

(S. B. 887)
(Conference)
(Reconsidered)
(Reconsidered)

(No. 212)

(Approved August 28, 2003)

AN ACT

To add a new clause (12) to Section 6 and a new paragraph (x) to Section 5 of Act No. 10 of June 18, 1970, as amended, known as the “Puerto Rico Tourism Company Act”; to amend subsections (c) and (dd), to repeal subsections (v), (rr) and (ss), and to redesignate subsections (w) to (qq), respectively, as subsections (v) to (pp) of Section 2 of Act No. 109 of June 28, 1962, as amended, known as the “Puerto Rico Public Service Act”, to empower the Puerto Rico Tourism Company to regulate travel agencies and wholesalers; to transfer the powers, duties and faculties of the Puerto Rico Public Service Commission regarding the same and to order the transfer of documents.

STATEMENT OF MOTIVES

The tourism industry in Puerto Rico is extremely important for our economic development. The Puerto Rico Tourism Company, created primarily to direct and operate said industry, is in charge, among others, of the coordination with the pertinent agencies for the improvement of communication and transportation services by air, sea and land, including tourism travel and tour businesses. On the other hand, the Puerto Rico Public Service Commission, which up to now has regulated travel agencies, was conceived for the regulation of the costs and services of businesses designated by law as public service companies.

This Act empowers the Puerto Rico Tourism Company to regulate travel agencies and transfers to same all the powers, faculties and duties of

the Puerto Rico Public Service Commission pertaining to such agencies. With this transfer it is intended to center all matters pertaining to the tourism industry upon one single government body. Since travel agencies are so intimately related to the tourism industry, the Legislature deems it important for the Puerto Rico Tourism Company to be the body that monitors and regulates them. Thus, a maximum benefit from the tourism services shall be derived, which shall increase and improve the quality of said industry.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- A new clause (12) is hereby added to Section 6 of Act No. 10 of June 18, 1970, as amended, to read as follows:

“Section 6.- The Company shall be responsible for:

(1) . . .

(12) Regulating, investigating, intervening and sanctioning those persons or entities dedicated to the sale or offering for sale within Puerto Rico of travel air, land or aquatic transportation tickets to persons for places in Puerto Rico, or abroad, or who make lodging, entertainment or land transportation reservations, or prepare and sell integral travel or tours within Puerto Rico, or abroad.”

Section 2.- A new paragraph (x) is hereby added to Section 5 of Act No. 10 of June 18, 1970, as amended, to read as follows:

“Section 5.-

(a) ...

...

(x) The Company shall establish and maintain a register of the authorizations it grants indicating those authorizations that have been canceled or suspended. Any authorization issued by the Company shall be subject to administrative action such as suspension, cancellation or ceasing

of operations as travel agencies and/or travel wholesalers, if same do not comply with the norms in effect.”

Section 3.- For purposes of this Act, the following terms shall have the following meanings:

- (a) “Travel Agent” includes all natural or juridical persons dedicated, as a customer service company, to the sale or offering for sale within Puerto Rico of travel air, land or aquatic transportation tickets to persons for places in Puerto Rico, or abroad, or who as consultants or based on commissions, make lodging, entertainment or land transportation reservations, or prepare and sell integral travel (tours) within Puerto Rico, or abroad through a travel or tours wholesaler.
- (b) “Travel and Tours Wholesaler” (henceforth known as the “wholesaler”) shall mean all natural or juridical persons dedicated to the preparation, by means of contracts with carriers and other service suppliers, of group, individual, or integral tourist excursions, which shall be offered in sale by means of publicity geared toward the general public and sold through the travel agents to whom commissions are paid, requiring from the wholesaler, in order to sell their offers in Puerto Rico, the payment of a liability insurance known as “errors and omissions”, among other requirements that shall be set forth in the Tourism Company’s regulations.
- (c) “Independent Contractor” shall mean all persons that shall be attached to an travel agency authorized by the Tourism Company.
- (d) “Company” shall mean the Puerto Rico Tourism Company.”

Section 4.- The transfer of all the powers, duties and faculties of the Public Service Commission pertaining to travel agencies and/or travel wholesalers, pursuant to the requirements set forth by the Tourism Company, documentation, files, and other available resources in the Puerto Rico Public Service Commission related to same is hereby directed.

Section 5.- The regulations in effect adopted by the Puerto Rico Public Service Commission pertaining to travel agencies and/or travel wholesalers shall continue to be in effect in all matters that are not in conflict with this Act, and until same are substituted, amended, or revoked by the Puerto Rico Tourism Company.

The Puerto Rico Tourism Company shall prepare and submit the same to the pertinent agencies, if any, not later than sixty (60) days before this Act takes effect.

Section 6.- Subsection (c) is hereby amended, subsections (v), (rr) and (ss) are hereby repealed, and subsection (dd) is hereby amended in Section 2 of Act No. 109 of June 28, 1962, as amended, to read as follows:

“Section 2.- For the purposes of this Act, unless a different meaning clearly appears from the context:

(a) . . .

(c) “Public service Company” includes any public carrier, conduit conveyance enterprise, gas company, electric power company, telephone company, graving dock company, transportation broker, dock operator, warehouse company, toll bridge company, nuclear power company, packaging company, sales, repair and reconstruction of liquid petroleum gas cylinders, service and sale of meters for taxis and other public vehicles companies, and moving companies that are offering to render or rendering their services or offering to deliver or delivering products for pay, to the

public in general or to a part thereof, in Puerto Rico. It does not include persons rendering service for their exclusive use or that of their tenants.

...

(dd) "Tariffs" is used in its broadest sense and includes tariffs, charges, toll fees, prices or compensation. The use of any such terms, singly or jointly with one or more of them does not have the purpose of excluding the others."

Section 7.- Subsections (w) to (qq) are hereby redesignated as subsections (v) to (pp), respectively, of Section 2 of Act No. 109 of June 28, 1962, as amended.

Section 8.- The necessary budget funds for the operation of this Act shall be defrayed with the payment of fees for franchises in proportion to the operations of the travel agencies and/or travel wholesalers.

Section 9.- This Act shall take effect January 2, 2004.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 212 (S.B. 887) (Conference) (Reconsidered) (Reconsidered) of the 5th Session of the 14th Legislature of Puerto Rico:

AN ACT to add a new clause (12) to Section 6 and a new paragraph (x) to Section 5 of Act No. 10 of June 18, 1970, as amended, known as the “Puerto Rico Tourism Company Act”; to amend subsections (c) and (dd), to repeal subsections (v), (rr) and (ss), and to redesignate subsections (w) to (qq), respectively, as subsections (v) to (pp) of Section 2 of Act No. 109 of June 28, 1962, as amended, known as the “Puerto Rico Public Service Act”, to empower the Puerto Rico Tourism Company to regulate travel agencies and wholesalers; to transfer the powers, duties and faculties of the Puerto Rico Public Service Commission regarding the same and to order the transfer of documents,

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

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

Elba Rosa Rodríguez-Fuentes
Director

