmental Compliance Evaluation Division of the Permit Management Office for the purposes of this Section. In these cases, once a decision made by the agency, according to the Record of Decision or ROD, is notified to the Federal Register, the environmental impact statement or other environmental document approved in accordance with Section 102(C) of the ‘National Environmental Policy Act of 1969’ (NEPA), (Pub. L. 91-190), (42 U.S.C. Sec. 4332 (C)) shall be deemed to be sufficient for purposes of Section 4 of Title I of Act No. 416-2004, as amended, without the need for any further determination or action whatsoever by the Environmental Quality Board or the Permit Management Office. The Director of OGPe shall certify compliance or notify noncompliance with the Environmental Public Policy Act, Act No. 416,

supra, within a jurisdictional period of fifteen (15) days upon notice of the Record of Decision.

Environmental documents may be drafted in English. However, a Spanish version shall be provided upon request.”

Section 78.- Section 3 of Act No. 76-2000, known as the “Procedures for Emergency Situations or Events Act,” is hereby amended to read as follows:

“Section 3.- All government agencies involved in the projects submitted under the provisions of this Act, whose comments and/or endorsements are requested by the Planning Board or the Permit Management Office shall have a non-deferrable period of five (5) business days from the request for comments and/or endorsements, to submit their endorsement, of or opposition to, the application to be evaluated. If no answer is received after said period of five (5) business days has elapsed, the proposal shall be deemed to be endorsed.”

Section 79.- Section 5 of Act No. 76-2000, known as the “Procedures for Emergency Situations or Events Act,” is hereby amended to read as follows:

“Section 5.- Once the appropriate government entity files a site consultation, pursuant to Act No. 9, *supra*, with the Planning Board or the Permit Management Office, as the case may be, said Agency shall have a non-deferrable period of fifteen (15) business days to evaluate the site consultation thus filed.”

Section 80.- Subsection (31) of Section 11 of Act No. 75 of June 24, 1975, as amended, known as the “Puerto Rico Planning Board Organic Act,” is hereby repealed.

Section 81.- Section 7 of Act No. 76-2000, known as the “Procedures for Emergency Situations or Events Act,” is hereby amended to read as follows:

“Section 7.- Government agencies are hereby authorized to issue administrative orders as are necessary to enforce and achieve the purposes of this Act.

Projects to be carried out solely due to a natural hazard such as hurricanes, tsunamis, earthquakes, volcano eruptions, droughts, fires, explosions, or any other types of catastrophes or any other serious disturbances that jeopardize the public order or an attack by enemy forces through sabotage or the use of bombs, artillery, or explosives of any kind, or through nuclear, radiological, chemical, or bacteriological agents, or through any other means used by the enemy in any part of the territory of the Government of Puerto Rico that warrants the deployment or use of special human and economic resources to alleviate, avoid, prevent, or lessen the severity or magnitude of the damage caused or that may be caused shall be exempt from the payment of any stamp, voucher, or fee required for the granting of permits, endorsements, consultations, and/or certifications.”

Section 82.- Revision of Land Classification Districts.

The Puerto Rico Planning Board is hereby directed to revise, within a period not to exceed two hundred forty (240) days from the approval of this Act, all the classification districts included in the Joint Regulation or in any other planning regulation as well as all of the territorial ordinance and use plans at the municipal level approved or pending before the Planning Board in order to establish uniform uses and classification districts for Puerto Rico.

As part of the review process, the Planning Board shall establish equivalences between the districts already established whether through special regulations, territorial ordinance plans, or the Joint Regulation, and shall establish all those new classifications as are necessary to uniformly address the uses to be given to the lands or structures on our Island. The Planning Board shall reduce the number of classification districts by consolidating districts that are similar or alike and may establish overlapping special zones or areas to address the particularities of districts that warrant special treatment.

The Planning Board shall take into consideration the current trends of doing business, namely Startup Incubators, and facilitate procedures and uses for persons working from home without affecting or changing the context of the neighborhood.

The process of revising the classification districts within a territorial ordinance plan shall require the holding of a public hearing at which revisions for one or more municipalities may be submitted.

The process of revising the classification districts within a territorial ordinance plan, in accordance with this Section, as well as the promulgation of provisions and regulations, in accordance with this Act, shall be expressly excluded from the provisions of Act No. 170 of August 12, 1988, as amended, better known as the 'Uniform Administrative Procedures Act,' and the provisions of Chapters XIII and XIV of Act No. 81-1991, as amended.

It is the duty of the Puerto Rico Planning Board to revise and maintain simple and functional parameters and requirements for all commercial districts, and attuned to the new global trends of doing business. In order to address the lack or excess of requirements, the regulations shall establish clear guidelines based on the proposed activities or uses and the size thereof to establish the necessary number of parking spaces, restroom facilities, and storage space.

Section 83.- Reengineering and Implementation Plan.

The person designated by the Governor shall establish the restructuring mechanism for the process of reengineering all the units of Concerned Government Entities in order to issue the recommendations of every development project. All Concerned Government Entities, especially infrastructure agencies, the Electric Power Authority (PREPA), the Aqueduct and Sewer Authority (PRASA), the Department of Transportation and Public Works (DTOP, Spanish acronym), the Telecommunications Regulatory Board of Puerto Rico (TRB), the Highways and Transportation Authority (PRHTA) shall provide the necessary resources and

information to begin a reengineering process. This process should employ the latest technology available in order to expedite the identification of abutting lines, the approval of construction plans, and the timely issuance of the requested recommendations.

Section 84.- Strategic Projects.

Every application for strategic projects of great significance or in which the State has a compelling interest because of their nature or impact on economic development, shall be submitted and evaluated by the Permit Management Office regardless of the location thereof.

To such effects, in order to determine which projects are strategic or in which the State has a compelling interest an Ad Hoc Committee is hereby created composed of the Governor's Advisor on Development and Infrastructure, who shall be its Chair, the Secretary of the Department of Economic Development and Commerce, and the Chair of the Planning Board.

Said Committee shall be attached to the Planning Board which shall be the public instrumentality charged with the promulgation of any regulations related to the designation, processing, and evaluation of strategic projects.

Moreover, projects designated as critical or under the Puerto Rico Oversight Management and Economic Stability Act (PROMESA) or those submitted by virtue of a declaration of emergency issued by the Governor through an Executive Order, as provided in Act No. 76-2000, shall be evaluated in accordance with the provisions of said Act.

Section 85.- Amnesty.

An amnesty is hereby declared until December 31, 2017 for any person who has begun a construction or is using lands or structures for residential purposes without having the permits therefor to be able to take the appropriate actions to obtain them.

Interested citizens shall have until July 31, 2017 to submit to the Permit Management Office or the Autonomous Municipalities with I to V Granted Hierarchy, as the case may be, a written intent to avail themselves of this amnesty. Such written intent shall be assigned a unique transaction number to identify the case of each citizen.

As part of the process to avail oneself of the amnesty provided for herein, the proponent shall certify the following:

1. That the structure does not pose an imminent hazard to its inhabitants and adjoining neighbors.
2. That the structure is not located in land prone to flooding or slides.
3. The ownership of the structure or the site where it is located is not in dispute.
4. The structure is not in conflict with a public project nor is located in public lands or special areas identified as such by the Planning Board.
5. There are no legal actions between parties or against the Permit Management Office, Autonomous Municipalities with I to V Granted Hierarchy, or any public instrumentality.
6. Public safety is not affected.
7. The structure is not located in a public area, including maritime zones requiring the authorization of government agencies, the land custodian, and the Planning Board.
8. The existing infrastructure fulfills the projected increase in required essential services.
9. The property shall be used by the person requesting the amnesty and shall not be used for commercial purposes.
10. In the case of stilt housing or trailers, it shall be required for an engineer or architect to certify the structural anchorage and safety.

A fifty percent (50%) discount shall be applied across the board to the current cost of legalization in every concerned agency. A waiver of the bond-posting requirement for debris collection in municipalities is also provided herein. The sum of twenty-five dollars (\$25.00) shall be collected for the issuance of the use permit.

At the time of filing the intent to avail oneself of the amnesty, a payment in the amount of one hundred dollars (\$100.00) shall be made, which amount shall be applied to the total amount to be paid.

Insofar as the structure to be legalized has a drinking water meter, it shall be allowed for said meter to be located at a distance not to exceed five hundred (500) feet from the structure for the duration of the amnesty. However, once the amnesty concludes, the meter shall be located in accordance with the specifications and regulations of the Aqueduct and Sewer Authority.

This provision shall not apply to second story structures where restrictive conditions thus prohibit it.

Section 86.- Revision of Regulations.

Within a period of two hundred forty (240) days from the effective date of this Act, the Concerned Government Entities, the Permit Management Office, and all of the departments, agencies, municipalities, public corporations, and instrumentalities of the Government of Puerto Rico and its political subdivisions shall revise, amend, or repeal their administrative regulations and orders, memoranda establishing permit and streamlining procedures, policies, and forms intended for the purpose of simplifying, clarifying the processes thus conforming them to the public policy established in this Act. Said revision seeks to render more specific, clearer, and more accurate the requirements established in the regulations, eliminate customary uses that are inconsistent with the regulations, and simplify to the maximum possible extent the number of permits and authorizations required to the regulatory entity. This revision must eliminate deficiencies or inconsistencies that prevent full

compliance with the purposes and the provisions of this Act. Within thirty (30) days after the aforementioned period elapses, the Planning Board shall submit a report to the Governor and the Legislative Assembly of Puerto Rico.

Section 87.- Severability Clause.

If any clause, paragraph, subparagraph, sentence, word, letter, article, provision, section, subsection, title, chapter, subchapter, heading, or part of this Act were held to be null or unconstitutional, the ruling, holding, or judgment to such effect shall not affect, impair, or invalidate the remainder of this Act. The effect of said holding shall be limited to the clause, paragraph, subparagraph, sentence, word, letter, article, provision, section, subsection, title, chapter, subchapter, heading, or part of this Act thus held to be null or unconstitutional. If the application to a person or a circumstance of any clause, paragraph, subparagraph, sentence, word, letter, article, provision, section, subsection, title, chapter, subchapter, heading, or part of this Act were held to be null or unconstitutional, the ruling, holding, or judgment to such effect shall not affect or invalidate the application of the remainder of this Act to such persons or circumstances where it may be validly applied. It is the express and unequivocal will of this Legislative Assembly that the courts enforce the provisions and application thereof to the greatest extent possible, even if it renders ineffective, nullifies, invalidates, impairs, or holds to be unconstitutional any part thereof, or even if it renders ineffective, invalidates, or holds to be unconstitutional the application thereof to any person or circumstance. This Legislative Assembly would have approved this Act regardless of any determination of severability that the Court may make.

Section 88.- Effectiveness.

All Sections of this Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 19-2017 (H. B.310)** of the **1st Regular Session** of the **18th Legislative Assembly of Puerto Rico**:

AN ACT amend Sections 1.2,1.5, 2.1, 2.2, 2.3, 2.4, 2.5, 2.7, 2.10, 2.11, 2.12, 2.13, 2.16, 2.17, 2.18, 3.1, 3.2, 7.3, 7.4, 7.9, 8.1, 8.2, 8.3, 8.4, 8.5, 8.8, 8.8A, 8.10, 8.11, 8.13, 8.14, 9.1, 9.2, 9.5, 9.6, 9.7, 9.8, 9.9, 9.12, 13.1, 14.1, 14.2, 15.1, 16.1, 18.2, 18.7, 18.9, 18.10, 19.7; repeal Sections 2.3B, 2.8A, and 7.8 and renumber the subsequent Sections; repeal Sections 14.4, 14.5, and 14.6 and substitute them for new Sections 14.4, 14.5 and 14.6; add Sections 14.7, 14.8, 14.9, 14.10, 14.11, 14.12, 14.13; repeal Sections 8.15 and 8.16 and substitute them for new Sections 8.15 and 8.16; repeal Section 16.2; and add a Section 8.4A and Chapters VI and XI to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act”; [...]

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

In San Juan, Puerto Rico, on this 17th day of September, 2021.

Mónica Freire-Florit, Esq.

Director