

(S.B. 522)

**(No. 40)**

(Approved July 19, 1997)

**AN ACT**

To amend sections 1 and 3 of Act No. 79 of June 13, 1953, in order to provide that the recognition awarded through the Annual Prize Program of the Governor for Administrative Improvements can be extended to work units, programs and agencies of the Government of Puerto Rico.

**STATEMENT OF MOTIVES**

Act No. 79 of June 13, 1953, authorized the Governor of Puerto Rico to award Annual Prizes for Administrative Improvements to officials and employees of the Government of Puerto Rico and its instrumentalities who make worthy recommendations leading to savings or the improvement of practices of government agencies. Through the years, this Prize has been used to promote the development of innovative ideas that bring about better service to the citizenry and a more adequate compliance with the obligations imposed by law on the different government dependencies. However, as provided by the law, this prize can only be awarded to individuals. Government dependencies must achieve their mission, comply with the responsibilities vested by law and with the programmed commitments developed or adopted by the government of Puerto Rico. In order to respond to these obligations, the agency must develop a common goal for all its employees, so that even when they may vary according to the area of specialty, clients or resources of each program or unit, they always depend on the coordination, efforts, cooperation, initiative, and commitment as a team.

At present, Act No. 79, cited above, limits the Governor's power to reward ideas that have promoted the economy, efficiency and effectiveness in the Government of Puerto Rico, and discourages teamwork participation or cooperation, which is so important to foster the best accomplishment of government goals and a sound public administration as well.

On the other hand, there are other mechanisms to reward public employees as individuals, such as in Act No. 66 of June 20, 1956, as amended, which grants the Governor of Puerto Rico, or the

persons delegated by him, the faculty to establish an awards program for public employees and officials in recognition of their meritorious services to the Government.

To such effects, and in order to recognize the work performed by individuals as part of a group effort, Act No. 79, cited above, is hereby amended, in order to empower the Governor to award the Annual Prize for Administrative Improvements to work units, programs, and agencies of the Government.

***BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:***

Section 1.- Section 1 of Act No. 79 of June 13, 1953 is hereby amended to read as follows:

"Section 1.- The Governor of Puerto Rico is hereby authorized pursuant to such rules as he may adopt, to award annual Prizes for Administrative Improvements to officials and employees, work units, programs and agencies of the Government of Puerto Rico, who adopt or implement innovative ideas and processes which result in an economy or an increase in the quality of the services offered by the departments, agencies and instrumentalities of the Commonwealth of Puerto Rico. For the purposes of this Act, work units shall be those defined in the budget document as sections in the organization chart of each program or its equivalent. The prizes may consist, of cash, trophies or medals among others. In case of the death of a person entitled to receive a prize, such prize shall be delivered to his/her heirs."

Section 2.- Section 3 of Act No. 79 of June 13, 1953 is hereby amended to read as follows:

"Section 3.- The prize received in cash by any official or employee as part of a work unit shall be in addition to his/her regular compensation and shall not be considered as a part thereof.

Provided, further, that such prize shall not be subject to the payment of income tax. When the prize is awarded to a program or agency, and the same consists of cash, said resources shall become apart of the agency's budget and shall be used for non-recurrent expenses. If the prize consists of a trophy or medals, the same shall belong to the recipient agency."

Section 3.- This Act shall take effect immediately after its approval.

May 11, 1998

José A. Figueroa-Lugo, Director of the Office of Legislative Services of the Legislature of Puerto Rico, hereby certifies to the Secretary of State that he has duly compared the English and Spanish texts of Act No. 40 (S.B. 522) of the 1st Session of the 13th Legislature of Puerto Rico, entitled:

**AN ACT** to amend sections 1 and 3 of Act No. 79 of June 13, 1953, in order to provide that the recognition awarded through the Annual Prize Program of the Governor for Administrative Improvements can be extended to work units, programs and agencies of the Government of Puerto Rico.,

and finds the same are complete, true and correct versions of each other.

José A. Figueroa-Lugo