

(S. B. 769)  
(Conference)

**(No. 151-2013)**

(Approved December 10, 2013)

## **AN ACT**

To amend Sections 1.5, 2.1, 2.3, 2.4, 2.5, 2.7, 2.8, 2.9, 2.10, 2.11, 2.12, 2.17, 3.1, 3.2, 3.3, 4.1, 7.2, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11, 7.12, 8.4, 8.5, 8.8, 8.11, 9.1, 9.3, 9.8, 9.9, 9.10, 9.12, 13.1, 13.2, 13.4, 14.1, 14.2, 14.3, 14.4, 14.5, 14.6, 15.1, 15.2, 16.1, 16.2, 17.1, 18.4, 18.6, 18.8, 18.10; add Sections 2.3A, 2.3B, 2.3C, 2.3D, 2.3E, 2.3F, 2.8A, 2.9A, 8.8A; and repeal Chapters VI, X, XI, and XII of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” in order to restructure the permitting process model including, but not limited to, eliminating the Office of the Chief Permit Inspector, the Adjudicatory Board, and the Reviewing Board; conferring additional authorities to the Executive Director of the Permit Management Office, including, but not limited to, making discretionary determinations authorized under this Act; add minimum operational components to the Permit Management Office; provide that the environmental impact statement shall be reviewable and independent from the requested permit; eliminate the bond requirement when requesting the revocation of permits or the stop of use works; reinstate the applicability of Act No. 170 of August 12, 1988, as amended, known as the “Uniform Administrative Procedures Act,” to the review of final determinations; establish a transition process; among other related purposes; and amend subsection (d)(2) of Section 10 of Act No. 8-2004, as amended, known as the “Sports and Recreation Department Organic Act,” in order to substitute Office of the Chief Permit Inspector for Permit Management Office; among other purposes.

## **STATEMENT OF MOTIVES**

Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” was approved to establish the legal and administrative framework that would govern the application for, and evaluation, issuance, and denial of

building permits that have an impact on the economic development of the Commonwealth of Puerto Rico. Said Act created the Permit Management Office, introduced the concepts of Authorized Professionals, Authorized Inspectors, Permit Managers, Service Representatives, and Permit Officials, and also created the Office of the Chief Permit Inspector, the Adjudicatory Board, and the Reviewing Board. Moreover, the aforementioned statute repealed Act No. 76 of June 24, 1975, as amended, known as the “Organic Act of the Regulations and Permits Administration,” among other provisions.

Act No. 161-2009, *supra*, was approved under the premise that it was necessary to improve the permitting process in Puerto Rico, and as justification for the approval thereof, reference was made to the “Doing Business 2009” study conducted by “The World Bank Group” wherein Puerto Rico ranked 144<sup>th</sup> out of 181 countries in terms of dealing with construction permits. However, notwithstanding the efforts to optimize and improve our jurisdiction’s permitting process, the system conceptualized and adopted through Act No. 161-2009, *supra*, has not yielded the expected results and thus Puerto Rico now holds a lower ranking than the one it held at the time the aforementioned study was published. According to the “Doing Business 2013” study, we are currently ranked 156<sup>th</sup> out of 185 countries in terms of dealing with construction permits. In fact, we were ranked 151<sup>st</sup> in 2012 which demonstrates that the restructuring of the current permitting process and framework requires immediate and urgent attention so that it does not hinder our economic development.

Furthermore, in “Doing Business 2013: Smarter Regulations for Small- and Medium-Size Enterprises,” Puerto Rico is ranked last in terms of dealing with construction permits relative to other Caribbean countries on account of the number of days it takes to apply for a building permit (156 days) and the number of procedures necessary (18). The amendments introduced herein seek to

streamline the implementation of recommendations issued by the Concerned Government Entities (as defined in Act No. 161-2009, *supra*) by establishing time limitations on evaluations. This is necessary given that the approval of Act No. 161-2009, *supra*, perpetuated the recommendation or endorsement process that has existed for the past forty years because it never empowered the Permit Management Office to establish strict time limits so as to prevent delays in connection with the application and issuance of land subdivision, building, and use permits. This measure also seeks to empower the Executive Director of the Permit Management Office to require that the personnel from the Concerned Government Entities detailed at the Permit Management Office be vested with decision-making authority regarding the recommendations made and the permits issued by such Concerned Government Entities, in order to expedite the process of making recommendations. Thus, citizens shall be able to submit their applications for permit to the Concerned Government Entities and discuss them under the supervision of the Permit Management Office so that recommendations are issued immediately. This legislative measure presents a new model for Puerto Rico which shall reduce the amount of time it takes for a recommendation to be issued.

Under the code of laws in effect the Adjudicatory Board is charged with reviewing all discretionary determinations, including reviewing all regional site consultations, use variances, and construction works consultations. Act No. 161-2009, *supra*, provides that the Board shall be composed of three (3) members, who shall hold office at the discretion of the Planning Board, but only the Chair is required to work full time on matters of the Adjudicatory Board. The current mechanism has delayed the issuance of discretionary determinations, a power which, at that time, was efficiently exercised by the Regulations and Permit Administration. Therefore, in the interest of restructuring the procedure to expedite the granting of permits, the Adjudicatory Board is hereby eliminated and the

Executive Director is hereby empowered to issue the discretionary determinations authorized under this Act. Furthermore, the site consultations that were evaluated by the Adjudicatory Board are hereby returned to the Planning Board. In fact, by empowering the Executive Director to make discretionary determinations, the environmental impact statements may be reviewed and challenged by citizens once the Executive Director issues his determination. In addition, the amendments proposed by this measure include the separation of the Environmental Impact Statement from the issued permit so that interested parties are able to challenge it without delaying the issuance of such permits. The purpose of the aforementioned is to promote sustainable economic development that does not affect our natural and environmental resources. Our intent is to attune the environmental evaluation process to this government's public policy of openness and citizen participation.

Another measure proposed to expedite the procedures, but more specifically to guarantee and encourage citizen participation as well as access to forums for adjudication, is to eliminate the Reviewing Board and restore the application of Act No. 170 of August 12, 1988, as amended, known as the "Uniform Administrative Procedures Act," to the review of the assessment, issuance or denial of final determinations and permits, recommendations, certifications, licenses, certificates, or any other similar authorization granted by the Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy, Authorized Professionals, and Authorized Inspectors. In accordance with the code of laws in effect, the final determinations of the Executive Director, Permit Management Office, Adjudicatory Board, Authorized Professionals, and Autonomous Municipalities with I to V Granted Hierarchy may not be reviewed by the Court of Appeals, unless it has been reviewed previously and adjudicated on the merits by the Reviewing Board. This exacerbates the bureaucracy of the

permitting process and also considerably limits the ability of any interested party to challenge a final determination that has been issued. The implementation of an additional forum for adjudication as a necessary step prior to requesting a review before the courts increases costs as well as the time it takes for the challenge to reach the Court of Appeals, because a hearing on the merits must first be held before an administrative and collegial body.

Furthermore, the Chief Permit Inspector is another obstacle introduced by the statute. Pursuant to Act No. 161-2009, *supra*, it was the duty of the Chief Permit Inspector to audit at least fifty percent (50%) of the final determinations and permits issued by Authorized Professionals, as well as twenty percent (20%) of the final determinations and permits issued by the Permit Management Office, among other audits, within a period of three (3) years as of the approval of this Act. However, even though the Office of the Chief Permit Inspector's main duty is to oversee and audit the issuance of permits, the aforementioned audits required by law were not fully conducted. In addition, the Office of the Chief Permit Inspector projected a budget deficit of \$1.5 million for Fiscal Year 2012-2013. In fact, since 2010, it has only imposed fines amounting to \$788,000 of which only \$190,000 have been collected. Moreover, this office has 118 employees supervising 200 employees of the Permit Management Office, therefore, the transfer of personnel from the Office of the Chief Permit Inspector to the Permit Management Office and the Planning Board shall result in a consolidation of personnel which shall reduce administrative expenses and help promote the public policy of agency oversight and transparency. The transfer of inspectors from the Office of the Chief Permit Inspector to the Permit Management Office will result in better oversight throughout the various locations, as well as improved communication and coordination between permit managers, inspectors, and auditors. In addition, the aforementioned budget deficit prevents the Office of the Chief Permit Inspector

from making the rent payments for the facilities where its offices are located. Its rent costs are currently defrayed by the Permit Management Office which represents yet another reason to transfer some of the duties of the Chief Permit Inspector to the Permit Management Office and the Planning Board since such entities have the framework, structure, resources, experience, and expertise necessary to oversee the issuance of permits in Puerto Rico.

Among other aspects, this legislative measure empowers the Executive Director to consolidate the different certificates that a business establishment must make readily accessible for inspection by the public or a government official into a single permit. This permit is created for the purpose of integrating the data of all the permits currently required by law to operate a business into a single document, as well as to enable merchants to apply for and process such permits through the Permit Management Office, instead of having to request them from every appropriate agency. In order to achieve this goal, the Permit Management Office shall incorporate the database of other agencies, such as the Firefighter Corps, the Department of Health, and the Department of the Treasury to facilitate the business operations of every owner or administrator of a business establishment thus promoting economic activity on the Island. It is the intent of this Legislative Assembly for this sole permit to eventually provide the necessary information, electronically, to the inspectors of government agencies in order to simplify their oversight duties in connection with the compliance of business establishments with certain operating requirements set forth by law.

Without a doubt, the permitting system of the Commonwealth of Puerto Rico must be reformed to make processes beneficial to all citizens.

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

Section 1.- Section 1.5 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 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 Planning Board to evaluate, pass judgment, and make the appropriate determination, on:

(a) Proposed land uses that are not ministerially permitted under the applicable regulations in qualified areas, but that the regulatory or legal provisions provide for these to be considered by the Planning Board.

...

(21) Final Determination.- An action, resolution, report, or document that contains an agreement or decision issued by the Planning Board, the Executive Director, an Autonomous Municipality with I to V Granted Hierarchy or an Authorized Professional, or 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 the purposes of this Act, any determination from the Executive Director of the Permit Management Office 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.

Provided, that an Environmental Compliance Determination under a Categorical Exclusion shall be, for the purposes of this Act, any automatic determination made by the Executive Director of the Permit Management Office or Authorized Professionals or an Autonomous Municipality with I to V Granted Hierarchy. 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.

...

(26) Discretionary - Describes a determination that requires the subjective judgment of the Planning 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.

...

(38) Files or Records.- Every document and 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, or an Autonomous



Municipality, as applicable, that has not been declared as material statutorily exempt from disclosure.

...

(43) Authorized Inspector.- A natural person who has been duly certified and authorized by the Permit Management Office to conduct inspections and issue the corresponding certifications or documents required for construction of works, land development, use permits, and business operation in Puerto Rico.

(44) Intervenor.- As defined in Act No. 170 of August 12, 1988, as amended, known as the ‘Commonwealth of Puerto Rico Uniform Administrative Procedures Act.’

(45) ...

(46) Uniform Administrative Procedures Act.- Act No. 170 of August 12, 1988, as amended, known as the ‘Commonwealth of Puerto Rico Uniform Administrative Procedures Act.’

(47) Land Subdivision.- The division of a parcel into two (2) or more lots for the sale, transfer, assignment, leasing, donation, usufruct, use, annuity, trust, inheritance or community property partition, or any other transaction; as well as for the construction, of one (1) or more buildings; the creation of a joint tenancy in a lot, tract, or parcel of land where specific lots are assigned to the joint tenants; as well as for the construction, of one (1) or more buildings; it also includes urban developments, as defined in the applicable regulations and, also, a mere land division.

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(56) Party.- As defined in Act No. 170 of August 12, 1988, as amended, known as the “Commonwealth of Puerto Rico Uniform Administrative Procedures Act.”

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(65) Authorized Professional.- May be a licensed land surveyor, agronomist, architect, engineer, geologist, and planner who obtains an authorization, as well as any licensed professional in construction-related fields that meets the requirements established by the Executive Director.

(66) PYMES.- Small- and medium-sized businesses with fifty (50) employees or less.

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(72) 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. Recommendations issued by the Department of Natural and Environmental Resources, the Environmental Quality Board, and the Institute of Puerto Rican Culture shall be binding.

(73) ...

(74) ...

(75) Authorized Professional and Authorized Inspector Registry.- An electronic public registry which shall include a list of all Authorized Professionals and Authorized Inspectors, as well as any information on disciplinary actions taken by the Permit Management Office in relation to them.

(76) Joint Permit Regulation.- The Joint Regulation for the Evaluation and Issuance of Land Development and Use Permits.

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(94) Construction Variance.- An authorization granted by the Executive Director to build a structure or part thereof that does not comply with the regulations, Ordinance Plans, and codes in effect, as to building and population density parameters, but that, due to the special condition, location or specific use of the lot, it faces a practical difficulty that warrants a special consideration by means of exemption; provided, that it does not result in prejudice to nearby properties. A construction variance may be granted insofar as it does not entail a change in density and intensity, or a reclassification. It is allowed, provided, that the proposed use is compatible with the intended use for the type of district where it is located and meets the requirements applicable to this type of variance.

(95) Use Variance.- Any authorization for a property use that is not compatible with the permitted zoning or district uses, which is only granted by means of an exception to avoid affecting a property where, due to special circumstances, the strict application of the regulations would be tantamount to seizing the property. This variance is granted to satisfy a recognized or compelling need arising from the particular circumstances of the community where the property is located, or to satisfy a compelling public necessity.”

Section 2.- 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 within the Planning Board.”

Section 3.- Section 2.3 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 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 and discretionary permits, or any other communication required under this Act;

...

(k) To solicit personnel from other government agencies that may be transferred or detailed to the Permit Management Office, and who shall have authority to make decisions regarding permits and endorsements as provided by interagency agreements;

...

(w) To provide the Planning Board with any such information it requests and with support in the oversight of final determinations, recommendations, and any other matter inherent in the duties of the Permit Management Office in accordance with the provisions of this Act, as well as other applicable laws and regulations;

(x) ...

(y) ...

(z) To evaluate and adjudicate final determinations and discretionary permits authorized under this Act.

(aa) To establish the Single Permit of the Permit Management Office, which shall encompass every permit or certificate required by law or regulations to

be accessible to the general public or government official 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) To fix the period within which the Concerned Government Entities shall issue their recommendations. Said period may be extended, if Concerned Government Entities show good cause that prevented the issuance of the recommendation in question. Concerned Government Entities shall have a period not to exceed thirty (30) days to issue recommendations. The Joint Permit Regulation shall prescribe the date from which said period shall begin to run, in addition to what shall be deemed as good cause. If the recommendation is not issued within the prescribed period, the Executive Director may issue the recommendation based on all of the information available in the record. Once the Executive Director issues a recommendation, Concerned Government Entities may not challenge it, for having failed to issue the corresponding recommendation in the period established therefor. The Executive Director shall not issue a recommendation and shall take any and all necessary measures to ensure that the Concerned Government Entities express themselves and appear when circumstances arise that endanger the health and security of the population or adversely affect the integrity of the environment and natural resources, or in matters of a regulatory nature or of system capacity and therefore, require the highest possible degree of interdisciplinary evaluation and the collection of necessary and pertinent data thereby recognizing the prevention principle directed at preventing irreversible or serious harm;

(cc) To evaluate and adjudicate land subdivision, construction, and use variances;

(dd) To appear as an indispensable party, in its capacity of Representative of the public interest before any judicial or administrative proceeding where a final determination of an Authorized Professional is being challenged.

(ee) To request the revocation of a final determination or the stay of a construction work or use before the Court of First Instance when, upon conducting the pertinent administrative investigation, he becomes aware that the final determination was obtained in violation of the applicable laws or regulations, or when the final determination was lawfully obtained but there is proof of noncompliance with the laws and regulations in the execution or operation thereof, provided, that the Executive Director of the Permit Management Office follows the procedures established in Chapter XIV of this Act.

In cases where there is serious, imminent, and immediate danger to public health or safety or damage to the environment that cannot be otherwise avoided but by taking immediate action, the Concerned Government Entities or the Permit Management Office, as applicable, may use the temporary cease and desist order mechanism established in Section 14.3 of this Act;

(ff) To direct the correction of rectifiable errors, as defined by regulation, in final determinations, permits or certificates issued by the Permit Management Office, an Authorized Professional, or Authorized Inspector.

(gg) To ensure that Permit Managers and Service Representatives comply with the time limits established in this Act and the applicable regulations in connection with the evaluation, approval, or denial of final determinations.

(hh) To issue automatic cease and desist orders to stop a construction work when, upon conducting the appropriate administrative investigation, the Permit Management Office finds that the owner of the construction work failed to obtain a building permit prior to the commencement thereof or failed to obtain a use permit prior to using the work;

(ii) To issue orders to show cause, either to do or to forbear.

(jj) To enter into agreements with Concerned Government Entities to provide training and education to Authorized Professionals and Authorized Inspectors;

(kk) To draft training guidelines for Authorized Professionals and Authorized Inspectors, including green design guidelines and PYMES permits. Said guidelines shall be adopted under the Joint Permit Regulation.

(ll) To file complaints *motu proprio* with the competent forum, when administrative investigations reveal violations of the provisions of this Act or regulations adopted thereunder;

(mm) To investigate and process complaints for noncompliance referred by Concerned Government Entities or the Autonomous Municipalities with I to V Granted Hierarchy;

(nn) To investigate and process, it deemed appropriate, the referrals from any Concerned Government Entities for alleged noncompliance of Authorized Professionals with statutory permitting provisions as a result of the permit compliance oversight process under the jurisdiction of said Concerned Government Entities;

(oo) To evaluate and adjudicate exceptions in accordance with the provisions of the Joint Permit Regulation.

(pp) To evaluate and adjudicate discretionary matters, including any matter delegated by the Planning Board to the Permit Management Office;

(qq) To Evaluate and Authorize Land Subdivisions. The Permit Management Office shall grant authorizations for land subdivision, thus, it shall adopt and submit for the Planning Board's approval the regulations that shall govern land subdivisions, as such term is defined in this Act.



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 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: lack of infrastructure, such as roads or highways with adequate capacity, water, electricity, and sewerage; the distance of 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 bodies. In the exercise of such authority, the Permit Management Office shall take the necessary measures 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 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 official under his authority, pursuant to the provisions of the applicable laws and regulations.”

Section 4.- A new Section 2.3A is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.3A.- Authorized Professionals and Authorized Inspectors Registry and Permit Registry.-

The Executive Director shall establish and administer the Authorized Professionals and Authorized Inspectors Registry, in addition to the Permit Registry, in compliance with any law or applicable regulations.”

Section 5.- A new Section 2.3B is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.3B.- Compliance Evaluation of Authorized Professionals and Authorized Inspectors.-

The Permit Management Office shall evaluate compliance of Authorized Professionals and Authorized Inspectors with the provisions of this Act, in relation to permits or certifications issued under this or any other applicable law and regulation. To such effect, it shall adjudicate complaints filed *motu proprio*, as a

result of an audit or at the request of a party. In addition, it shall impose fines as provided by regulations; 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, Authorized Inspector, 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.”

Section 6.- A new Section 2.3C is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.3C.- Final Determination Audit.-

The Planning Board shall audit final determinations and permits issued by Authorized Professionals and the Permit Management Office, as well as the certifications issued by Authorized Inspectors, within a period not to exceed ninety (90) days from the issuance date thereof. The Planning Board shall prescribe, through regulations, the method to be followed in order to randomly select the final determinations and permits to be audited.

Except as otherwise provided in Section 9.10 of this Act, based on the results of the audit required under this Section, the Planning Board may impose fines or initiate any process available under this Act to request that a construction work or final determination be stopped, legalized, rectified or corrected. The Planning Board shall give priority to the audit of such cases where it is required to appear pursuant to provisions of this Act on the powers and duties thereof, and shall conduct no other audit on a final determination related to such cases, except

for verifying that the final determination is consistent with the permit subsequently issued, as applicable.”

Section 7.- A new Section 2.3D is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.3D.- Authorization to Petition Extraordinary Writs.-

Subject to the provisions of Section 9.10 and Chapter XIV of this Act, the Permit Management Office, through its Executive Director, is expressly authorized to petition for the legally appropriate writ to prevent, prohibit, annul, remove, or demolish any work, project, or building constructed, used, or maintained in violation of this Act or any regulations or laws governing the construction and use of buildings and property in Puerto Rico.

Moreover, the Permit Management Office may petition for extraordinary writs in order to take preventive or control measures as are necessary to achieve the purposes of this Act, including, but not limited to, the revocation of final determinations, regulations to be adopted under this Act, Planning Regulations, and any other applicable law or regulation. In such cases where the violation or error committed may be rectified, the Executive Director shall require said rectification as part of the compliance action taken prior to petitioning the courts for an extraordinary writ.”

Section 8.- A new Section 2.3E is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.3E.- Power of the Executive Director to Issue Orders for Immediate Closure.-

The Executive Director is hereby empowered to issue orders for the immediate closure of commercial establishments that violate any of the laws or

regulations administered by the Permit Management Office, following the procedure established by the Planning Board in the Joint Regulation. The order for immediate closure issued by the Executive Director to a commercial establishment may be reviewed by the Court of First Instance.

The Permit Management Office is hereby authorized to act under the aforementioned procedure in the Autonomous Municipalities that have a permit office or its equivalent, pursuant to Act No. 81-1991, as amended, known as the ‘Autonomous Municipalities Act of the Commonwealth of Puerto Rico of 1991,’ when such autonomous municipalities so request. The express delegation of duties to the official designated by the Executive Director is hereby allowed in order to achieve the purposes in this Section. Any person that violates an Order for Immediate Closure issued by the Permit Management Office under the provisions of this Section shall be subject to the administrative fines and penalties provided in Chapters XIV and XVII of this Act, respectively. Any action under this Section does not preclude nor stay any other administrative or judicial action against the same persons or the property in question.”

Section 9.- A new Section 2.3F is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.3F.-Summons.-

The Executive Director may, for the purpose of fully complying with the duties imposed on him under this Act, issue summons for the attendance and testimony of witnesses and the production of all such documentary evidence, except trade secrets. Moreover, it is hereby established that the Executive Director may administer oaths. The Executive Director may appear before any Court of First Instance in aid of jurisdiction and petition the court to enforce the summons issued. The Court of First Instance shall give preference to said petition and shall

be empowered to issue orders under penalty of contempt to compel the attendance of witnesses or the production of any data or information previously required by the Executive Director. The Court of First Instance shall have the authority to hold any person in contempt for failing to comply with such orders. Any person may be prosecuted and convicted of perjury upon testifying under oath before the Executive Director.”

Section 10.- Section 2.4 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 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) Office of the Clerk;
- (b) Environment;
- (c) Health and Safety;
- (d) Infrastructure;
- (e) Archaeology and Historic Preservation;
- (f) Use Permits;
- (g) Constructability, Energy and Building Codes;
- (h) Variances;
- (i) Reconsideration of Final Determinations; and
- (j) Any other operational division, unit, or component that the Permit

Management Office deems necessary to discharge its duties under this Act.

The Permit Management Office shall have an Environmental Compliance Evaluation Division attached thereto.”

Section 11.- 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 and Permits.-

As of the effective date of this Act, the Permit Management Office, through its Executive Director, Authorized Professionals, Authorized Inspectors, or any other person authorized by law, as applicable, shall issue final determinations, permits, fire prevention certifications, as well as environmental health certificates directly or indirectly related to land development and use 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 in accordance with the provisions of Sections 1.3 and 18.10 of this Act. Applications for permits that fall under the General Regulation of the Environmental Quality Board, shall hereinafter be evaluated by the Permit Management Office and the Authorized Professionals, as applicable, but only in those cases in which the permit requested does not affect an agreement with, a delegation to, or the granting of federal funds to the Environmental Quality Board. As for the Public Service Commission, the Permit Management Office shall serve as the center for filing the notice required by the Excavation and Demolition Coordination Center. The Permit Management Office shall only evaluate and issue final determinations on consultations of use variance, construction variances, and exceptions defined in this Act, provided, that, site consultations, including those for public improvements and those that have a regional impact, and changes of classification, including direct reclassification of lots, and transactions involving public lands shall be evaluated by the Planning Board, which shall issue the final determination. The Planning Board shall oversee compliance with the final determinations and permits issued by the Permit Management Office or an Authorized Professional, pursuant to this Act. Any

noncompliance found by the Planning Board through its final determinations, permits, and certifications audit process, as well as any noncompliance found by a Concerned Government Entity regarding a final determination or permit granted in accordance with the provisions of this Act, shall be investigated and if a violation of law or regulations is found, the Planning Board or the Concerned Government Entity shall issue a fine or file a complaint, as applicable.”

Section 12.- 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.- Information Systems.-

The Permit Management Office shall have an automated information system, whereby: (a) applicants shall submit every documentation required in electronic format; (b) the Executive Director shall learn of every transaction or application under consideration by the Permit Management Office; (c) the public may access the information contained in the online digitized system related to particular matters under consideration by the Permit Management Office, including the determinations and recommendations notified by the Executive Director; and (d) Permit Managers may access the necessary information to discharge their duties under this Act. The information system shall have an adequate database for Permit Managers, Permit Officers, and the Director of the Environmental Compliance Evaluation Division to conduct the pertinent analysis of permit applications and to issue their recommendations. Such recommendations shall assist the Executive Director in issuing final determinations. Authorized Professionals and Autonomous Municipalities with I to V Granted Hierarchy shall use the information system to issue final determinations and permits according to the conditions set forth in the Joint Regulation. The information system may be used by the Permit Management Office as a final determinations database. Such automated information system shall comply with the legal provisions applicable to



public documents and electronic signatures, among others. Administrative records under the custody of the Office of the Clerk of the Permit Management Office shall be available for public inspection at its Main Office or at its regional offices during regular business hours. The Permit Management Office shall establish clear and streamlined operational guidelines and internal mechanisms to issue final determinations and permits under its jurisdiction, and shall simultaneously and actively incorporate the use of telecommunications and information technologies into its operations.”

Section 13.- Section 2.8 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.8.- Rulemaking Authority.-

In order to enable the proper discharge of the duties and authorities imposed under this Act, the Permit Management Office is hereby empowered, pursuant to the provisions governing rulemaking processes set forth in the Uniform Administrative Procedures Act of the Commonwealth of Puerto Rico, and the provisions of the Puerto Rico Planning Board Organic Act, Act No. 75 of June 25, 1975, as amended, as applicable, to adopt, amend, and repeal:

(a) ...

(b) Regulations as are necessary to establish the process for evaluating, granting, and issuing final determinations and permits in the Permit Management Office, as well as the collection of fees, duties, and charges upon approval of the Planning Board pursuant to the provisions of this Act and any other applicable law;

...

(d) Emergency regulations, upon approval of the Planning Board pursuant to the provisions of this Act and any other applicable law;

(e) Regulations for establishing the minimum requirements to be met by those persons who wish to obtain an authorization to serve as an Authorized

Professional or Authorized Inspector, including but not limited to, education, professional experience, training courses, continuing education, examinations, professional liability insurance, professional services costs, and bond posting. Said regulations shall provide that no Authorized Professional may issue a final determination, permit, or license for a project in which he has participated at any stage, specialization or matter, or in which the Authorized Professional or any person related thereto within a fourth degree of consanguinity or a second degree of affinity has any personal interest;

(f) Regulations for establishing a procedure to summarily debar an Authorized Professional or an Authorized Inspector from filing applications and documents with the Permit Management Office or issuing final determinations, environmental health or fire prevention certifications, licenses or inspection certifications, as applicable. Furthermore, said regulations shall include the procedure for summarily debarring such Authorized Professional or Authorized Inspector upon a finding that he has failed to comply with the provisions of this Act or Act No. 135 of June 15, 1967, as amended; provided, that the severity of the violation, the financial gain derived as a result of the violation, and the risk posed or harm caused to health or safety as a result of said violation shall be considered;

(g) Regulations for establishing a procedure for filing complaints *motu proprio* as a result of an audit or at the request of a party for violations of the provisions of this Act or the regulations adopted thereunder, in addition to the issuance of fines;

(h) Regulations for establishing a procedure to fix and collect the appropriate fees for copies of publications, studies, reports, and any public document required thereto, upon approval of the Planning Board; and

(i) Regulations for reviewing the final determinations of the Permit Management Office, Autonomous Municipalities with I to V Granted Hierarchy,

and Authorized Professionals; provided that they comply with the Commonwealth of Puerto Rico Uniform Administrative Procedures Act; Act No. 81 of August 30, 1991, as amended, known as the ‘Autonomous Municipality Act’; and Act No. 75 of June 25, 1975, as amended, ‘Puerto Rico Planning Board Organic Act,’ upon the approval of the Planning Board, as applicable.”

Section 14.- A new Section 2.8A is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.8A.-Inspections.-

The Permit Management Office, represented by its duly identified Executive Director, consultants, contractors, agents, or employees, may enter, access, and examine any property, including but not limited to, establishments, sites, equipment, facilities, and documents of any person, entity, firm, agency, business, government corporation or instrumentality under its jurisdiction, in order to inspect or ascertain compliance with applicable laws and regulations. If the owners or holders or their representatives, or officials in charge refuse to allow entrance or inspection of the property, the representative of the Permit Management Office shall file a sworn statement with the Court of First Instance stating the intention of the Permit Management Office and requesting an authorization to enter the property.

If, upon reviewing the evidence, the judge deems it pertinent, the judge shall issue an order authorizing any representative of the Permit Management Office to enter the property described in the sworn statement and directing that the original documents be filed with the Clerk of the Court and such documents shall be deemed to be public. The representative of the Permit Management Office shall show a copy of the sworn statement and the court order to the persons in charge of the property, if any.”

Section 15.- Section 2.9 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 2.9.- Collection of Service Charges; Fees.-

The Executive Director shall fix and collect, as provided through regulations adopted for such purposes, such charges and fees payable by applicants upon submitting permit applications, certifications, and other transactions or activities of an operational nature, as well as the payment methods therefor. Furthermore, he shall receive the charges and fees paid by applicants to the Authorized Professionals and Authorized Inspectors and to be remitted by the latter to the Permit Management Office pursuant to the requirements set forth by said Office, in compliance with the applicable laws and regulations. The instrumentalities of the Commonwealth of Puerto Rico, its municipalities, and the Federal Government, if applicable, shall pay twenty-five percent (25%) of the applicable charges and fees, insofar as the certification, license, or document is not part of an agreement between the Permit Management Office and another agency, pursuant to Section 2.6 of this Act. The Executive Director shall also fix and collect, as provided through regulations to such effect, the appropriate fees for any copies of publications, studies, reports, maps, plans, photographs, and any other public document required. However, the Executive Director or the person to whom he delegates this authority shall furnish copies free of charge to the Office of the Governor, the Planning Board, the Department of State, the House of Representatives, the Senate of the Commonwealth of Puerto Rico, and at his discretion, to such persons or nonprofit entities that meet indigency criteria or fulfill the purposes as established by regulation.

Likewise, the Executive Director shall fix and collect, as provided through regulations, charges for the evaluation of applications for the issuance or renewal of Authorized Professional or Authorized Inspector authorizations; the processing,

referral, or investigation of complaints by request of a party; copies of publications and any other public document required; and any other transaction conducted or service rendered at the request of the public, in compliance with the provisions of this Act. In all the cases listed in this Section, the Executive Director or the person to whom he delegates such authority may furnish copies free of charge to the Office of the Governor, the Planning Board, the Department of State, the Legislative Assembly, and at his discretion, to persons or nonprofit entities that meet such indigency criteria as established through regulations.”

Section 16.- A new Section 2.9A is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 2.9A.- Disconnection of Services.-

The Permit Management Office may issue an order requiring the appropriate government agencies to disconnect services to a property or structure maintained in violation of the provisions of this Act or of any regulations or laws that regulate the construction and use of buildings and properties in Puerto Rico within a period and through the mechanisms prescribed by regulations. The order of the Permit Management Office shall be reviewable by the Court of First Instance through the procedure prescribed in the Joint Regulation. The public corporation, government body, or private entity engaged in rendering utility services shall reconnect service after the party shows to the Permit Management Office and as certified in writing by said Office that it has ceased the unauthorized use or has reverted to the use for which the permit was granted or has legalized the use of the property, building, or structure. The Permit Management Office shall give the highest priority to the evaluation and processing of applications intended for obtaining the certification required for reconnecting the aforementioned utility services, which certification shall be issued on or before two (2) days from filing the application, if approved.”

Section 17.- 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 Plan Stamps and Filing Fees.-

As of the effective date of this Act, applicants shall pay such fees prescribed by regulations at the time of filing 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 Planning Board, as appropriate, 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 or the Planning Board, as appropriate. A certified document to such effect shall include a cost estimate of the construction work as stated in the plans thereof and if, the Permit Management Office or the Planning Board, as appropriate, 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, affixed and cancelled, or in digital format, for the difference. Any instrumentality of the Commonwealth 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 any specific legal requirement and the applicant either attests so in writing to the Permit Management Office or the Planning Board, as applicable. 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 Commonwealth 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 Commonwealth of Puerto Rico, they shall be exempt from the payment of stamps, 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.”

Section 18.- 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 Commonwealth of Puerto Rico, its municipalities, public corporations, 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, in coordination with the Planning Board, any department, agency, bureau, division, authority, instrumentality, entity, or political subdivision of the Commonwealth of Puerto Rico with conducting any study and research, any stage or part thereof, and performing any other kind of work as necessary to discharge its functions.”

Section 19.- 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 determined by the Planning Board 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, as designated by the Planning Board.”

Section 20.- 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.- 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 Planning Board, 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 21.- 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, the Environmental Compliance Evaluation Director, and the Administrative Law Judge.-

The Permit Management Office shall have, including Regional Offices, at a minimum, seven (7) Permit Managers and one (1) Environmental Compliance Evaluation Director, all of whom shall evaluate applications submitted to the Permit Management Office and issue recommendations. Each of the following Permit Management Office units shall have one (1) Permit Manager, as well as the staff transferred from the corresponding Concerned Government Entities:

(a) Environment (the Department of Natural and Environmental Resources and the Solid Waste Authority);

(b) Health and Safety (the Department of Health, the Firefighter Corps, the Puerto Rico Police);

(c) Infrastructure (the Telecommunications Regulatory Board, the Department of Transportation and Public Works, the Aqueduct and Sewer Authority, Electric Power Authority, the Highways and Transportation Authority, the Public Service Commission);

(d) Archaeology and Historic Preservation (the Institute of Puerto Rican Culture and the Commonwealth Historic Preservation Office);

(e) Use Recommendations (the Trade and Export Company, the Industrial Development Company, the Tourism Company, the Department of Housing, the Sports and Recreation Department, the Department of Agriculture, the Horse

Racing Sport and Industry Administration, the Ports Authority, and the Department of Education);

(f) Constructability and Energy and Building Codes; and

(g) Variances.

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 and by means of an administrative order issued to that effect in coordination with the Planning Board, may employ up to a maximum of nine (9) Managers in the regional offices and add such units or divisions to be directed by such additional Permit Managers or Directors as part of the structure of the Permit Management Office.

The Director of the Final Determination Review Division shall be an Administrative Law Judge whose duty shall be to hear the petitions for reconsideration of final determinations of the Management Office, Authorized Professionals, and Autonomous Municipalities with I to V Granted Hierarchy.

The Administrative Law Judge shall hold an administrative hearing at the request of the petitioner for reconsideration, thus affording the opportunity to present evidence of the lawfulness and appropriateness of the Final Determination issued.”

Section 22.- 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, in coordination with every Concerned Government Entity, one (1) Permit Manager to direct each of the units created

under Section 3.1 of this Act over which Concerned Government Entities have jurisdiction, respectively. As for the Environmental Compliance Evaluation Division, the Chairperson of the Environmental Quality Board shall appoint one (1) Director of Environmental Compliance Evaluation. The Executive Director may appoint employees in addition to those transferred from the Concerned Government Entities deemed necessary in each of the units created under Section 3.1 of this Act, according to the 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 Director of the Environmental Compliance Evaluation Division, candidates must have at least five (5) years of professional experience after having been admitted to practice their profession in the Commonwealth of Puerto Rico, as applicable.

The Administrative Law Judge shall be appointed by the Executive Director. Said Administrative Law Judge shall be an attorney admitted to practice law before the Supreme Court of Puerto Rico and shall have skills, and be knowledgeable and experienced in the permitting process field.

The Managers, the Director of the Environmental Compliance Evaluation Division, and the Administrative Law Judge shall be subject to the provisions of Act No. 1-2012, known as the 'Puerto Rico Government Ethics Act of 2011.' 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 23.- Section 3.3 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 3.3.- Authorities, Duties, and Functions.-

Permit Managers and the Director of the Environmental Compliance Evaluation Division shall have the following general duties, authorities, and functions conferred under this Act, as applicable:

(a)...

...

(l) Health and Safety and Constructability Managers may issue environmental health and fire prevention certifications, final determinations, and PYMES permits. They shall also receive compliance certifications from architects or engineers licensed under Act No. 135 of June 15, 1967, as amended. Such determinations shall be deemed to be final determinations of the Permit Management Office.

The Permit Managers and the Director of the Environmental Compliance Evaluation Division Director shall forward their recommendations in writing to the Executive Director or the Regional Director, or both, as the case may be. The Executive Director shall evaluate ministerial or discretionary matters, as well as sign and issue the appropriate notice of final determination.

Any party adversely affected by a final determination may request review, subject to the provisions set forth in the regulations to be adopted by the Permit Management Office for such purposes. When a final determination of a Permit Manager is challenged, the Executive Director shall represent the Permit Manager.”

Section 24.- Section 4.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 4.1.- Appointment, Authorities, Duties, and Functions.-

As of the date of approval of this Act, the Commonwealth Historic Preservation Office, the Institute of Puerto Rican Culture, the Electric Power Authority, the Highways and Transportation Authority, the Aqueduct and Sewer Authority, the Telecommunications Regulatory Board, and the Department of Natural and Environmental Resources shall appoint and detail a Permit Officer and his alternate at the Permit Management Office. Permit Officers and their alternates shall be specialized officials serving in the Concerned Government Entities, and notice of their appointments shall be given to the Executive Director. Moreover, they shall represent the Concerned Government Entities and receive determinations from agencies and submit them to the Permit Management Office. The decision-making authority, powers, and duties of Permit Officers with respect to permits and endorsements shall be established through an interagency agreement between the Executive Director and the Head of agency. Such Permit Officers shall be officials of the Electric Power Authority, the Commonwealth Historic Preservation Office, the Institute of Puerto Rican Culture, the Highways and Transportation Authority, the Aqueduct and Sewer Authority, the Telecommunications Regulatory Board, and the Department of Natural and Environmental Resources, respectively, and be of proven professional capability and experience. Permit Officers shall have the following general duties, authorities, and functions:

(a) They shall work in close coordination with Permit Managers with their respective Government Entities.

(b) They shall assist Permit Managers in obtaining the information or documentation needed to discharge their functions, within the timeframes set forth in the Joint Regulation; and

(c) They shall promptly coordinate any field work that is necessary to obtain the information requested by Permit Managers.

The Executive Director or his authorized representative shall refer to the attention of the appropriate head of agency, any issues concerning the performance of the pertinent Permit Officer which is affecting the transaction of matters entrusted to the latter under the provisions of this Act. The head of agency concerned shall take action as appropriate to correct the situation as soon as practicable, in accordance with the applicable regulation. By request of the Executive Director, any other Concerned Government Entity shall appoint a Permit Officer from among its officials to serve for such period as the Executive Director deems it necessary. The Executive Director and the head of the appropriate Concerned Government Entity shall determine the specific tasks to be performed by each particular Permit Officer, so as to discharge the duties, authorities, and functions set forth in this Section.”

Section 25.- Chapter VI of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” which consists of Sections 6.1, 6.2, 6.3, 6.4, and 6.5, is hereby repealed.

Section 26.- Section 7.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.2.- Permit Management Office Minimum Training and Accreditation Requirements for Authorized Professionals.-

Authorized Professionals or other licensed professionals in the construction-related fields must have at least five (5) years of experience, after having obtained their licenses or certifications and admitted or qualified to practice their respective professions in Puerto Rico, in such fields or areas as prescribed by regulation. They must as well be current in the payment of their corresponding professional

association membership fees and take such courses and pass such examination as the Permit Management Office may determine through regulation.

Furthermore, Authorized Professionals must receive training and accreditation by the Permit Management Office. Likewise, the Permit Management Office shall establish, as part of training courses, the green design guidelines to be prescribed in the Joint Regulation.

In order to receive such authorization, Authorized Professionals shall pay an annual registration fee pursuant to the regulation to be adopted by the Executive Director and show evidence of having posted a bond in an amount to be established by the Permit Management Office. Such authorization shall be valid for two (2) years. Applications for renewal shall be submitted thirty (30) days prior to such organization's expiration date or earlier, along with evidence of compliance with the requirements applicable to the practice of their profession in Puerto Rico. If any Authorized Professional were unable, for any reason, to practice his profession in Puerto Rico or if his authorization under this Act were suspended by the Permit Management Office, such professional shall be immediately barred from continuing to issue the permits described in Chapter VII of this Act. Any permit issued under such circumstances shall be void *ab initio*."

Section 27.- 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 be also accredited by the Puerto Rico Education Council. The subjects to be covered in the required courses to each Authorized Professional shall be established by the Permit Management Office through regulations; such courses, however, shall include at least subjects pertaining to the

application and interpretation of Planning Regulations, green design guidelines or any other regulation relative to the authorities of the Permit Management Office, as well as the Code of Ethics established by the Office of the Permit Management Office.”

Section 28.- Section 7.5 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.5.- Continuing Education.-

The Permit Management Office shall promulgate regulations whereby it shall establish a continuing education program with which Authorized Professionals shall comply.”

Section 29.- Section 7.6 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.6.- Conduct of Authorized Professionals.-

No authorized professional may issue a final determination or permit for a project in which he has participated at any design stage, or in which he has a direct or indirect personal or financial interest or when he is related to the applicant or the applicant’s authorized representative within the fourth degree of consanguinity or the second degree of affinity. Furthermore, authorized professionals shall observe a Code of Ethics, to be promulgated by the Permit Management Office. Such Code shall establish the obligations and prohibitions applicable to Authorized Professionals. Authorized Professionals shall be subject to the fines and penalties set forth in this Act for violations of any provision thereof. Moreover, they shall meet any requirement imposed by the Permit Management Office in the discharge of their duties under this Act, including appearing as an indispensable party to any appeal contesting their final determinations.”

Section 30.- Section 7.7 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:



“Section 7.7.- Records.-

Authorized Professionals shall keep a copy of all permits and related documents issued by them, as determined by the Permit Management Office, for the period prescribed by the Executive Director through regulations. Authorized Professionals shall surrender the records of permits issued by them to the Permit Management Office, in accordance with the Joint Regulation, as well as approved plans with the appropriate stamps, affixed and cancelled or in digital format, as required by law. Authorized Professionals may pay for stamps, affixed and cancelled or in digital format, associated with documents, certifications or other works related to construction projects; provided, that such action is authorized by their respective colleges, boards, and licenses. These authorities shall be recognized in the Joint Permit Regulation.

Authorized Professionals shall furnish to the Permit Management Office, a monthly index of issued permits, not later than the tenth calendar day of the month following the reported period, stating the permit number, as well as the name of the proponent, the date, property address, and the purpose of the permit, certification, or document.

In said report, Authorized Professionals shall certify that they have remitted to the Permit Management Office, any sums paid on account of permit application and issuance fees, duties, and charges within the period established in this Act. If no permits had been issued during any month, Authorized Professionals shall submit a negative report for such month to the Permit Management Office.

When the office of an Authorized Professional is located or established in a wooden or a mixed-construction building, it shall be provided with fireproof steel or iron boxes to store copies of all permits and related documents.

In the event of death or permanent mental or physical disability of an Authorized Professional, it shall be the duty of his heirs, successors, or legatees to surrender, within thirty (30) calendar days, the copies of all permits and documents to the Executive Director. In the event that an authorized professional ceases in office voluntarily or involuntarily, such period shall be fifteen (15) business days.”

Section 31.- Section 7.8 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.8.- Notice of Disciplinary Proceedings.-

The Permit Management Office 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, or the Agronomists Association of Puerto Rico, or the Puerto Rico Architects and Landscape Architects Association, or any professional association or Examining Board that regulates the practice of any 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 Permit Management Office, 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 Permit Management Office or any agency of the Commonwealth of Puerto Rico.”

Section 32.- 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.- Authorized Professional Scope of Liability.-

Authorized Professionals shall review and evaluate documents submitted by applicants pursuant to the requirements prescribed by the Executive Director through regulations. The scope of liability of those engaged in design or construction under the provisions of the Puerto Rico Civil Code or Act No. 135 of June 15, 1967, as amended, shall not be extended to Authorized Professionals.”

Section 33.- Section 7.10 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.10.- Service Fees.-

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

Section 34.- Section 7.11 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.11.- Creation of Authorized Inspectors.-

The legal construct of the Authorized Inspector is hereby created. Authorized Inspectors shall be any natural person duly authorized by the Permit Management Office. Pursuant to the provisions of this Act, any other applicable

legal provisions, and the provisions set forth by regulation, Authorized Inspectors shall evaluate and issue certain certifications, namely: fire prevention certifications and environmental health certifications, as well as any other certification permitted by regulation.”

Section 35.- Section 7.12 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 7.12.- Permit Management Office Minimum Training Requirements for Authorized Inspectors.-

Authorized Inspectors shall take such courses and pass such examination as the Permit Management Office may determine by regulation. In order to receive their respective authorization, Authorized Inspectors shall pay an annual registration fee and show evidence of having posted a bond in an amount to be established by the Permit Management Office. Such authorization shall be valid for two (2) years. Applications for renewal shall be submitted within thirty (30) days prior to such authorization’s expiration date or earlier. If an Authorized Inspector is no longer authorized to practice his profession in Puerto Rico for any reason, or his authorization has been suspended by the Executive Director, said Authorized Inspector shall be immediately barred from continuing to issue environmental health or fire prevention certificates or any other certificate permitted. Any environmental health or fire prevention certificate issued under such circumstances shall be void *ab initio*. Professional conduct, liability, and service fees shall be prescribed in the Joint Regulation. Authorized Inspectors shall keep a copy of all certifications and related documents issued by them for such period as the Executive Director may determine by regulation.”

Section 36.- 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 by the Permit Management Office.-

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. When the Permit Management Office determines that the submitted application is complete and validated, such application shall be referred for the corresponding evaluation by Permit Managers and the Director of the Environmental Compliance Evaluation Division, as applicable. After the corresponding recommendations of the Permit Managers and the Director of the Environmental Compliance Division, the Executive Director, the Assistant Executive Director, or the Regional Director, as applicable, shall sign and issue the final determination of the Permit Management Office in cases involving ministerial or discretionary matters. In turn, the latter shall be empowered to adjudicate, after the evaluation of the Permit Manager, applications for variances, subdivision in construction, when the use is consistent with those allowed in the district, pursuant to the procedure established in the Joint Regulation.

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 and Constructability 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 evaluation process of the requested permit, said entities shall issue their recommendations within thirty (30) days from the date of notice of such request for recommendations. If the recommendations are not submitted within the established period, the Permit Management Office shall issue an Order requiring the Municipality or the Environmental Quality Board to issue its recommendations within a period of fifteen (15) days, pursuant to the procedure established in the Joint Regulation. 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 37.- 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 environmental planning process is an informal process *sui generis*, exempt from the application of the Uniform Administrative Procedure Act. The Executive Director of the Permit Management Office shall make such environmental compliance determination as required under the provisions of Section 4(B)(3) of Act No. 416-2004, *supra*, and such regulation as the Environmental Quality Board may approve for the purposes of this Section and this Act, in relation to: actions taken in connection with the processing of environmental documents, categorical exclusions, actions in connection with environmental compliance determinations, and final determinations requested thereto pursuant to this Act; and any action subject to the provisions of Section 4(B)(3) of Act No. 416-2004, *supra*.

The Permit Management Office shall act as the proponent agency in relation to the environmental planning process, except in cases where the Autonomous Municipalities with I to V Granted Hierarchy have been delegated such authority as a result of the transfer agreement established in Act No. 81-1991, *supra*.

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: when the permit application is ministerial or discretionary in nature, and the environmental document submitted is an Environmental Assessment together with an Finding of No Significant Impact, the Environmental Compliance Evaluation Division shall evaluate the environmental document and issue its recommendations to the Executive Director who shall, in turn, determine environmental compliance and also issue the final determination on the proposed action. If the environmental document submitted is an Environmental Impact Statement (EIS) and the permit application is ministerial or discretionary in nature, the Environmental Compliance Evaluation Division shall evaluate such EIS and submit its recommendations to the Executive Director, who shall issue a final determination.

When the application is discretionary in nature and the environmental document is an Environmental Assessment or an Environmental Impact Statement, such application shall be evaluated by the Environmental Compliance Evaluation Division, which shall submit its recommendations to the Executive Director who shall issue a final determination based on such recommendations. Said determination of environmental compliance shall be deemed to be a reviewable final decision, independent from the final determination on the permit requested.

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 who shall, in turn, determine environmental compliance and submit his determination to the Autonomous Municipality. The Autonomous Municipality shall issue the final determination on the requested permit.

When the permit application is ministerial or discretionary in nature and the proposed action is a categorical exclusion for the 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, or the Autonomous Municipality with I to V Granted Hierarchy 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 on the proposed action.

If the Permit Management Office is not authorized to issue final determinations or said authority has not been delegated to the Autonomous Municipality where said action is to be carried out, then the Concerned Government Entities may act as proponent agencies under this Act or upon agreement with the Permit Management Office. The Concerned Government Entities shall follow the same environmental planning process as the Autonomous Municipalities.



The environmental compliance assessment shall be deemed to be a reviewable final decision, independent from the final determination on the permit requested. 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 Regulation. In addition, the environmental compliance determination may 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 conduct an environmental impact assessment 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. If such recommendations are not submitted within the established period, the Permit Management Office may issue an Order requiring the Environmental Quality Board to issue its recommendations within a period of fifteen (15) days. If the Environmental Quality Board fails to issue its recommendations upon the order of the Permit Management Office, it shall be understood that the Environmental Quality Board has no recommendations.

The Permit Management Office, the Autonomous Municipalities, the Environmental Quality 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.”

Section 38.- 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. Final determinations shall be accompanied by an electronic copy of all plans submitted for the issuance thereof, as well as any other document that the Permit Management Office deems necessary. 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 39.- A new Section 8.8A is hereby added to Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” to read as follows:

“Section 8.8A.- Notice of Discretionary Determination.-

Upon the granting or denial of a discretionary application, the Executive Director shall proceed to notify his 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. 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 may file a request for review with the appropriate forum.”

Section 40.- Section 8.11 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

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

The Joint Regulation shall establish the period within which the Permit Management Office or the Authorized Professionals shall issue a final determination. However, final determinations on applications for permits for land use projects pursuant to applicable regulations shall be evaluated and granted or denied within a period of ninety (90) days from the filing of the application. The Executive Director may extend such period for an additional thirty (30) days when special circumstances so warrant. The time limits established pursuant to this Section shall be mandatory.

Green Permits or PYMES Permits shall be issued within a period not exceed sixty (60) days. The procedure for the proper evaluation and granting of Green Permits and PYMES Permits shall be prescribed in the Joint Regulations.”

Section 41.- 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, the Planning Board, or the Autonomous Municipality, as applicable; or (b) in the case of a transfer, agreement to transfer any plot of land or any interest therein, within a land subdivision, unless a final or preliminary plan approved by the Permit Management Office 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, 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 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 records and conduct any legally appropriate procedures or transactions. The approval of any land subdivision and its respective plan shall be entered into the pertinent georeferencing information system by the entity in charge thereof.”

Section 42.- Section 9.3 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.3.- Special Cases.-

When factors such as public health and safety, law enforcement, public improvements, environmental or archeological conditions render the approval of a ministerial project undesirable, the Executive Director and the Autonomous Municipalities with I to V Granted Hierarchy may, as the case may be, seeking to protect the public interest and taking into account such factors and the recommendations of any government entity, deny the permit for such project. The Executive Director and the Autonomous Municipalities with I to V Granted Hierarchy, as the case may be, may deny such application insofar as the unfavorable conditions of the project exist, even if the project in question is of the type allowed for the area pursuant to the Planning Regulations in effect. In exercising such power, the Executive Director and the Autonomous Municipalities with I to V Granted Hierarchy, as the case may be, shall take the necessary steps to prevent such power from being used for the purpose of hindering the issuance of the pertinent permit or disregarding the regulatory provisions in effect, in cases where there are no truly special circumstances.”

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.”

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, the Autonomous Municipality with I to V Granted Hierarchy, or the Authorized Professional, the owner of the work 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, whether electronically or by any alternate means prescribed by the Permit Management Office through regulations, pursuant to Section 8.3. Applications for, and issuance of, ministerial use permits that do not require in any type of variance shall be excluded from this requirement.

The owner of the work 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 property owner shall certify through a sworn statement 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.

The structural requirements for the sign and the information it shall bear shall be prescribed by the Permit Management Office through regulations.”

Section 45.- Section 9.10 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 9.10.- Accuracy of Permits.-

Final determinations and permits issued by the Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy, and the Authorized Professionals shall be presumed accurate and lawful. However, in the event that fraud, deceit, deception, extortion, bribery, or any other offense is committed in the granting or denial of a final determination or permit, or in such cases in which the structure poses a risk to health, safety, environmental, or archeological conditions, the final determination thus issued and the permit granted by the Permit Management Office, the Autonomous Municipality with I to V Granted Hierarchy, or the Authorized Professional shall be revoked. The structure may be modified, preserved, or demolished only as determined by a competent Court following the judicial procedure established in Chapter XIV of this Act, in addition to complying with due process of law.

Furthermore, it is hereby provided that under no circumstances a final determination shall be stayed, without an order or authorization of a competent Court or the appropriate forum, in strict compliance with due process of law. The provisions of this Section shall not set a precedent to be claimed by third parties that have no rights over the property for which the permit is issued. Provided that, subject to the provisions of this Act, a final determination or a permit, shall be deemed to be final and binding, and may not be challenged once the applicant has met all the requirements established in the final determination notice and the twenty (20)-day period for a party adversely affected by such notice to file a petition for review or administrative review as well as the thirty (30)-day period to request judicial review have elapsed. However, any party adversely affected by a final determination, may seek review pursuant to this Act.

Likewise, the accuracy and lawfulness of such permits shall be upheld by the Concerned Government Entities against third-party attacks. In the event that fraud, deceit, deception, extortion, bribery, or any offense is committed in granting a permit, or in such cases where the structure poses a risk to health, safety, environmental, or archeological conditions, and subject to the provisions of this Act, the permit granted by the Permit Management Office, the Autonomous Municipality with I to V Granted Hierarchy, or an Authorized Professional shall be revoked. The work shall be modified, preserved, or demolished solely as determined by the administrative or judicial forum with jurisdiction and following the judicial procedure established in Chapter XIV of this Act, in addition to complying with due process of law.”

Section 46.- 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 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.”

Section 47.- Chapter X of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” comprised of Sections 10.1, 10.2, 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 10.9, 10.10, 10.11, 10.12, 10.13, 10.14, 10.15, 10.16, 10.17, 10.18, 10.19, 10.20, and 10.21, is hereby repealed.

Section 48.- Chapter XI of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” comprised of Sections 11.1, 11.2, 11.3, 11.4, 11.5, 11.6, 11.7, 11.8, 11.9, 11.10, 11.11, 11.12, and 11.13, is hereby repealed.

Section 49.- Chapter XII of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” comprised of Sections 12.1, 12.2, 12.3, 12.4, 12.5, 12.6, and 12.7, is hereby repealed.

Section 50.- 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.-

Any party adversely affected by a resolution of the Permit Management Office shall have thirty (30) calendar days to file a petition for review of administrative decision with the Court of Appeals. The time limit established herein is of jurisdictional nature. If the Court of Appeals so requests, the Permit Management Office shall forward to the Court of Appeals the record of the case within ten (10) calendar days from the filing of the petition.”

Section 51.- Section 13.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 13.2.- Notice of Request for Review.-

The petitioner shall serve all parties, including the Permit Management Office, the Adjudicatory Board, the Autonomous Municipality with I to V Granted Hierarchy, or the Authorized Professional, as applicable, with a copy of the request for administrative review on the same day the request was filed through the procedure established under the Uniform Administrative Procedures Act. This requirement is of a jurisdictional nature. The petitioner shall certify compliance with the foregoing requirement to the Court of Appeals. The notice may be served by mail or any electronic means established by law or regulations.”

Section 52.- Section 13.4 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 13.4.- Standard of Review.-

The action, final determination, or resolution of the Permit Management Office, the Autonomous Municipality with I to V Granted Hierarchy, or the Authorized Professional shall be upheld by the Court of Appeals if the same is based upon substantial evidence included in the record. Conclusions of law shall be reviewable in all of their aspects.”

Section 53.- 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.-

If any agency, entity, or instrumentality of the Commonwealth of Puerto Rico in representation of the public interest or a private natural or juridical person with or without an ownership interest, or is an adjacent neighbor, an owner or an occupant of a neighboring property, whose personal interest may be adversely or substantially affected, may file a complaint with the Permit Management Office

alleging a violation of a law or regulation, or file a petition for injunction, for a writ of mandamus, nullification, or any other action before the appropriate judicial forum.

In cases where the property in controversy is located in an Autonomous Municipality with I to V Granted Hierarchy, the complaint shall be filed with such Municipality. In the event that such property is located in more than one Municipality, the complaint shall be filed with the Municipality that granted the permit.”

Section 54.- 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.- Judicial Proceeding to Request the Revocation of Permits or the Stop of Works or Use.-

In response to a complaint described in Section 14.1 of this Act, the Executive Director shall have fifteen (15) business days to investigate the same. If, after conducting the appropriate investigation, the Executive Director decides to exercise the powers recognized under this Act, he may request the revocation of the permit or the stop of construction works or use that is allegedly not authorized by the Permit Management Office, the Authorized Professional, or the Autonomous Municipality with I to V Granted Hierarchy; provided that, such request is not inconsistent with Section 2.3E of this Act, in which case the Executive Director shall resort to the Court of First Instance to request a court order to such effect. However, if the Executive Director fails to take action within the fifteen (15) business day period provided herein, the petitioner may resort to the Court of First Instance to request the aforementioned remedies. In any case, the Court of First Instance shall hold a hearing within a period not to exceed ten (10) calendar days from the filing of the appeal and prior to granting the remedies

requested. Moreover, the Court shall enter judgment within a period not to exceed twenty (20) calendar days from the filing of the complaint.”

Section 55.- Section 14.3 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 14.3.- Applicable Procedure in Cases of Serious, Imminent, and Immediate Danger to Public Health or Safety; Immediate Cease and Desist Orders; Agencies and other Instrumentalities.-

In cases where there is a serious, imminent, and immediate danger to the health or safety of persons or the environment that cannot be otherwise avoided but by taking immediate action, the Concerned Government Entities and the Permit Management Office may issue temporary cease and desist orders when deemed necessary following the criteria to be established by regulation, without the previous intervention or authorization of the court or the Executive Director in the case of Concerned Government Entities. The order shall be subject to the following: a temporary administrative cease and desist order issued under such circumstances shall be rendered ineffective, null, and void, and shall not be enforceable, within ten (10) calendar days from the Concerned Government Entity’s or the Executive Director’s order, unless the Court of First Instance of the Commonwealth of Puerto Rico, at the request of the Concerned Government Entity or the Executive Director, holds an evidentiary hearing and finds it necessary to extend the effectiveness thereof for a maximum period of twenty (20) additional calendar days through a Court Order or Judgement. If the circumstances and conditions that led the Court to issue a stay or cease and desist order continue, the interested party may request the Court an extension thereof, before the previous order expires. In all other cases, the procedure established in Sections 14.1 and 14.2 or in other Chapters of this Act, as applicable, shall be followed.”

Section 56.- Section 14.4 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 14.4.- Complaints on Compliance and Fines.-

The general public may file complaints with the Permit Management Office, the Concerned Government Entities, or the Autonomous Municipalities with I to V Granted Hierarchy 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 this Act, the Joint Regulation adopted thereunder, the Enabling Acts of the Concerned Government Entities, the Autonomous Municipalities Act, or the regulations thereunder, as appropriate.

In those cases where the complaint on compliance is overseen by and falls under the jurisdiction of the Executive Director, the complaint shall be investigated within fifteen (15) business days from filing with the Permit Management Office. If the investigation shows that the allegations are true, the Executive Director shall proceed to issue an administrative fine. The Executive Director shall also, if applicable, refer the matter to the Secretary of Justice in order to initiate the necessary process to impose the penalties provided in this Act.

In those cases where the complaint on compliance is overseen by and falls under the jurisdiction of the Concerned Government Entities or the Autonomous Municipalities with I to V Granted Hierarchy, the latter shall investigate said complaint within fifteen (15) business days from filing. If the investigation shows that the allegations are true, the Concerned Government Entities or the Autonomous Municipalities with I to V Granted Hierarchy shall proceed to issue a fine, the amount of which shall be established pursuant to the Enabling Act of the Concerned Government Entity, the Autonomous Municipalities with I to V Granted Hierarchy, special laws, and regulations. The time limit to resolve said complaint shall be established through regulations.

The Concerned Government Entities or the Autonomous Municipalities with I to V Granted Hierarchy shall, at their discretion, forward complaints on compliance oversight filed with them and under their jurisdiction to the Executive Director for the investigation thereof, in accordance with the procedure established in this Section.

Any party adversely affected by a fine issued by the Executive Director, the Concerned Government Entities, or the Autonomous Municipalities with I to V Granted Hierarchy may file petition for review with the Court of First Instance.

These fines shall place a lien on the title of the property involved in the violation or violations. The fines imposed by the Concerned Government Entities or the Autonomous Municipalities with I to V Granted Hierarchy and adjudicated by the Executive Director 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 Permit Management Office shall be entitled to receive a payment for processing the case, as determined by regulations”

Section 57.- Section 14.5 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 14.5.- Administrative Fines.-

Subject to the provisions of Section 14.4, the Permit Management Office has authority to issue administrative fines to any natural or juridical person that:

(a) Violates this 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 Permit Management Office, 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 as a result of the violation, and the risk posed or the damage caused to health or safety as a result of the violation. The sum of all administrative fines imposed by the Permit Management Office under the provisions of this Act shall be deposited in the Special Fund established by the Secretary of the Department of the Treasury in the name of the Permit Management Office. The authority to impose administrative fines conferred on the Permit Management Office does not substitute or lessens the authority of any of the Concerned Government Entities to initiate any applicable judicial proceeding, whether civil or criminal.”

Section 58.- Section 14.6 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 14.6.- Procedure for Administrative Fines.-

Subject to the provisions of Sections 14.4 and 14.5, the procedure established in this Section shall be followed by the Executive Director, the

Autonomous Municipalities with I to V Granted Hierarchy, and the Concerned Government Entities, subject to their corresponding jurisdiction.

a. The Executive Director, the Concerned Government Entities, and the Autonomous Municipalities with I to V Granted Hierarchy, or their authorized representatives, may issue administrative fines to public entities or to natural or juridical persons that violate or fail to comply with any of the provisions of this Act, any restriction, regulation, or order adopted by virtue of this Act or other laws, within the scope of their jurisdiction. The procedure to issue such fines shall be established through the Joint Regulation.

b. In the establishment of this procedure, the Executive Director, the Concerned Government Entities, and the Autonomous Municipalities with I to V Granted Hierarchy, or their authorized representatives, may make use of the services of their officials and employees, and of the police to issue administrative tickets. The forms for such tickets shall be prepared, pre-printed, individually identified, and distributed in accordance with the regulation adopted by Permit Management Office for such purposes. The person who issues the ticket shall sign it and clearly state therein the alleged administrative offense, the legal provision violated, the date on which the ticket was issued, and the amount of the administrative fine to be paid.

The representative of the Executive Director, the Concerned Government Entities, or the Autonomous Municipalities with I to V Granted Hierarchy shall deliver 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, in addition to the information required in subsection (b), shall contain on the back thereof the instructions for requesting reconsideration and review.”

Section 59.- Section 15.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:



“Section 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 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[sic], 1975, as amended, known as the ‘Planning Board Organic Act,’ and 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) a procedure to file complaints with the Executive Director, 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 the Joint Regulation as provided in this Act. The aforementioned Joint Regulation shall be known as the ‘Joint Regulation for the Evaluation and Issuance of Land Development and Use 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 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 bylaws, 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 Concerned Government Entities affected thereby and 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 Concerned Government Entities affected thereby in order for them to amend the proposed text. If the Concerned Government Entities 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 and the Concerned Government Entities shall adopt the Joint Regulation within one hundred eighty (180) days from the effective date of this Act.”

Section 60.- Section 15.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 15.2.- Intervention and Participation.-

(a) Intervention – Any person interested in being part of the evaluation process of final determinations, permits, as well as any adjudicative proceeding required under this Act shall file a petition to intervene. The content, evaluation, adjudication, and review of final determinations on petitions to intervene shall be governed by the provisions of the Uniform Administrative Procedures Act. The Joint Regulation shall provide the details about the intervention process.

(b) Participation – The Permit Management Office shall provide citizen participation mechanisms through regulations that include the notice and receipt of public comments, public hearings, receipt and acknowledgment on the record of documents, reports, photographs, and other types of documents, among other participation mechanisms. Participants shall not be deemed to be a party to a proceeding, unless they comply with the provisions of the preceding subsection.”

Section 61.- 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 Executive Director is hereby empowered 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.

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 62.- Section 16.2 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 16.2.- Duty to Report.-

Whenever the Permit Management Office establishes liability for violations of this Act or any applicable law by any professional who certifies plans or documents or the inspection of a construction work, the Permit Management Office shall notify the Department of Justice, the Planning Board, the College of Engineers and Land Surveyors of Puerto Rico, the Board of Examiners of Engineers and Land Surveyors of Puerto Rico, the Board of Examiners of Architects and Landscape Architects of Puerto Rico, the Board of Examiners of

Geologists, the Board of Examiners of Professional Planners, the Bar Association of Puerto Rico, and any other professional association, as applicable, to proceed as legally appropriate. Failure to provide said notification shall not relieve the certifying professional from liability.”

Section 63.- Section 17.1 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 17.1.- Penalties.-

(a) ...

(b) Any person who violates a closing order or resolution of the Permit Management Office shall be guilty of a fourth degree felony and, upon conviction, shall be punished by a term of imprisonment not to exceed one hundred eighty days (180) or by a fine not exceed ten thousand dollars (\$10,000) for each day the violation of this Act or the regulations continues; or both penalties at the discretion of the Court;

(c) ...

(d) ...

The provisions of this Section shall not limit the provisions of the laws that regulate the professions, certifications, or licenses of Authorized Professionals or Authorized Inspectors, as well as those of any other trade, for taking disciplinary action for violations of such provisions, regardless of any criminal action initiated under this Act. The Court shall notify any judgment entered for violations of this Act to the College of Engineers and Land Surveyors of Puerto Rico, the Board of Examiners of Engineers and Land Surveyors of Puerto Rico, the Puerto Rico Architects and Landscape Architects Association, the Board of Examiners of Architects and Landscape Architects of Puerto Rico, the Board of Examiners of Professional Planners, the Board of Examiners of Geologists, the Bar Association, the Permit Management Office, and any other professional association, as

applicable. It is hereby provided that the criminal liability described in subsection (c) of this Section shall not prescribe; as for subsection (d) of this Section, it is hereby provided that it shall prescribe five (5) years from the date of discovery of the offense. Provided, further, that, for the offenses described in subsections (f) and (g) of this Section, the criminal action shall prescribe twenty (20) years from the approval of the permit.”

Section 64.- Section 18.4 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 18.4.- Collection of Information and Creation of Database.-

Upon request of the Executive Director of the Permit Management Office and in coordination with the Planning Board, the Concerned Government Entities shall obtain, compile, and provide the Permit Management Office with any and all information or documentation, whether on paper, digital, or other format, as necessary to exercise the authorities and duties assigned to said Office under this Act.”

Section 65.- Section 18.6 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 18.6.- Applicability of the Uniform Administrative Procedures Act.-

The Uniform Administrative Procedures Act shall apply to every procedure for the evaluation, granting, and denial of final determinations and permits, recommendations, certifications, licenses, certificates, including environmental compliance determinations related to Environmental Impact Statements, or any other similar authorization granted by the Permit Management Office, the Autonomous Municipalities with I to V Granted Hierarchy, the Authorized Professionals, and the Authorized Inspectors, as well as the adjudication of complaints or administrative orders by the Executive Director, the Concerned

Government Entities, or the Autonomous Municipalities with I to V Granted Hierarchy under the provisions of this Act, except as otherwise provided or in such cases where this Act is inconsistent with the Uniform Administrative Procedures Act.”

Section 66.- Section 18.8 of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” is hereby amended to read as follows:

“Section 18.8.- Liability.-

The Permit Management Office, the Permit Officers, and their individual directors, as well as officers, agents, or employees thereof, shall not be held civilly liable for any action taken in good faith in the discharge of their duties and responsibilities, pursuant to the provisions of this Act, and shall be compensated for expenses incurred in relation to any claim for which they have immunity, pursuant to these provisions and under the laws of Puerto Rico and the United States of America. Authorized Professionals shall not be covered under this provision and shall answer severally in any legal action initiated against the Commonwealth.”

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 Municipalities.-

Consistent with the autonomic powers granted by Act No. 81-1991 to the Autonomous Municipalities that, by virtue of the provisions in Chapters XIII and XIV of the said statute have been granted or are in the process of being granted authority to issue or deny permits by the Permit Management Office, the successor of the Regulations and Permits Administration, and the Planning Board, shall be subject only to such Sections of this Act where it specifically provides. Such Municipalities shall continue to issuing decisions following the procedures established for such purposes by the Mayors and the Municipal Legislatures

through the Permit Office or the administrative units created at a municipal level to address this endeavor, all of which is subject to the Autonomous Municipalities Act and the Delegation of Authority Agreement. For Municipalities that are in the process of acquiring the authority, in the design of their ordinance plans, or in such cases in which they have the design plans and the future implementation of such plans, the exception shall be equally applicable, except that the transfer of authorities shall be governed by the agreements entered into by each municipality and the Permit Management Office and the Planning Board following the provisions of Act No. 81-1991. Although the authorities of Municipalities described above are recognized, the municipal governments shall revise their regulations and procedures in order to incorporate the provisions of this Act, which are geared toward modernizing, standardizing, and expediting the issuance or denial of permits.

The Autonomous Municipalities that have entered into a delegation of authority and transfer of hierarchies and powers agreement, pursuant to Act No. 81-1991, or those that acquire such delegation authority of in the future, as of the effective date of this Act, may establish a procedure for issuing discretionary final determinations under the provisions of this Act and the requirements provided in the Joint Regulation.

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

Section 68.- Subsection (d)(2) of Section 10 of Act No. 8-2004, as amended, known as the “Sports and Recreation Department Organic Act,” is hereby amended to read as follows:

“...

(d) Planning and Authorization.

(1) ...

(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 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 said Office.”

Section 69.- Revision of Regulations.-

Within a period of one hundred eighty (180) days from the effective date of this Act, the Concerned Government Entities and all departments, agencies, municipalities, public corporations and instrumentalities of the Commonwealth of Puerto Rico shall revise, amend, or repeal their administrative regulations and orders, as well as memoranda establishing permitting procedures, policies, and forms for the purpose of simplifying and clarifying the processes, thus conforming them to the public policy adopted in this Act. Within thirty (30) days from the aforementioned period for the revision of regulations elapses, the Planning Board and the Permit Management Office shall submit a report to the Governor and the Legislative Assembly of Puerto Rico.



Section 70.- Transfer of Personnel.-

Regular career employees of the Office of the Chief Permit Inspector, the Adjudicatory Board, and the Reviewing Board are hereby transferred to the Permit Management Office and the Planning Board, as appropriate. The vested rights of all employees to be transferred to the Permit Management Office and the Planning Board shall be recognized, including the Collective Bargaining Agreements in effect and the exclusive representative certified by the Public Service Labor Relations Commission for such purposes. Trust employees who, as of said date, were entitled to reinstatement as provided in Section 9.2 of Act No. 184 of 2004, as amended, known as the “Public Service Human Resources Administration Act of the Commonwealth of Puerto Rico,” shall be transferred pursuant to applicable statutory and regulatory provisions.

Transfers shall be made taking into account the duties of each employee in the Office of the Chief Permit Inspector, the Adjudicatory Board, and the Reviewing Board, but shall be subject to the needs for personnel and availability of financial resources of the Permit Management Office and the Planning Board, in addition the case load in said Agencies.

The personnel to be transferred shall keep the same rights and benefits they had in relation to their career position, as well as the rights and obligations with respect to any pension, retirement, or savings and loans system.

The classification, reclassification, and compensation of positions shall be established according to the applicable classification and pay plans in the Permit Management Office and the Planning Board, as applicable. Transferred employees shall meet the minimum job classification requirements of the position they shall hold.

All other matters related to personnel and human resources to be transferred to the Permit Management Office and the Planning Board shall be addressed by the Executive Director and by the Chair, respectively, through an administrative order for such purposes, pursuant to government personnel administration laws, and the agreements and vested rights under the Collective Bargaining Agreement in effect. The Chair and the Executive Director shall work in coordination and conjunction with the Chief Permit Inspector and the Chair of the Reviewing Board, and the exclusive representative of employees, respectively, in all that pertains to the transfer of personnel.

Section 71.- Transfer of Property.-

Any property or any interest thereon, records, files, documents, real or personal property, funds already appropriated or to be made available in the future, including surplus, assets and liabilities of any kind, obligations and contracts of any kind, licenses, permits, and other authorizations of the Office of the Chief Permit Inspector, the Adjudicatory Board, and the Reviewing Board shall be transferred to the Permit Management Office and the Planning Board in order to be used for the ends and purposes of this Act. Consequently, all charges, rights, administrative or civil fines, penalties or payments deposited in the Special Funds created by virtue of Sections 10.17 and 11.9, repealed hereunder, shall be transferred to the Permit Management Office and the Planning Board, as applicable.

Section 72.- Transfer of Functions.-

Any other authority or function of the Chief Permit Inspector, the Office of the Chief Permit Inspector, the Adjudicatory Board, or the Reviewing Board that has not been expressly transferred or assigned upon the approval of this Act are hereby transferred from the Office of the Chief Permit Inspector, the Adjudicatory Board, and the Reviewing Board to the Permit Management Office, in order for the

Permit Management Office to use said authorities or functions in furtherance of the ends and purposes of this Act. Any function of the Office of the Chief Permit Inspector, the Adjudicatory Board, and the Reviewing Board shall be discharged, as of the effective date of this Act, by the Permit Management Office, provided that, the exercise of said functions does not impair or affect the transitory provisions of this Act.

However, the Final Determination Audit Division of the Office of the Chief Permit Inspector is hereby transferred to the Planning Board, and any other authorities or functions of the Office of the Chief Permit Inspector that, upon the approval of this Act, have not been expressly transferred or assigned, in order for the Planning Board to use said authorities or functions in furtherance of the ends and purposes of this Act.

Any function of the Office of the Chief Permit Inspector, the Reviewing Board, and the Adjudicatory Board shall be discharged, as of the effective date of this Act, by the Planning Board or the Permit Management Office, as applicable, provided, that the discharge of said functions does not impair or affect the transitory provisions of this Act.

Section 73.- Pending Cases under Consideration of the Adjudicatory Board and the Office of the Chief Permit Inspector.-

Any pending discretionary determination, administrative proceeding, case, complaint, or charge for violations of the laws or any part thereof that are being processed or heard by the Adjudicatory Board or the Chief Permit Inspector, respectively, shall be transferred to the Permit Management Office or the Planning Board, as appropriate, to continue the process in accordance with the provisions of this Act.

Section 74.- Pending Cases under Consideration of the Reviewing Board.-

Any case pending resolution before the Reviewing Board shall continue to be processed, heard, and adjudicated by said Board for a period not to exceed one hundred eighty (180) days from the approval of this Act. Within said period, the Planning Board shall adopt the appropriate regulations for reviewing such final determinations that are pending as of the approval of this Act; provided that, at the time of filing the Reviewing Board had jurisdiction over the case. If the Planning Board adopts the aforementioned regulations within a shorter period than that established herein, the adjudicative functions of the Reviewing Board shall cease immediately and any case pending resolution shall be transferred to the Planning Board.

Section 75.- Interpretation.-

This Act shall be interpreted so as not to impair the rights, responsibilities, and obligations of natural or juridical persons vested or assumed prior to the approval of this Act. This Act shall not be interpreted as to create any jurisdiction or competence, or to rectify the lack of jurisdiction or competence in any case, administrative proceeding, or complaint, whether pending or in process when such jurisdiction or competence did not exist prior to the approval of this Act.

Section 76.- Repealing Clause.-

Any provision of law or regulation that is incompatible with the provisions of this Act is hereby repealed to the extent of such incompatibility.

Section 77.- Severability Clause.-

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

Section 78- Effectiveness and Transition.-

This Act shall take effect thirty (30) days upon its approval, except for the Sections pertaining to the transfer of personnel, property, and functions (Sections 70, 71, and 72 of this Act), which shall take effect upon the approval of this Act. The transfers directed under this Act shall be made within a period not to exceed thirty (30) days after the approval of this Act. Provided, however, that in the case of the Reviewing Board, it shall have thirty (30) days from the approval of the regulations on the review of final determinations to be adopted by the Permit Management Office, in conjunction with the Planning Board, in order to finalize any transfers directed under this Act. However, the Reviewing Board is hereby authorized to begin the transfers in question upon the approval of this Act, provided, that the business and functions of the Reviewing Board are not affected.

The Governor, or his designee shall have authority to adopt transitory measures and make decisions as are necessary to carry out the transfer directed under this Act without impairing the purposes thereof. Likewise, the Executive Director and the Chair of the Planning Board shall be empowered to adopt transitory measures and make decisions as are necessary to carry out the transfer directed under this Act without impairing the purposes thereof.

## CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 151-2013 (S. B. 769)** of the **2<sup>nd</sup> Regular Session** of the **17<sup>th</sup> Legislative Assembly of Puerto Rico**:

**AN ACT** amend Sections 1.5, 2.1, 2.3, 2.4, 2.5, 2.7, 2.8, 2.9, 2.10, 2.11, 2.12, 2.17, 3.1, 3.2, 3.3, 4.1, 7.2, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11, 7.12, 8.4, 8.5, 8.8, 8.11, 9.1, 9.3, 9.8, 9.9, 9.10, 9.12, 13.1, 13.2, 13.4, 14.1, 14.2, 14.3, 14.4, 14.5, 14.6, 15.1, 15.2, 16.1, 16.2, 17.1, 18.4, 18.6, 18.8, 18.10; add Sections 2.3A, 2.3B, 2.3C, 2.3D, 2.3E, 2.3F, 2.8A, 2.9A, 8.8A; and repeal Chapters VI, X, XI, and XII of Act No. 161-2009, as amended, known as the “Puerto Rico Permit Process Reform Act,” in order to restructure the permitting process model including, but not limited to, eliminating the Office of the Chief Permit Inspector, the Adjudicatory Board, and the Reviewing Board; conferring additional authorities to the Executive Director of the Permit Management Office, including, but not limited to, making discretionary determinations authorized under this Act; add minimum operational components to the Permit Management Office; provide that the environmental impact statement shall be reviewable and independent from the requested permit; eliminate the bond requirement when requesting the revocation of permits or the stop of use works; [...]

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

In San Juan, Puerto Rico, on this 1<sup>st</sup> day of December, 2021.

Mónica Freire-Florit, Esq.  
Director