(S. B. 2400)
(Reconsidered)

(No. 106-2012)

(Approved June 5, 2012)

AN ACT

To amend Section 13.008; the sixth and seventh paragraphs of Section 13.010; the sixth paragraph of Section 13.011; Section 13.012; and the second and fourth paragraphs of Section 13.013 of Act No. 81-1991, as amended, known as the "Commonwealth of Puerto Rico Autonomous Municipalities Act of 1991"; amend Section 7.3 of Act No. 161-2009, as amended, known as the "Puerto Rico Permit Process Reform Act," in order to simplify and expedite the process to be granted municipal autonomy; and for other purposes.

STATEMENT OF MOTIVES

Act No. 81-1991, known as the "Autonomous Municipalities Act of 1991," as amended, was approved in 1991. The Statement of Motives expressly states that: "In a democratic system of government such as ours, where its power arises from the people, government structures should be conceived to attend to the people's needs in the measure allowed by their economic resources." The legislator further emphasizes that "[t]he time has come to give municipalities a greater degree of fiscal autonomy and self-government so that they can attend to their responsibilities to the fullest."

The Autonomous Municipalities Act was enacted in order to grant municipalities a greater degree of fiscal autonomy and self-government, enabling them to have the fiscal capacity necessary to continue the work they have thus far taken on, and to perform a series of tasks to be delegated by the central government, among other new powers. This Act seeks to provide municipalities with the necessary financial tools to extend their powers and authorities in order to promote excellence in the performance of its urban, social, and economic development, thus achieving an effective democratic governmental operation.

As provided in Act No. 258-2004 and reiterated in the Statement of Motives of Act No. 129-2010:

> [W]e should continue to implement a public policy that grants the municipalities the maximum degree possible of autonomy and provides them with the resources, powers, and faculties needed to assume a central role in their urban, social, and economic development.

Act No. 129, *supra*, amended the Autonomous Municipalities Act to allow Municipalities to develop and/or dispose of their properties more efficiently, thus achieving a maximum benefit for the Municipality. It also establishes the powers of Municipalities to enter into partnership and development agreements, as well as any other type of agreement with private developers and others to create social, residential, industrial, and commercial projects, among others, through which the Municipalities may improve the quality of life as well as the services rendered within their municipal boundaries, while also increasing their revenues from construction excise taxes, development sales, property taxes, and municipal license fees. The foregoing is a clear and vivid example of the reason why it was necessary to amend the Autonomous Municipalities Act in that regard, since it was not contemplated at the time of the approval and promulgation of the Act.

The municipal autonomy concept should be construed as the municipalities' local autonomy to make decisions freely and effectively in all that concerns their jurisdiction and resources, both human and financial.

With regard to the Municipal Reform the 2009-2012 Government Platform established that municipal governments are the basic service unit for the people. In this context, municipalities should play the leading role in providing citizens with the public services of the State. In terms of the strategies for real autonomy, a true autonomy was deemed to be established as well as the powers necessary for municipalities to expedite the rendering of services to our people, and to decentralize

and regionalize certain public services in order to reduce bureaucracy and the misspending of public funds. The municipalities need greater autonomy and resources given that it is the first place people go when seeking housing, waste collection, street cleaning, lighting, ambulance for a sick relative, water trucks when there is no drinking water, and school transportation, to name a few. In order for municipalities to address the needs of the citizenry in a feasible and efficient manner, they need power and resources that are currently limited. The Government Platform also contemplated granting greater municipal autonomy in their internal affairs in critical areas such as their organization; their capacity to generate their own revenues; their capacity to finance their operations with their own resources; the power to form consortia with other municipalities; the authority to impose certain taxes, as well as the planning within their boundaries. Likewise, it was provided that the decentralization of certain public services would be promoted by transferring activities that are currently carried out at the central government to the municipalities or regions that are closer to the people, but maintaining a certain control over activities involving critical services.

This Legislative Assembly deems it meritorious and necessary to amend Act No. 81-1991, as amended, known as the "Autonomous Municipalities Act," in order to take an additional step towards municipal autonomy. This shall ensure that more and better benefits are provided to the people that reside in the different autonomous municipalities of Puerto Rico.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.- Section 13.008 of Act No. 81-1991, as amended, is hereby amended to read as follows:

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

The Ordinance Plans shall be drafted or reviewed by the municipalities in conjunction with the Planning Board and with other public agencies concerned in

order to ensure their compatibility with state and regional plans and those of other municipalities. The municipalities may enter into agreements with the Planning Board for the drafting of said plans or parts thereof.

As an indispensable instrument for the review of Ordinance Plans submitted to the consideration of the Planning Board, the public agencies concerned shall continually update and make available to said agency a physical inventory which shall include, among others, the location of the natural resources that should be protected, land use, the areas susceptible to natural risks, the zones of agricultural, historical, archeological, or tourist value, as well as a list of the infrastructure available.

Any municipality that decides to develop or conduct a comprehensive review of an Ordinance Plan shall notify such fact to the Planning Board before beginning work. When a municipality notifies the Planning Board of its intention to draft or comprehensively review a Territorial Plan, or to draft or comprehensively review an Ordinance Plan which has a significant impact on another municipality, the Planning Board shall determine, through a resolution to such effect, the set of factors to be considered in the plan, including, but not limited to, the following: minimum densities to be required for land use, urban morphology, transportation systems, regional infrastructure systems, regional landfills, dams, and the general interrelationship with its region.

Two (2) or more municipalities may agree on the joint drafting of Ordinance Plans, through an agreement to such effect, with the previous authorization of the appropriate Municipal Legislatures and the endorsement of the Planning Board. Said Board shall oversee that the territory covered by said plan be reasonably contiguous, that the municipalities have similar characteristics, that the objectives and requirements set forth in this Chapter are met and that other municipalities are not adversely affected. The Planning Board shall approve, through resolution, those

complementary provisions that are needed to govern the form and content of the Ordinance Plans that are jointly drafted by two (2) or more municipalities.

The drafting or review of the Ordinance Plans shall be developed in stages and through the sequential and concurrent preparation of a series of documents. It shall follow an intense process of citizen participation through public hearings pursuant to the provisions of this Chapter. It shall further comply with the provisions of Act No. 170 of August 12, 1985, as amended, known as the "Uniform Administrative Procedures Act of the Commonwealth of Puerto Rico." The municipality shall hold mandatory public hearings in the cases listed hereinbelow.

The holding of hearings shall be required during the drafting or comprehensive review of the Territorial Plan in order to evaluate the following documents:

(a) Statement of Objectives, Work Plan, Memorandum, and Program;

(b) Progress of the Territorial Plan; and

(c) Territorial Plan (Final).

The hearings for reviewing the documents listed in subsections (a) and (b) or (b) and (c) above may be held by the Municipality on the same day.

In the drafting or comprehensive review of the Extension Plan, public hearings shall be required regarding the following documents:

(a) Statement of Objectives and Work Plan; and Extension Program;

(b) Proposal for Extension Plan and the Ordinance Regulations; and

(c) Extension Plan (Final).

The Municipality may hold on the same day the appropriate hearings in connection with the documents listed in subsections (a) and (b) or (b) and (c) relating to the Extension Plan.

In the drafting or comprehensive review of the Area Plan, public hearings shall be required to review the following documents:

(a) Statement of Objectives and Work Plan;

(b) Inventory, Diagnosis, and Recommendations; Program and Proposal of the Plan; and

(c) Area Plan (Final).

The Municipality may hold on the same day the appropriate hearings in connection with the documents listed in subsections (a) and (b) or (b) and (c) relating to the Area Plan.

The municipality shall notify the Planning Board of all hearings and shall send a copy of the documents to be presented at such hearings. The Planning Board shall issue its comments to the municipality on the documents received within a term not to exceed sixty (60) days following receipt thereof.

Ordinance Plans shall require the approval of the Municipal Legislature, the adoption by the Planning Board, and the approval of the Governor in order to take effect. If Ordinance Plans include more than one municipality, said Plans shall be approved by the Municipal Legislatures of each of the participating municipalities. If the Planning Board considers that a Plan is not appropriate, it shall state the grounds for its determination by means of a Resolution. If the Planning Board does not agree with the adoption agreement, the plan shall be submitted to the Governor stating the position assumed by the Planning Board and the municipality; the Governor shall take the final action as appropriate.

Ordinance Plans shall be reviewed within the term established therein or when the circumstances so warrant. The Territorial Plan shall be reviewed in its entirety at least every eight (8) years.

Ordinance Plans may be reviewed partially. The partial review of Ordinance Plans shall require the holding of hearings in the corresponding municipality, the approval of the Municipal Legislature through an ordinance, the adoption by the Planning Board, and the ratification of the Governor, regarding the following elements of an Ordinance Plan. In the case of plans adopted jointly by more than one municipality, each plan shall require a public hearing and the approval of the Municipal Legislature of each municipality:

(A) Territorial Plan.

(1) Documents regarding the Policies of the Plan included in the General Report;

(2) The following plans included in the Program:

(i) Infrastructure,

(ii) Road plan,

(iii) General communal uses;

(3) The section of the Investment Projects Program, certified by the public agencies;

(4) Land Classification Plan;

(5) Ordinance Plans (except those amendments to the plans pursuant to the provisions of Section 13.012); and

(6) Ordinance Regulations.

(B) Extension Plan.

(1) Extension blueprint;

(2) Ordinance Plans (except those amendments to the plans pursuant to the provisions of Section 13.012); and

(3) Ordinance Regulations.

(C) Area Plan.

(1) Ordinance Plans (except those amendments to the plans pursuant to the provisions of Section 13.012); and

(2) Ordinance Regulations.

The review of the Ordinance Plans in other matters, including those amendments to the Ordinance Plans pursuant to the provisions of Section 13.012 of this Act shall only require that public hearings be held in the appropriate municipality and, in the case of joint plans adopted by more than one municipality, in each one of them, in addition to the approval of the Municipal Legislature or Legislatures through an ordinance and a notice to the Planning Board of the approved review. Said review shall take effect twenty (20) business days after notice to the Planning Board, as indicated by the appropriate acknowledgment of receipt. During such term the Board may determine whether the partial review is contrary to the Policies of the Plan or whether it has an impact beyond the municipal boundaries, reasons for which the Board may not accept the partial review. In that case, the Board shall issue said determination through a Resolution and notice thereof to the municipality. This term may be extended for an additional fifteen (15) business days for good cause, by means of a resolution of the Planning Board stating the grounds for the time extension.

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 the land classification or even when a change in land classification is not included, the partial review impacts common rural land, specially protected land, or non-programmed urbanizable land. Said determination shall be duly supported.

Autonomous Municipalities that have a duly-approved transfer agreement and/or territorial ordinance regulations shall review and conform the same with the provisions of Act No. 161-2009, as amended, known as the "Puerto Rico Permit Process Reform Act," with respect to its procedural aspects as well as automating, modernizing, and expediting the approval or denial of permits, for which they shall be provided a term of ninety (90) days, from the approval of this Act. Once said term elapses, the municipal regulatory provisions that are inconsistent with Act No. 161-2009, as amended, shall be rendered ineffective and the provisions of said Act and the regulations promulgated thereunder, including those of the Joint Permit Regulations for Construction Works and Land Use shall govern solely procedural matters as well the automation modernization, and acceleration in the approval or denial of permits.

Section 2.- The sixth and seventh paragraphs of Section 13.010 of Act No. 81-1991, as amended, are hereby amended to read as follows:

"Section 13.010.- Community Boards.

…

The Community Boards may process in the Urban Permit Office of the Autonomous Municipalities those cases related to complaints and violations of the planning laws and regulations that are entrusted to remain under the jurisdiction of said Office. However, they shall duly monitor such public agency in order to promote the effective implementation of the foregoing laws and regulations in their particular geographic areas.

The members of each Community Board shall elect every two (2) years a Board of Directors to direct its works. Said Board shall be composed of at least a Chair, a Vice-chair, and a Secretary. The foregoing Boards shall meet as necessary or required in order to discharge their duties, or at least once every four (4) months,

and shall keep minutes of their meetings. Said minutes shall constitute public documents and shall be maintained and preserved in an adequate and orderly manner.

...”

Section 3.- The sixth paragraph of Section 13.011 of Act No. 81-1991, as amended, is hereby amended to read as follows:

“Section 13.011.- Conformity and Compatibility of the Ordinance Plans.

…

Upon the adoption of an Ordinance Plan, the Central Government may adopt, through the Planning Board and together with the municipality or municipalities affected, those determinations applicable thereto and directed towards promoting better health, safety, and welfare for the region or directed towards the consideration and approval of works and projects of the central government. Said determinations shall not be applicable to the projects included in the section of the Investment Projects Program certified by the public agencies.

…”

Section 4.- Section 13.012 of Act No. 81-1991, as amended, is hereby amended to read as follows:

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

Following the rules and procedures established in Chapter XIV of this Act, the municipality may request the Governor to transfer certain powers of the Planning Board, the Permit Management Office, and the Office of the Chief Permit Inspector, in connection with the territorial ordinance, including complaints, authorizations, and permits. The transfer shall be made in accordance with the following:

(a) The Mayor shall petition the Municipal Legislature to authorize him to request the Governor to transfer the categories of territorial ordinance powers in question. Said petition shall be made in accordance with Section 14.006 of this Act

and enclosed with a detailed estimate of the costs of implementing said powers that are chargeable to the municipal budget, including those related to the technical, financial, and human resources necessary to such effect. Prior to submitting the petition to the Governor, it must be approved, through an ordinance, by the affirmative vote of not less than two-thirds (2/3) of the total members of the Municipal Legislature.

(b) The municipality shall submit a petition for transfer to the Governor, which shall be reviewed in order to make the appropriate determination using, among others, the following:

(1) That the municipality proves that the powers to be transferred are to be exercised or applied exclusively within the territorial boundaries of the municipality to which they are delegated and that its effects shall not transcend beyond the boundaries of municipal jurisdiction.

(2) That the municipality proves that it shall have the necessary technical, financial, and human resources to exercise the powers such transfer requires.

(c) The transfer of powers shall require that the municipality establish a Permit Office.

(d) The transfer of powers shall require that the municipality have a Territorial Plan in effect.

(e) The notice of any transfer of powers made by virtue of the provisions of this Section shall be published in at least one newspaper of general circulation in Puerto Rico and shall also be displayed conspicuously in the Town Hall of the municipality concerned. Said notice shall specify each of the powers thus transferred.

The municipality shall provide the necessary rules to ensure a close liaison and collaboration with the Planning Board, the Permit Management Office, and the Office of the Chief Permit Inspector during the complete process of transfer of powers. The agreement may set limitations to the powers thus delegated according to the capabilities of the municipality. The power whose transfer is authorized shall be exercised in accordance with the rules and procedures established in the legislation, regulations, and public policy applicable to the power thus transferred. The power to address, file, resolve, and process complaints and violations related thereto shall also be transferred together with the transfer of power.

Transfers shall be granted by categories, by sequential stages, or simultaneously. Once a category has been transferred the total review process of said category is also transferred, except for those powers reserved by the public agencies or through an agreement. Once category has been transferred, the corresponding incidental procedures such as conformity consultations, authorizations for demolition, structure transfers, land movement, submissions to the Horizontal Property Act, and surface area rectification, among others, shall also be transferred. If a municipality grants an authorization or construction permit in a category, it shall also grant the use permit for said construction. Likewise, if it is the public agency that grants an authorization or a construction permit, said agency shall be the one to grant the use permit, except when established otherwise in an agreement.

In accordance with the foregoing, the municipality may request the following powers concerning territorial ordinance:

(a) Category I and II.

(1) Use permits for existing structures or lots, pursuant to the regulations in effect, which do not require construction exceptions or variances. It does not include permits that require use or intensity of use variances, which power is reserved by the public agencies as subsequently established in this Section. The

term use permit for existing structures or lots shall mean such permit that is granted to structures or lots that had been previously occupied and whose use permit differs from the one which is granted immediately after a construction or segregation project is carried out; should it be the first time that the use permit is granted, said permit shall be granted by the entity responsible for reviewing the preliminary plan or the construction or segregation project, thus avoiding that two different entities, one from the central government and the other from a municipality, may analyze the same project at different stages of the review and permit process.

(2) Authorizations for Preliminary Plans, Construction Permits (conventional or under the Certification Act) and Use Permits, all on urban or urbanizable land. Consideration of projects whose construction area is less than one thousand (1,000) square meters, whose height does not exceed four (4) stories, and which conforms to the regulations in effect concerning the use and intensity of use. Including the consideration of urbanization projects that are incidental and inherent to the construction that is authorized. These projects shall be located in lots with a surface area of less than fifteen hundred (1,500) square meters in order to be considered under this category by the municipalities.

(3) Authorization to segregate up to ten (10) lots, including the remnants thereof; provided, they comply with the Ordinance Plans.

(b) Category III and IV.

(1) Authorizations for Preliminary Plans, Construction Permits (conventional or under the Certification Act), Use Permits, and Permits to install, locate, and display billboards and signs in accordance with the regulations in effect. Consideration of projects whose construction area is less than five thousand (5,000) square meters, whose height does not exceed four (4) stories, and which complies with the regulations in effect concerning use and intensity. Including the consideration of urbanization projects that are incidental and inherent to the

construction that is authorized. These projects shall be located in lots with a surface area of less than four thousand (4,000) square meters, in order to be considered under this category by the municipalities.

(2) Preliminary Development Authorizations, Construction Permits for Urbanization Works, and Authorization for Recording Plans. Consideration of urbanization projects not to exceed fifty (50) lots pursuant to the regulations in effect.

(3) Amendments to the Ordinance Plans. Consideration of lots with a surface area not to exceed two thousand (2,000) square meters.

(4) Use variances and intensity of construction, use, and density in urban or urbanizable lots not to exceed four thousand (4,000) square meters.

(c) Category V.

(1) Transfer of other powers of the Permit Management Office and the Planning Board, including use variances and intensity of construction or use, industrialized systems of sub-regional impact construction and all permits to install, locate, and display billboards and signs, except for those relating to communications which are carried out with federal funds, those reserved in the agreement, and those mentioned herein below.

In the exercise of these powers and at the time of issuing an authorization or permit, the municipality shall ensure that the infrastructure needed to carry out the project is available or that an effective and feasible method to mitigate the effects of the project on the infrastructure has been identified before the project is ready to receive a use permit. A municipality may not issue a use permit if no infrastructure is available.

Regardless of any transfers made, the Planning Board and the Permit Management Office shall reserve the power to consider the following:

(a) Private projects of a regional nature or impact not included in an Ordinance Plan and that are important to the health, safety, and welfare of the region.

(b) Public agency projects not included in the Ordinance Plan.

(c) Municipal projects of regional impact that are not included in the Ordinance Plan.

(d) Authorization for industrialized systems, except those delegated to the municipalities under this Act.

No municipality empowered to review and issue permits for the type of work or project whose power for consideration is held by the public agencies may refuse to approve the work or project, if said work or project complies with the provisions established by the public agencies, or modify the conditions imposed thereby.

The regulations adopted to such effects by the Planning Board shall provide the procedures for filing and reviewing the projects whose power for review is held by the public agencies, taking into consideration the following:

(a) The public agency concerned shall take into account the applicable provisions of the Ordinance Plan upon reviewing the petition as well as any considerations as are necessary to conform with the Plan to the extent possible.

(b) The public agency concerned shall request the Municipality's comments upon the petition review.

In cases where a municipality has acquired transfers up to Category 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 and issued with 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 reviewing the 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 after the filing date of the application for the agency to act according to the law.

Once the power established by the various categories has been transferred, the municipality shall be responsible for any actions taken in the exercise of said power.

When a record is forwarded to a central agency for review, the process shall be governed by the provisions and documents contained in the Territorial Ordinance Plan, which include the land-grading regulations of the municipality, among others. Adjudicative proceedings relating to said records shall be governed and/or conducted in accordance with the regulations in effect for such proceedings in the appropriate central agency, except for proceedings conducted in the municipality and over which it has recognized authority.

The municipalities may request the Planning Board and the Permit Management Office a certified copy of such records, plans, and other documents in connection with the previous history of the cases and matters pertaining to the territorial ordinance powers that have been transferred thereto by virtue of this Section. In such cases, said public agencies shall be required to provide a certified copy of the aforementioned documents within a reasonably brief period of time.

Any agreement that transfers territorial ordinance powers to the municipalities must establish the grounds for the suspension or revocation thereof by the Governor.

Any proceeding pending before the Planning Board, the Permit Management Office, the Permit and Land Use Review Board, or before any court on the date of the transfer of powers in connection with territorial ordinance to a municipality shall continue to be processed by the state entities concerned until a final decision is made thereon."

Section 5.- The second and fourth paragraphs of Section 13.013 of Act No. 81-1991, as amended, are hereby amended to read as follows:

"Section 13.013.- Office of Territorial Ordinance; Permit Office; and Bylaws.

…

The Office of Territorial Ordinance shall be directed by a Director appointed by the Mayor and confirmed by the Municipal Legislature. Said Director shall be a licensed planner in accordance with the rules and regulations of the Government of Puerto Rico. The municipality shall revise its organizational chart in order to locate said offices and coordinate their operations with other existing or future planning offices.

…

The Permit Office shall be directed by a Permit Officer, who shall be an architect or engineer licensed in accordance with the rules of the Government of Puerto Rico appointed by the Mayor and confirmed by the Municipal Legislature. Prior to making a discretionary decision regarding a power that has been transferred to him, the Permit Officer shall require that a Permit Committee be constituted. The Permit Committee shall be composed of three (3) members, one (1) of which shall be the Director of the Office of Territorial Ordinance, and the two (2) other members shall be professionals in the fields of architecture, engineering, or surveying

appointed by the Mayor and confirmed by the Municipal Legislature. These two (2) members may be full or part-time employees, or volunteers of the Permit Office of the municipality. The Mayor may also appoint an alternate member to the Committee in the event of a vacancy, illness, leave, with or without pay, vacation, temporary absence, or incapacity of any Committee member. The alternate member may be an employee of other municipal entities or a private citizen who shall be confirmed by the Municipal Legislature. The Permit Committee shall review the different authorizations or permits that require construction variances or the installation of billboards and signs use, exceptions or determinations, or legally nonconforming structures, and shall issue a written recommendation to the Permit Officer who shall decide whether to approve or deny said action.

…"

Section 6.- If upon the approval of this Act a person who is not a licensed planner is holding the office of Director of the Office of Territorial Ordinance in any municipality, such person may continue to hold office with all the rights and prerogatives it entails.

Section 7.- Section 7.3 of Act No. 161-2009, as amended, is hereby amended to read as follows:

"Section 7.3.- Permits Issued by Authorized Professionals.

(A) Authorized Professionals shall be limited to approving or denying the following final determinations and permits in connection 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) category exclusion determinations; (f) building permit; and (g) urbanization work permit through exception. Authorized Professionals shall require authorization from the Permit Manager of the Archeological and Historic Reservation Unit for any use 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, a review of the parameters that apply according to the laws and regulations in effect and that were used to make said determination. Said review shall not require findings of fact or conclusions of law.

(B) Authorized Professionals may issue in Autonomous Municipalities with V granted Hierarchy the following ministerial permits in urban land:

(1) Use permits in lots with a surface area of up to four hundred (400) square meters;

(2) Demolition permits;

(3) Building permits for renovation in structures of up to fifteen thousand (15,000) square meters;

(4) General permits, except as provided in Section 2.5 of this Act;

(5) Building permits for structures of up to two thousand two hundred (2,200) square feet or in lots of up to four hundred (400) square meters.

(6) Urban development under waiver permit.

(C) Autonomous Municipalities with V granted Hierarchy may provide through a municipal ordinance to be promulgated not later than one hundred and twenty (120) days as of the approval of this Act and based on reasonable criteria, the following parameters in connection with Authorized Professionals:

(1) The maximum number of Authorized Professionals that shall discharge their duties in the Municipality;

(2) Authorization requirements other than those provided in this Act for Authorized Professionals who shall discharge their duties in the Municipality, if any;

(3) Municipal oversight mechanisms, if any.

Authorized Professionals shall notify Autonomous Municipalities with V granted Hierarchy of every permit application filed with them, as well as any permit they issue for projects located in Autonomous Municipalities with V granted Hierarchy within a term of ten (10) calendar days from the filing of the application or the issuance of the permit, as applicable. In turn, the Permit Management Office shall forward to the Autonomous Municipalities with 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 V granted Hierarchy may impose sanctions on Authorized Professionals who repeatedly fail to comply with the provisions of this Section or with the authorization requirements and oversight mechanisms established by the Municipality through municipal ordinance. The sanctions shall be imposed in a staggered manner, beginning with fines up to rendering ineffective the power vested in the Authorized Professional to practice in the Autonomous Municipality with V granted Hierarchy.

(D) Autonomous Municipalities with V granted Hierarchy that wish to do so, may, through municipal ordinance, extend or modify the powers vested in Authorized Professionals under subsection (B) of this Section, provided, said extension or modification broadens said powers. However, the powers vested in Authorized Professionals by Autonomous Municipalities with V granted Hierarchy shall never be greater than those established in subsection (A) of this Section.

(E) Authorized Professionals shall receive from applicants and remit to the Autonomous Municipalities with V granted Hierarchy fees and duties, 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.

(F) Autonomous Municipalities with I to V granted Hierarchy that wish to do so may enter into collaboration agreements with the Permit Management Office in order to use the digital system to file and process permit applications in said Office.”

Section 8.- This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 106-2012 (S. B. 2400) (Reconsidered) o**f the **7th Regular Session** of the **16th Legislative Assembly of Puerto Rico:**

AN ACT to amend Section 13.008; the sixth and seventh paragraphs of Section 13.010; the sixth paragraph of Section 13.011; Section 13.012; and the second and fourth paragraphs of Section 13.013 of Act No. 81-1991, as amended, known as the "Commonwealth of Puerto Rico Autonomous Municipalities Act of 1991"; amend Section 7.3 of Act No. 161-2009, as amended, known as the "Puerto Rico Permit Process Reform Act," in order to simplify and expedite the process to be granted municipal autonomy; and for other purposes.

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

In San Juan, Puerto Rico, on this 4th day of December, 2019.

Orlando Pagán-Ramírez
Director