(No. 173)

(Approved July 31, 2003)

AN ACT

To amend Articles 2 and 5 of Act No. 34 of June 12, 1969, as amended, for the purpose of increasing the amount of the Christmas Bonus applicable to officials or employees of the government of the Commonwealth of Puerto Rico, its public corporations and its municipalities; and to establish exclusions.

STATEMENT OF MOTIVES

It is the public policy of the Commonwealth of Puerto Rico to render justice to its employees, to stimulate and to promote efficiency in the services rendered to the citizenry and to attract and retain skilled personnel in public service. Accordingly, through this legislation we amend Sections 2 and 5 of Act No. 34 of June 12, 1969, as amended, to increase the amount of the Christmas Bonus applicable to officials or employees of the Commonwealth of Puerto Rico, its public corporations and its municipalities, to raise it to a ceiling of one thousand (\$1000) dollars by December, 2003, establishing that the officials or employees covered by Act No. 45 of February 25, 1998, as amended, who have not completed the collective bargaining procedure by the date this Act becomes effective shall receive the proposed raise. However, once the Christmas Bonus granted by this Act has been received, additional increases for the Christmas Bonus related to Fiscal Year 2004-2005 shall only be negotiated collectively.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- Section 2 of Act No. 34 of June 12, 1969, as amended, is hereby amended to read as follows:

"Christmas Bonus-Amount

Section 2.- The 1997Bonus Christmas shall be equivalent to four point five percent (4.5%) of the annual salary of the official or employee, and from 1998 on, shall be equivalent to six percent (6%) of the annual salary of the official or employee. From 1999, and thereafter, the Christmas Bonus shall be equivalent to six point twenty-five percent (6.25%) of the annual salary of the official or employee. For the year 2001 onwards, it shall be equivalent to seven point eighty-one and twenty-five percent (7.8125%) of the official or employee's annual salary. The 2003 Christmas Bonus shall be equivalent to twelve point five percent (12.5%) of the official or employee's annual salary. In order to determine the amount of the Christmas Bonus, the annual salary shall be deemed as the total salary earned by the official or employee, up to the amount of eight thousand dollars (\$8,000), during the twelve (12) months preceding December first of the year in which the bonus is granted. Services for fifteen (15) days or more in one month shall be deemed as one month of service. It is established that in the case of municipalities, the increase in the amount of the Christmas Bonus shall be adjusted according to the economic capacity of the same, and pursuant to Section 12.016 of Act No. 81 of August 30, 1991, as amended, known as the "Autonomous Municipalities Act."

Section 2.- Section 5 of Act No. 34 of June 12, 1969, as amended, is hereby amended to read as follows:

"Exclusions

Section 5.- The provisions of Sections 1 to 7 of this Act shall not apply to those cases where officials or employees receive a Christmas Bonus through officials or employees, including collective bargaining agreements under Act No. 45 of February 25, 1988, as amended, who have signed a collective bargaining agreement by the date in which this Act becomes effective which includes the granting of this type of bonus."

Section 3.- Those employees covered by Act No. 45 of February 25, 1998, as amended, who receive the Christmas Bonus increase established in this Act on December 2003, shall only negotiate additional increases to the Christmas Bonus related to the budget of the 2004-2005 Fiscal Year by collective bargaining.

Section 4.- This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 173 (S.B. 2039) of the 5^{th} Session of the 14^{th} Legislature of Puerto Rico:

AN ACT to amend Articles 2 and 5 of Act No. 34 of June 12, 1969, as amended, for the purpose of increasing the amount of the Christmas Bonus applicable to officials or employees of the government of the Commonwealth of Puerto Rico, its public corporations and its municipalities; and to establish exclusions,

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

In San Juan, Puerto Rico, today 28th of May of 2004.

Elba Rosa Rodríguez-Fuentes Director