(House Substitute for H. B. 2249)

## (No. 205-2016)

(Approved December 28, 2016)

#### AN ACT

To add new subsections (a) and (b), amend current subsections (b) and (e), and renumber current subsections (a), (b), (c), (d), and (e) as subsections (c), (d), (e), (f), and (g), respectively, of Section 2; amend Section 3 and add subsections (a), (b), and (c); amend subsection (h) and add subsections (u), (v), (w), (x), and (y) of Section 4; amend subsection (c) of Section 6 and amend subsections (a) and (b) of Section 7 of Act No. 113-2005, as amended, known as the "Puerto Rico College of Public Performance" Producers Act"; amend subsection (c) of Section 2, amend subsections (b) and (d) of Section 4, amend Section[sic] (a) of Section 6 and add subsections (a), (b), (c), and (d) of Section 7 of Act No. 182-1996, as amended, known as the "Public Performance Promoter Act"; amend paragraphs (1) and (3) of subsection (jj) of Section 4010.01 of Act No. 1-2011, as amended, known as the "Puerto Rico Internal Revenue Code"; add a new subsection (4) to Section 4 of Act No. 223-2004, as amended, known as the "Our Autochthonous Puerto Rican Music Act"; and for other related purposes.

### STATEMENT OF MOTIVES

In Puerto Rico, the task of developing, promoting, holding, and preserving artistic, sports, cultural, educational, historical, tourist, recreational, and multidisciplinary events, performances and exhibitions that fill the Island's calendar of activities and events falls on the professionals known as producers and promoters of public performances. Act No 182-1996, the "Public Performance Promoter Act," defines public performance promoter as a "natural or juridical person, whether local or foreign, who promotes or organizes a public performance to be held, which entails the search for a location and the entering into contracts, and is in charge of its administrative and advertising phases."

With a strong sense of responsibility and professionalism, public performance producers develop activities by employing highly specialized knowledge that integrates disciplines ranging from accounting and administrative management to the creative process of designing avant-garde projects.

On September 16, 2005, the "Puerto Rico College of Public Performance Producers Act," (Act No 113) was enacted in order to strengthen the credibility and standing of the public performance production industry through the establishment of mandatory college membership. Likewise, the statute recognized the importance of protecting those artists who render their services by taking the stage in Puerto Rico as well as those consumers who pay for such performances. In a broad sense, the aforementioned legislation sought to create a mechanism to protect and separate professional public performance producers from individuals who do not have the necessary experience and use the profession as a quick way to make money, and from those unscrupulous persons who lied, scammed, and committed fraud when producing events and would not answer for their actions.

As part of its duties, the College of Public Performance Producers currently helps those members who request orientation or support with regards to a particular situation. Likewise, it ensures compliance with requirements such as the use of the college logo and the name or number of the producer in all print publications. Furthermore, it has a dual purpose as it oversees and protects the public performance industry while also ensuring safety and quality control of suppliers in order to ensure the wellbeing of the public that attends its events.

Consistent with its responsibilities, the College of Public Performance Producers also continuously monitors any legislation introduced and the changes made to the laws or procedures in government agencies in order to coordinate representation, appearances, and issue opinions or testimonies in support of or against any particular issue. In addition, it has assumed legal representation and litigated in favor of the interests of its membership and holds an annual regular membership meeting. Lastly, the College of Public Performance Producers provides mechanisms for referrals, mediation, and the filing of complaints; according to the reporting committee, these tools clearly benefit consumers.

In light of the foregoing, the College of Public Performance Producers is the entity through which consumers may file complaints and communicate directly with the producer of an event, and suppliers may bring an action for breach of contract.

However, ten years after its creation, the College of Public Performance Producers has been the target of constant criticism with regards to its internal operations and governance. For example, small producers and several nonprofit organizations have denounced their inability to pay the annual membership fee and become college members due to the requirements imposed by the industry itself.

This legislative measure seeks to adjust certain statutory provisions concerning the public performance production industry in order to ensure: greater representation, efficiency, and a participatory democracy within the College; eliminate the membership requirements imposed on new producers to become College members; establish an accessible membership fee system that is proportional to the producer's capacity; allow nonprofit organizations to become College members; expand the oversight capacity of the Public Performance Promoters Services Office (OSPEP, Spanish acronym) over events produced by the various sectors on the Island; facilitate the bond renewal and ticket endorsement processes; and strengthen the public policy of the Commonwealth of Puerto Rico thereby encouraging artistic development and the sustainability of local cultural management through the adoption of new measures directed at addressing the needs expressed by the members of this sector.

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

Section 1.- New subsections (a) and (b) are hereby added, current subsections (b) and (e) are hereby amended, and current subsections (a), (b), (c), (d), and (e) are hereby renumbered as subsections (c), (d), (e), (f), and (g), respectively, in Section 2 of Act No. 113-2005, as amended, known as the "Puerto Rico College of Public Performance Producers Act," to read as follows:

"Section 2.- Definitions.

For the purposes of this Act, the following terms shall have the meaning stated below:

- (a) Ticket-Digital or electronic document, mobile application, or piece of paper, cardboard, and/or any other printed material containing the following information:
  - (1) With regards to the public performance, it shall specify the:
    - i. name,
    - ii. location,
    - iii. date, and
    - iv. time
  - (2) The ticket shall bear the following information:
    - i. a price breakdown,
    - ii. the fees and State taxes,
    - iii. service charges,
    - iv. the ticket number,
    - v. seating category (if applicable),
    - vi. state if it is a courtesy ticket,
    - vii. and state if it is specially priced ticket for a public performance intended for special or low income communities

- (b) Courtesy Ticket- A ticket issued free of charge that shall be duly identified as such and exempted from the Sales and Use Tax (SUT).
- (c) College.- Means to the Puerto Rico College of Public Performance Producers.
- (d) Public Performance.- Means any public event, whether a concert, musical performance, dance performance, sporting event, a comedy show, or a play at a coliseum, hotel, convention center, or any other location, whether indoors or outdoors, private or public, whether or not admission is charged. Public performances organized by nonprofit civic groups or associations, religious institutions, political parties, or candidates for public office or for reelection to public office, and school organizations, or those events produced by public corporations of the State or the Municipal Government, shall not be included in this definition. No convention, trade show, meeting, or seminar intended for professionals shall be construed as a public performance.
- (e) Foundation.- Means the Foundation of the Puerto Rico College of Public Performance Producers.
- (f) Office (OSPEP, Spanish acronym).- Means the Public Performance Promoters Services Office, whose operations are governed by Act No. 182-1996, as amended, known as the 'Public Performance Promoter Act.'
- (g) Producer Established in Puerto Rico.- A person who has produced public performances in Puerto Rico individually or associated with another producer, whether or not an admission fee is charged, who has obtained a regular license from the Public Performance Promoters Services Office (OSPEP) to stage performances on the Island, pursuant to the provisions of this Act. It shall be deemed that this group shall be comprised of natural or juridical persons who have obtained a license issued by the Public Performance Promoters Services Office (OSPEP) prior to the approval of this Act, and henceforth shall be comprised of all

those producers who comply with all legal and regulatory requirements under the provisions of this Act and who by virtue thereof obtain the corresponding College membership. It shall be understood that this group shall also be comprised of the producers and/or promoters of performances held under Act No. 223-2004, as amended, known as the 'Our Autochthonous Puerto Rican Music Act.'"

Section 2.- New subsections (a), (b), (c) are hereby added to Section 3 of Act No. 113-2005, as amended, known as the "Puerto Rico College of Public Performance Producers Act," to read as follows:

"Section 3.- Special Provision.

Public performance producers who hold a license issued by the Department of the Treasury as of the effective date of this Act are hereby authorized to become a juridical body under the name 'Puerto Rico College of Public Performance Producers.'

Thus, only those public performance producers established in Puerto Rico, whether for profit or nonprofit, who are members of the College and annually complete at least six (6) credit hours of professional training and educational development courses, seminars, or workshops, as provided in this Act and the regulations adopted thereunder, or producers who are not established in Puerto Rico, but are associated with producers members of the College, or in the case of producers or promoters who are not established in Puerto Rico, but who are established in some other territory or state of the United States of America after having associated with a producer member of the College, or after having obtained a license from OSPEP and become College members, shall act as public performance producers in theaters, stages, coliseums, convention centers, and other facilities in which public performances are held.

It is hereby provided that, in order to become a member of the College, every public performance producer shall:

- (a) Submit proof to the College of having obtained, at a minimum, a high school diploma.
- (b) Apply to become a member of the College. Such membership shall be valid for a period of two (2) years.
- (c) Produce one (1) public performance during the effective period of the membership.
- (d) Complete six (6) credit hours of courses offered by the College during the effective period of the membership.

A producer shall need not meet the aforementioned requirements if such producer submits proof to the College of having completed twenty-one (21) credit hours in event production or related courses in a university accredited by the Puerto Rico Education Council."

Section 3.- Subsection (h) is hereby amended and subsections (u), (v), (w), (x), and (y) are hereby added to Section 4 of Act No. 113-2005, as amended, known as the "Puerto Rico College of Public Performance Producers," to read as follows:

"Section 4.- Functions and Powers.-

Without it being construed as a limitation, the College shall have the following functions and powers:

(a) ...

. .

- (h) To protect its members and provide for the creation of insurance and special fund systems and other voluntary protection services for its members.
  - (i) ...

..

(u) To promote the professional development of its members. Offering professional training and educational development courses for all of its members.

The College of Public Performance Producers shall develop courses, workshops, seminars, and informational documents directed at strengthening the professional skills of its members. This duty shall not be limited to matters related to public performance production; therefore, the academic offerings may include corporate management and administration, advice on legal matters, and publicity, among others. The particulars regarding how the provisions of this Act shall be implemented, including the duration and frequency of the academic offerings, shall be determined by a majority vote of the members present at the duly constituted Annual General Meeting. Such particulars shall be subsequently prescribed through regulations.

- (v) To promote, foster, and ensure that all College members complete at least six (6) credit hours of professional training and educational development courses, seminars, or workshops. The College shall also ensure that its members strictly comply with the professional training and educational development credit hours and shall impose penalties for noncompliance therewith. The College shall certify whether or not its members comply with the professional training and educational development credit hours. Furthermore, it shall develop regulations as are necessary to exercise this function and power.
- (w) To enable, regulate, and take any action as necessary to establish procedures for nonprofit organizations incorporated pursuant to the applicable laws of the Commonwealth of Puerto Rico and for students who are pursuing a certification, associate degree, bachelor's degree, master's degree, or a doctoral degree in any branch of communication sciences, show production, event marketing, or any similar curricular program, at any university or college duly accredited by the State, that still do not hold a public performance producer license, or are not exempt from holding such a license, so that they may become members of the Puerto Rico College of Public Performance Producers.

- (x) To develop a basic guide to educate new members about their ethical and professional duties; the duties, obligations, procedures, and tools of and the services rendered by the College of Public Performance Producers; the rights and responsibilities of College members with regards to the Public Performance Promoters Services Office; and the applicable legislation and regulations in effect.
- (y) To create and make available to the general public informational sheets directed at persons who are interested in becoming College members."

Section 4.- Subsection (c) of Section 6 of Act No. 113-2005, as amended, known as the "Puerto Rico College of Public Performance Producers Act," is hereby amended to read as follows:

"Section 6.- Special Provisions.

- (a) ...
- (b) ...
- (c) The producers who are not established in Puerto Rico shall continue to register with OSPEP; these producers shall produce their public performances on the Island by associating with a College member or by obtaining a membership in the College and the license issued by OSPEP. To such effects, any producer who is not established in Puerto Rico shall enter into contracts or agreements with a College member producer of his choice, in order to jointly produce the public performance in question. In the case of producers established within the United States jurisdiction, the College shall not impose terms or conditions for the execution of such contracts or agreements other than those agreed upon by the parties nor shall it have authority to veto their execution. A producer who is not established in Puerto Rico, originating from another state or territorial jurisdiction of the United States of America, who does not wish to associate with a local producer, shall obtain a license issued by OSPEP in addition to the College membership.

Likewise, every administrator of a public or private facility in which public performances are held, shall be required to certify, prior to the holding of the event, and prior to adjudicating or contracting for the use of the facility, that the producers have fully complied with the requirements of this Section.

Any agency, department, office, and instrumentality of the Commonwealth of Puerto Rico interested in hiring, for a valuable consideration, the services of a public performance producer shall be required to hire only producers with a valid and active membership in the College of Public Performance Producers who are also compliant with the regulations, rules, and specific requirements established for contracting with the agencies, departments, offices, and instrumentalities of the Commonwealth of Puerto Rico."

Section 5.- Subsections (a) and (b) of Section 7 of Act No. 113-2005, as amended, known as the "Puerto Rico College of Public Performance Producers Act," are hereby amended to read as follows:

"Section 7.- Fees.

(a) The College of Public Performance Producers membership fee shall constitute an annual obligation for every College member. The annual membership fee to be paid by each member shall be established according to the following categories and specific criteria:

# (1) Category I: Performance Producers

(a) It includes any producer who holds a license or is exempted from holding a license and celebrates events. The college membership fee to be paid shall be determined by taking into account, as the main criteria, the venue with the largest capacity that the producer shall use during the year for which he is paying the membership fee or, in lieu thereof, the event with the largest admission capacity that such producer shall celebrate during the year for which he is paying the membership fee.

- (b) For Category I, membership fees shall be set as follows:
- (i) Maximum capacity: Producers that use venues with capacity for twelve thousand (12,000) persons or more. Maximum capacity producers shall be required to pay an annual membership fee of six hundred dollars (\$600.00)
- (ii) High Capacity: Producers that use venues with capacity ranging between eight thousand (8,000) and eleven thousand nine hundred ninety-nine (11,999) persons. High capacity producers shall be required to pay an annual membership fee of four hundred dollars (\$400.00).
- (iii) Intermediate capacity: Producers that use venues with capacity ranging between three thousand (3,000) and seven thousand nine hundred ninety-nine (7,999) persons. Intermediate capacity producers shall be required to pay an annual membership fee of three hundred fifty dollars (\$350.00).
- (iv) Basic capacity: Producers that use venues with capacity ranging between five hundred (500) and two thousand nine hundred ninety-nine (2,999) persons. Basic capacity producers shall be required to pay an annual membership fee of two hundred fifty dollars (\$250.00).
- (v) Initial capacity or self-management initiatives: Producers that use venues with a maximum capacity of four hundred ninety-nine (499) persons. Initial capacity or self-management initiative producers shall be required to pay an annual membership fee of one hundred dollars (\$100.00).
- (c) The College of Public Performance Producers is hereby expressly prohibited from imposing any similar burdensome requirement as a condition for Category I: Performance Producers to become College members.
  - (2) Category II: Nonprofit Event Producers
- (a) Includes any nonprofit entity that holds a tax exemption certificate pursuant to the provisions of the Internal Revenue Code and holds

producer license exemption. The college membership fee to be paid shall be determined by taking into account, as the main criteria, the venue with the largest admission capacity that the nonprofit entity shall use during the year for which it is paying the membership fee or, in lieu thereof, the event with the largest admission capacity that such nonprofit entity shall use during the year for which it is paying the membership fee.

- (b) For Category II, membership fees shall be set as follows:
- (i) Maximum capacity: Nonprofit entities that use venues with capacity for twelve thousand (12,000) persons of more. Every maximum capacity nonprofit show producer shall be required to pay an annual membership fee of one hundred and fifty dollars (\$150.00)
- (ii) High capacity: Nonprofit entities that use venues with capacity ranging between eight thousand (8,000) and eleven thousand nine hundred ninety-nine (11,999) persons. Every high capacity nonprofit show producer shall be required to pay an annual membership fee of one hundred dollars (\$100.00).
- (iii) Intermediate capacity: Nonprofit entities that use venues with capacity ranging between three thousand (3,000) and seven thousand nine hundred ninety-nine (7,999) persons. Every intermediate capacity nonprofit show producers shall be required to pay an annual membership fee of seventy-five dollars (\$75.00).
- (iv) Basic capacity: Nonprofit entities that use venues with a capacity ranging between five hundred (500) and two thousand nine hundred ninety-nine (2,999) persons. Every basic capacity nonprofit show producer shall be required to pay an annual membership fee of fifty dollars (\$50.00).

- (v) Initial capacity or self-management initiatives: Nonprofit entities that use venues with a maximum capacity of four hundred ninety-nine (499) persons. Every initial capacity or self-management initiative nonprofit show producer shall be required to pay an annual membership fee of twenty-five dollars (\$25.00).
- (c) The College of Public Performance Producers is hereby expressly prohibited from imposing any similar burdensome requirement as a condition for Category II: Nonprofit Event Producers to become College members.

## (3) Category III: Students

- (a) Includes any natural person who is pursuing a certification, associate degree, bachelor's degree, master's degree, or a doctoral degree in any branch of communication sciences, show production, event marketing, or any similar curricular program, at any university or college duly accredited by the State, and who still does not hold a public performance producer license or license exemption.
- (b) An annual fee of zero dollars (\$0.00) is hereby established for Category III.
- (c) The College of Public Performance Producers is hereby expressly prohibited from imposing any similar burdensome requirement as a condition for Category III: Students to become College members.
- (b) Every College member who has ceased to engage in the production of public performances for profit in order to engage in other activities, to retire from practicing the profession, or to leave Puerto Rico, may remain a College member as provided in this Act by paying an annual membership fee of fifty dollars (\$50.00); or may, on the contrary, cancel his College membership through a sworn application to such effects submitted to the Board of Directors. The College member who chooses this option shall not be required to pay the fees during the

period of his voluntary inactivity, nor shall be entitled to the College membership benefits, or to receive compensation for practicing the profession in Puerto Rico. A College member may not return to actively practice the profession in Puerto Rico for profit until he reactivates his license and pays the corresponding fee as provided in subsection (a) of this Section.

(c) ..."

Section 6.- Subsection (c) of Section 2 of Act No. 182-1996, as amended, known as the "Public Performance Promoter Act," is hereby amended to read as follows:

"Section 2.- Definitions.

- (a) ...
- (b) ...
- (c) Public Performance.- shall mean any public event, whether a concert, musical performance, dance performance, sporting event, a comedy show, or a play at a coliseum, hotel, convention center, or any other location, whether indoors or outdoors, private or public, whether or not admission is charged. Public performances organized by nonprofit civic groups or associations, religious institutions, political parties, or candidates for public office or for reelection to public office, and school organizations, or those events produced by public corporations of the state or the municipal government, shall not be included in this definition. No convention, trade show, meeting, or seminar intended for professionals shall be construed as a public performance.
  - (d) ..."

Section 7.- Subsections (b) and (d) of Section 4 of Act No. 182-1996, as amended, known as the "Public Performance Promoter Act," are hereby amended to read as follows:

"Section 4.- Requirements.

- (a) ...
- (b) License issued by the Registry of Promoters.
- (1) Every promoter shall pay an annual license fee of two hundred dollars (\$200). Notwithstanding the foregoing, the Department of the Treasury may prescribe a lower annual license fee through regulations for any of the following producer categories:
- (i) Nonprofit entity producer: whether such entities are accredited as such by a valid Certificate of Incorporation or by an administrative determination of the Department of the Treasury.
- (ii) Free events producer; for events that shall have no admission fee as certified through a sworn statement.
  - (2) ...
  - (3) ...
  - (c) ...
- (d) All promoters authorized by the registry to exercise their profession shall post a performance bond in order to guarantee the holding of the performance and that tickets sold do not exceed the venue capacity. The bond may be issued by a surety company with offices in Puerto Rico. The bond shall secure the payment of refunds in the event the performance is suspended and shall not be less than ten percent (10%) of the cost thereof. In the process of obtaining an endorsement, the Department of the Treasury shall take into account the effective period of the bond at the time such endorsement is requested. If the event is scheduled to be held after the expiration date of the bond, but not later than six (6) calendar months after such expiration date, such fact shall not be sufficient grounds for denying an endorsement. However, once the sale of tickets is authorized, the promoter shall be responsible for renewing the bond prior to the holding of the event so that it is valid on the event date. The Public Performance Promoters Services Office

(OSPEP) within the Consumption Tax Bureau shall be responsible for overseeing compliance with the provisions of this Act and for imposing, through the appropriate regulations, any fines deemed pertinent."

Section 8.- Subsection (a) of Section 6 of Act No. 182-1996, as amended, known as the "Public Performance Promoter Act," is hereby amended to read as follows:

"Section 6.- Penalties.

- (a) Acting as a promoter within the jurisdiction of Puerto Rico without being duly registered with the Registry of Public Performance Promoters and without a license issued by the Public Performance Promoters Services Office, or otherwise, without having become a member of the College of Public Performance Producers, shall entail a fine of ten thousand dollars (\$10,000)."
- Section 9.- Section 7 of Act No. 182-1996, as amended, known as the "Public Performance Promoter Act," is hereby amended, and new subsections (a), (b), (c), and (d) are hereby added thereto, to read as follows:

"Section 7.- Department of the Treasury- Power.

- (a) The Department of the Treasury and the Registry of Artistic Promoters are hereby empowered to create and establish mechanisms and rules as are necessary to implement this chapter.
- (b) The Public Performance Promoters Services Office (OSPEP), within the Consumption Tax Bureau of the Department of the Treasury shall prescribe regulations as are necessary to address, within a period not to exceed sixty (60) days, the recommendations of the Board of Directors of the Puerto Rico College of Public Performance Producers resulting from an adjudication process.
- (c) The Public Performance Promoters Services Office (OSPEP), within the Consumption Tax Bureau of the Department of the Treasury shall prescribe the necessary regulations to ensure that, in the case of an endorsement adjustment

claim, the amount paid on account of the Sales and Use Tax on properly distributed tickets classified as courtesy tickets for public performances for which admission is collected, is refunded.

(d) The Public Performance Promoters Services Office (OSPEP), within the Consumption Tax Bureau of the Department of the Treasury shall prescribe the necessary regulations to allow the use of e-tickets and electronic devices, and similar analog devices, for the issuance of tickets in any event produced in accordance with the provisions of this Act."

Section 10.- Paragraphs (1) and (3) of subsection (jj) of Section 4010.01 of Act No. 1-2011, as amended, known as the "Puerto Rico Internal Revenue Code," are hereby amended to read as follows:

"Section 4010.01.- General Definitions.

For purposes of this part, the following terms, words, and phrases shall have the general meaning expressed below, except when the context clearly indicates otherwise:

- (a) ...
- ...
- (jj) Endorsement.- The authorization issued by the Secretary to a promoter for the sale and collection of the charges for admission to a public event, upon receiving the written notice required to such effects.
- (1) The promoter is required to request the Secretary's endorsement for the sale of tickets not later than forty-eight (48) hours before the date on which said sale begins. Failure to meet this requirement shall result in the imposition of administrative fines as provided in Sections 33001 et seq. of this title.
- (a) It is hereby recognized as an exception to this rule those instances in which a producer decides to release additional tickets or new consecutive dates for an event previously endorsed by the Public Performance

Promoters Services Office of the Department of the Treasury; if such business decision is made on a holiday, weekend, or outside the business hours of the Public Performance Promoters Services Office; and the sale of extra tickets or dates later released is made through digital ticket offices, ticket vending machines, or ticket brokers. Once the three aforementioned requirements have been met, the producer may proceed with the sale of the tickets for the second event date without having to request the endorsement and shall be required to submit the request for endorsement the following business day. The terms provided for this exemption are of a non-deferrable nature. Failure to comply with the terms provided herein and/or the misuse of this exemption shall result in the imposition of administrative fines pursuant to Secs. 33001 et seq. of this title.

- (2) ...
- (3) The promoter shall have a non-deferrable term, which shall not exceed ten (10) business days from the holding of each public performance, to claim the adjustment for any endorsed tickets not sold and, consequently, the release of the bond."

Section 11.- The College of Public Performance Producers and the Department of the Treasury shall have six (6) months from the approval of this Act to amend and/or draft the necessary regulations pursuant to Act No. 170 of August 12, 1988, as amended, known as the "Commonwealth of Puerto Rico Uniform Administrative Procedures Act," and implement the provisions of this Act."

Section 12.- A new subsection (4) is hereby added to Section 4 of Act No. 223-2004, as amended, known as the "Our Autochthonous Puerto Rican Music Act," to read as follows:

"(1) ...

...

(4) Every music event promoter or producer hired to produce an event in accordance with this Act shall, prior to holding the event, submit a copy of their producer license issued by the College of Public Performance Producers as well as attesting evidence of their College of Public Performance Producers membership to the government agency, public corporation, and/or municipality allocating funds for such hiring."

Section 13.- Severability Clause.

If any clause, paragraph, subparagraph, article, provision, section, or part of this Act were held to be void or unconstitutional by a Court with jurisdiction, the holding to such effect shall not affect, impair, or invalidate the remainder of this Act. The effect of said holding shall be limited to the clause, paragraph, subparagraph, article, provision, section, or part of this Act thus held to be void or unconstitutional.

Section 13.- Effectiveness.

This Act shall take effect upon its approval.