

(H. B. 3166)

(No. 282)

(Approved December 19, 2002)

AN ACT

To create the “Puerto Rico Tourist Ground Transportation Act,” to assign all duties for regulating, investigating, overseeing, intervening and sanctioning those persons and juridical entities engaged in providing tourist ground transportation services to the Puerto Rico Tourism Company and other companies, and to define its obligations, duties and responsibilities; to add a new Subsection (10) to Section 6 of Act No. 10 of June 18, 1970, as amended, known as the “Puerto Rico Tourist Development Company Act”; to add a new Section 21 and renumber Sections 21 to 24 as 22 to 25 of Act No. 10 of June 18, 1970, as amended; to add new subsections (q), (r), (s), (t), (u), (v) and (w) to Section 5 of Act No. 10 of June 18, 1970, as amended; to amend Section 3 of Act No. 10 of June 18, 1970, as amended; to repeal Act No. 100 of June 25, 1962; to amend Section 2 of Act No. 109 of June 28, 1962, as amended, known as the “Puerto Rico Public Service Act”; to amend Subsection (a) of Section 14 of Act No. 109 of June 28, 1962, as amended; to amend Subsection (a) of Section 18 of Act No. 109 of June 28, 1962, as amended; to amend Subsection (n) of Section 38 of Act No. 109 of June 28, 1962, as amended; to amend Subsection (a) of Section 1 of Act No. 7 of June 8, 1972, as amended; to amend Section 2 of Act No. 7 of June 8, 1972, as amended; to Amend Section 4 of Act No. 7 of June 8, 1972, as amended; and to amend Subsection (b) of Section 8 of Act No. 7 of June 8, 1972, as amended.

STATEMENT OF MOTIVES

The Commonwealth of Puerto Rico acknowledges the importance of its tourist industry for generating a large amount of employment, as well as contributing to its economic diversification and expansion. Therefore, the Commonwealth of Puerto Rico supports the granting of incentives to attract

capital for the industry, and binds itself to develop the adequate infrastructure to place our country at the leading edge of the tourist market in the Americas and the Caribbean.

The creation and development of an adequate infrastructure for ground transportation for the tourist industry is the key for Puerto Rico to compete efficiently with other successful tourist destinations. The purpose of this Act is to encourage and stimulate competition among providers of tourist ground transportation, and to improve the existing tourist transportation services, thus increasing transportation alternatives available to tourists, be it for pleasure or business. The development of a world-class Convention Center in Puerto Rico, as well as the increase in the amount of hotel rooms makes it even more necessary to create a law to regulate tourist ground transportation adequately and effectively and to establish as its administrator an entity that has specialized knowledge on the needs of the tourist industry.

At present, the Puerto Rico Public Service Commission, created pursuant to Act No. 109 of June 28, 1962, as amended, has, among other things, the legal responsibility to authorize, regulate, and oversee commercial ground transportation in Puerto Rico. The scope of this important responsibility includes taxi services, tour enterprises and limousines.

Since the Puerto Rico Tourism Company is the government entity with specialized knowledge on developing and promoting tourism industry in Puerto Rico, we deem it appropriate to hand over tourist ground transportation to its jurisdiction. Thus this important aspect of the tourism industry, which is the first and last impression of our country that every tourist or convention participant gets when visiting our Island would improve considerably.

Likewise, and in order to make the regulation in force more flexible and to handle quickly and effectively all complaints filed regarding tourist ground transportation in Puerto Rico, the Tourism Company is entrusted to regulate tourist ground transportation, thus integrating the laws applicable to tourist taxis, tourist excursions, charter buses, motor coaches, shuttles and limousines, and enterprises engaged in selling and servicing taximeters and/or any other means of tourist transportation.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

CHAPTER I

TITLE, SCOPE AND TERMINOLOGY

Section 1.- Title

This Act shall be known as the “Puerto Rico Tourist Ground Transportation Act.”

Section 2.- Definitions

The terms used in this Act shall have the meaning expressed herein-below:

- A. “Charter Buses“ - a motor vehicle with medium to large passenger capacity authorized to offer tourist ground transportation services to passengers without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth of Puerto Rico, even if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or nonprofit.
- B. “Authorization” - permit issued by the Tourism Company to a motor vehicle to be used to render tourist ground transportation services, and which has, among other things, a number assigned by the Tourism Company.

- C. “Toplight” - accessory installed on the motor vehicle’s roof that determines if it is occupied, vacant or out of service.
- D. “Certificate of Inspection” – official document duly issued by the Tourism Company certifying that the motor vehicle used to render tourist ground transportation services is in adequate mechanical, operational and aesthetic conditions.
- E. “Tourism Company” – The Puerto Rico Tourism Company, a public corporation of the Commonwealth of Puerto Rico created pursuant to Act No. 10 of June 18, 1970, hereby appointed to implement this Act.
- F. “Concessionaire” – enterprise to which the Tourism Company has granted a franchise to render tourist ground transportation services.
- G. “Enterprise” - any person who offers or intends to offer tourist ground transportation services in the Commonwealth of Puerto Rico and is duly organized by means of the use of common facilities, business name, colors and logo.
- H. “Charter Bus Enterprise” – any person who uses or intends to use one or more motor vehicles to offer tourist ground transportation services without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth of Puerto Rico, even if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or nonprofit.
- I. “Tour Enterprise” - any person who uses or intends to use one or more motor vehicle with a medium-to-large passenger capacity to offer tourist ground transportation services to passengers without baggage (with baggage when incidental to their transportation) on

any public thoroughfare of the Commonwealth of Puerto Rico, to visit one or more renowned tourist locations, provided the trip ends at the same place from which started or is made for the transfer of passengers from, to or between airports or seaports, hotels or the Puerto Rico Convention Center, even if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or non-profit.

- J. “Limousine Enterprise” - any person who uses or intends to use one or more limousines to offer tourist ground transportation services to passengers without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth of Puerto Rico, if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or non-profit.
- K. “Tourist Taxicabs Enterprise” - any person who uses or intends to use one or more motor vehicles with small passenger capacity to offer tourist ground transportation services to passengers without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth of Puerto Rico, even if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or non-profit.
- L. “Transfer Vehicle Enterprise” - any person who uses or intends to use one or more motor vehicles with a medium to large passenger capacity to offer tourist ground transportation services to passengers without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth

of Puerto Rico. The trip should begin at any airport or seaport and follow an established fixed route within or between tourist zones, including making several stops in predetermined hotels to pick-up and/or drop-off passengers.

- M. “In-house Transfer Vehicle Enterprise” - any person who uses or intends to use one or more motor vehicles with small, medium or large passenger capacity, without being a contract carrier, to offer ground transportation services in a private vehicle, for direct or indirect pay, to passengers who may be guests or not, even if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or non-profit.
- N. “Enterprise for the Sale and Service of Taximeters/ Enterprise Engaged in Selling and Servicing Taximeters” - includes any person who as principal or agent, controls, operates or manages any business in Puerto Rico engaged in providing, supplying, selling or offering to sell, install, repair, adjust or seal taximeters. For the purpose of this Act, it shall be understood that a taximeter includes all accessories and equipment used for its operation.
- O. “Commonwealth of Puerto Rico” – demarcation that establishes the territorial extension of the Archipelago of Puerto Rico.
- P. “Franchise” - permit issued by the Tourism Company to an enterprise engaged in offering tourist ground transportation services and which contains, among other things, the number assigned by the Tourism Company to said enterprise.
- Q. “Act” - The Puerto Rico Tourist Ground Transportation Act.

- R. “License” – permit issued by the Tourism Company to an operator for driving a motor vehicle engaged in providing tourist ground transportation services and which contains, among other things, the number assigned by the Tourism Company to said operator.
- S. “Limousine” – a luxury motor vehicle of small or medium passenger capacity with steel doors and fixed roof, generally equipped with a telephone and a television set, among others, that is allowed to be used in the rendering of tourist ground transportation services for passengers without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth of Puerto Rico, even if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or non-profit.
- T. “Operator” - natural person authorized by the Tourism Company to drive a motor vehicle engaged in providing tourist ground transportation services.
- U. “Permit”- authorization issued by the Tourism Company to enterprises engaged in providing, supplying, selling or offering to sell, install, repair, adjust or seal taximeters to be used in tourist ground transportation services and which contains, among other things, the number assigned by the Tourism Company to said enterprise.
- V. “Person”- natural person, partnerships, association, company, corporation, cooperative or any other juridical entity subject to the provisions of this Act.

- W. “Transfer Vehicle”- a motor vehicle with intermediate to large passenger capacity allowed to be used in the rendering of tourist ground transportation services for passengers without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth of Puerto Rico. The trip should begin at any airport or seaport and follow an established fixed route within or between tourist zones, including making several stops in predetermined hotels to pick-up and/or drop-off passengers.
- X. “In-house Transfer Vehicle” - a motor vehicle with intermediate to large passenger capacity, without being a public nor a contract carrier, that, is used to offer ground transportation services in a private vehicle, for direct or indirect pay, to passengers whether they are their guests or not, even if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or non-profit.
- Y. “Fixed Rate”- rates fixed by the Tourism Company and applicable to those transfers beginning at the Luis Muñoz Marín International Airport or at airport or seaport terminals under the jurisdiction of the Ports Authority and located within tourist zones.
- Z. “Tourist Ground Transportation” – includes any natural or juridical person engaged in the transportation, for indirect or direct pay, of general public or part thereof, in a motor vehicle to and from tourist zones.
- AA. “Metered Rate”- fees registered by the taximeter or the amount charged per hour for tourist ground transportation pursuant to the rates set by the Tourism Company.

- BB. "Tourist Taxicab"- a motor vehicle with small passenger capacity and steel doors and fixed roof, that is allowed to be used for the rendering of tourist ground transportation services for passengers without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth of Puerto Rico, even if the transportation service is accessory or complementary to the operation of another business or activity, whether for profit or non-profit.
- CC. "Taximeter"- instrument approved by the Tourism Company and used by a tourist taxicabs enterprise or operator to register the distance traveled, the time spent by the user in same, and the amount to be paid according to the metered rates approved by the Tourism Company.
- DD. "Terminal"- any airport or seaport terminal under the jurisdiction of the Ports Authority and/or any tourist ground transportation terminal designated by the Tourism Company in coordination with the municipalities, the autonomous municipalities of the Commonwealth of Puerto Rico and/or other legal entities, as pick-up, dispatch or waiting area for passengers within the tourist transportation area.
- EE. "Tour Vehicle"- motor vehicle equipped with steel doors and fixed roof and, at least, an air conditioning unit, amplified sound system (microphone and megaphone) and baggage compartments, authorized to render tourist ground transportation services to passengers without baggage (with baggage when incidental to their transportation) on any public thoroughfare of the Commonwealth of Puerto Rico, even if the transportation service is accessory or

complementary to the operation of another business or activity, whether for profit or non-profit.

- FF. “Motor Vehicle” – vehicle propelled by power other than muscular, as said term is defined in Act No. 22 of January 7, 2000, as amended, known as the “Puerto Rico Motor Vehicle and Traffic Act.”
- GG. “Motor Vehicle with Medium Passenger Capacity”- any motor vehicle engaged in providing tourist ground transportation services with a minimum capacity of nine (9) passengers and not exceeding thirty-one (31), excluding the operator and the tourist guide, if applicable.
- HH. “Motor Vehicle with Large Passenger Capacity”- any motor vehicle engaged in providing tourist ground transportation services with a capacity of thirty-two (32) passengers or more, excluding the operator and the tourist guide, if applicable.
- II. “Motor Vehicle with a Small Passenger Capacity”- any motor vehicle engaged in providing tourist ground transportation services with a capacity of eight (8) passengers or less, excluding the operator and the tourist guide, if applicable.
- JJ. “Emergency Trip”- a trip made by an operator with the purpose of solving a personal and unforeseen problem.
- KK. “Tourist Transportation Areas”- geographical area assigned and defined by the Tourism Company as an area of acknowledged tourist relevance due to its historic, cultural, recreational, geographic, educational or socioeconomic characteristics, among others, without being limited to the public thoroughfares of the

Commonwealth of Puerto Rico, in order to offer tourist ground transportation services.

Section 3.- Scope

This Act shall govern tourist ground transportation services in the Commonwealth of Puerto Rico provided by tourist taxicabs, tours, charter buses, limousines, transfer vehicles and any other kind of motor vehicle enterprises that offers said service, enterprise engaged in selling and servicing taximeters, as well as the requirements for granting franchises, authorizations, permits and licenses for the rendering of tourist ground transportation services or the sale of taximeters, all under the responsibility of the Puerto Rico Tourism Company.

CHAPTER II

ORGANIZATION OF THE COMPANY

Section 4.- Name and Seal of the Company

The Tourism Company shall be the entity in charge of enforcing the provisions of this Act, as well as the regulations approved pursuant to it, without it being understood as a limitation, it may raise funds, oversee, hold adjudicative hearings, manage, regulate, investigate, and impose penalties and sanctions. All orders and authorizations shall be issued under the name of the Tourism Company and shall bear its official seal. The Tourism Company shall have an official seal with the words Puerto Rico Tourist Ground Transportation and the design it approves. With it, the Tourism Company shall authenticate its proceedings and the courts shall take judicial knowledge of the same.

Section 5.- Organizational Structure

A. The Tourism Company shall establish, through written regulations, the internal organizational structure related to tourist ground

transportation, as it deems necessary; and it shall have discretion to assign the different working areas of the operational phase, as well as of the quasi-legislative and adjudicative phase.

- B. The Tourism Company shall appoint all officers and employees it deems necessary to fully comply with the provisions of this Act.
- C. In order to achieve the purposes of this Act, the Tourism Company may subcontract all persons and services it deems necessary.

CHAPTER III

POWERS AND DUTIES OF THE COMPANY

Section 6.- General Powers

- A. The Tourism Company shall be empowered to grant franchises, authorizations, licenses, permits and certificates of inspection in accordance with the provisions of this Act.
- B. The Tourism Company shall be empowered to oversee, regulate, investigate, intervene and impose sanctions upon those persons or enterprises engaged in providing tourist ground transportation services, or selling or servicing taximeters or that are subject to the provisions of this Act.
- C. The Tourism Company shall also be empowered to impose administrative fines and other sanctions pursuant to this Act.
- D. The Tourism Company shall be empowered to conduct investigations and interventions; to demand any type of information needed to fully comply with its faculties; to order and/or issue orders to cease and desist, or request the court to order the cease of activities or acts that attempt against the purposes stated herein; to impose and order the fair and reasonable payment of costs and expenses; as well as the payment of expenses

regarding other professional and consulting services incurred during the investigations, hearings and proceedings conducted by the Company; and to order that any other act be carried out in compliance with the provisions of this Act.

E. The powers and faculties provided in this Section shall be executed not only in relation to the persons or enterprises offering or intending to offer tourist ground transportation services, or selling or servicing taximeters as defined in this Act, but also with respect to the following:

- (1) any person who does not comply with the provisions of this Act and/or the regulations enacted by virtue thereof;
- (2) any person whose acts affect or may affect tourist ground transportation services;
- (3) any person whose acts or omissions may hinder the activities, resources or interests related to tourist ground transportation and upon which the Tourism Company has the power to regulate, supervise or protect.

Section 7.- Authority to Establish Tourist Transportation Areas

A. With the purpose of implementing this Act, the Tourism Company shall be empowered to establish tourist transportation areas other than the tourist zones so established by the Puerto Rico Planning Board.

B. The Tourism Company shall establish tourist transportation areas through regulation approved to that effect.

C. For the purposes of this Act, the Tourism Company shall establish through regulation the criteria that shall be used to designate, expand, modify or eliminate tourist transportation areas. Said

criteria may include, without limitation, taking into consideration the density or the importance of the tourist zone, as well as having a clear definition of the distances and radius from the tourist zones in the area.

Section 8.- Authority and Jurisdiction on Airport and Seaport Terminals under the Ports Authority

The Tourism Company shall hereby be empowered to supervise full compliance with this Act and the regulations approved pursuant to it, at airport and seaport terminals under the jurisdiction of the Puerto Rico Ports Authority designated as pick-up, dispatch or waiting area for passengers within the tourist transportation area.

Section 9.- Power to Create Tourist Ground Transportation Terminals

In coordination with the municipalities of the Commonwealth of Puerto Rico and/or other legal entities, the Tourism Company shall hereby be empowered to designate and/or relocate tourist ground transportation terminals as pick-up, dispatch or waiting areas for passengers within tourist ground transportation areas.

Section 10.- Power to Oversee

Officers and employees authorized by the Tourism Company, as well as members of the Puerto Rico Police, are hereby empowered to intervene with, remove and/or subpoena to appear before the Tourism Company any person who violates any of the provisions of this Act or the regulations approved pursuant to it.

Section 11.- Power to Approve Regulations

The Tourism Company shall hereby be empowered to adopt the regulations it deems necessary in order to implement this Act, and they shall have the force of law. Said regulations shall enter into effect after having

complied with the applicable provisions of Act No. 170 of August 12, 1988, as amended, known as the “Uniform Administrative Procedures Act.”

Section 12.- Power to Impose and Collect Fees

The Tourism Company shall be empowered to impose and collect fees or fair and reasonable charges for applications filed, services rendered and measures taken in order to achieve the purposes of this Act.

Any person who requests any type of service, measure or proceeding before the Tourism Company shall pay the fee so approved by the Company in accordance with the regulation approved to that effect.

Through regulations approved to that effect, the Tourism Company shall fix the duties that shall be collected, without being understood as a limitation, regarding the inspection of motor vehicles, filing of franchise applications, authorizations, permits or licenses, as well as the proceeding to renew them. All collections made by the Tourism Company pursuant to this Act or to the regulations approved pursuant to it shall pertain to the Tourism Company.

Section 13.- Power to Grant Franchises, Authorizations, Permits and Licenses

- A. No person may engage in providing tourist ground transportation service, or selling or servicing taximeters, without having previously requested and obtained the corresponding franchise, authorization, permit and/or license from the Tourism Company.
- B. The Tourism Company shall be empowered to grant the necessary franchises, authorizations, permits and/or licenses to authorize the rendering of tourist ground transportation services, and the sale and servicing of taximeters. The franchises, authorizations, permits and licenses shall be granted by the Tourism Company taking into

consideration necessity and convenience, the petitioner's suitability and his/her strict compliance with all the provisions of this Act and the applicable regulations.

- C. The procedures to be followed for the issuance of franchises, authorizations, permits and/or licenses, as well as the requirements that applicants must meet, shall be governed by the norms that shall establish the Tourism Company through regulation.
- D. The Tourism Company shall regulate the specific places in which the franchises, authorizations, permits and/or licenses shall be made visible to any person that uses or intends to use tourist ground transportation services.
- E. Any enterprise that offers or intends to offer tourist ground transportation services within tourist transportation areas so designated by the Tourism Company shall obtain a franchise issued by the Tourism Company, and shall use in said areas only those authorized motor vehicles driven by operators holding duly issued licenses.
- F. If the Tourism Company creates new tourist ground transportation areas or classifications, this information shall be published by the Tourism Company. The Tourism Company shall give first option to offer said services to those Concessionaries engaged in offering tourist ground transportation services, provided they comply with the requirements drawn up for said service.

Section 14.- Applications for Franchises, Authorizations, Permits and/or Licenses Filed Before This Act Takes Effect.

Every application for franchise, authorization, permit and/or license filed before this Act takes effect shall be handled pursuant to the provisions

of Act No. 109 of June 28, 1962, known as the “Puerto Rico Public Service Act” and its applicable regulations in effect. Said persons or enterprises shall request conversion into this Act within ninety (90) days after its approval.

Once the application is filed within the term established hereinabove, the Tourism Company shall issue a franchise, authorization, license or permit to any natural or juridical person who is duly certified by the Public Service Commission as a person or entity engaged in the activity regulated prior to the date this Act takes effect, and complies with the legal requirements and regulations of the Public Service Commission for providing tourist ground transportation services. The Tourism Company shall grant a reasonable term to allow any natural or juridical person to comply with the new requirements, if any, so ordered by this Act.

Section 15.- Existing Franchises, Authorizations, Permits and Licenses.

- A. Holders of franchises, authorizations, permits or licenses to render ground transportation services or to sell and service taximeters already in existence at the time of approval of this Act, and who wish to provide tourist ground transportation services within tourist transportation areas shall file an application before the Tourism Company for due authorization to render said services, and shall comply with the requirements imposed or to be imposed by the Tourism Company for the issuance of franchises, authorizations, permits and licenses pursuant to this Act. The procedure to file said application shall be established by the Company through regulations approved to that effect.
- B. Holders of franchises, authorizations, permits or licenses or to sell and service taximeters already in existence at the time of approval

of this Act, may continue their operations, provided they file an application for franchise, authorization, permit or license before the Tourism Company within ninety (90) days after this Act takes effect.

- C. Once the application is filed within the term established hereinabove, the Tourism Company shall issue a franchise, authorization, license or permit to any natural or juridical person who was duly certified by the Public Service Commission as a person or entity engaged in the regulated activity prior to the effective date of this Act, and who complies with the legal requirements and regulations of the Public Service Commission for providing tourist ground transportation services.
- D. The Tourism Company may suspend, amend or revoke franchises, authorizations, licenses or permits already in existence granted by the Public Service Commission, as well as those granted by the Company after the effective date of this Act, based on the legal requirements and regulations established to that effect by the Tourism Company.

Section 16.- Renewal of Franchises, Authorizations, Permits or Licenses

- A. The procedure to be followed when applying for the renewal of a franchise, authorization, permit or license shall be governed by the provisions established by the Tourism Company through regulations.
- B. The Tourism Company shall require for the renewal of the franchise, authorization, permit or license, the same requirements

provided to obtain an original of same, including, without limitation, the inspection of the motor vehicle.

- C. The Tourism Company may deny a request for the renewal of a franchise, authorization, permit or license, pursuant to the adjudicative procedure established by the Tourism Company through regulations for cases of suspension, amendment or revocation of franchises, authorizations, permits or licenses.

Section 17.- Issuance Control of New Franchises, Authorizations, Permits and Licenses.

The Tourism Company shall have the power and discretion to decree a general halt in the issuance of new franchises, authorizations, permits and licenses, but it may only do so when there exists concrete and credible evidence that the tourist ground transportation market is saturated, or when extraordinary circumstances exist within the tourist industry in the Commonwealth of Puerto Rico. Extraordinary circumstances means, for the purposes of this section, those most likely to happen or of significant magnitude that affect the tourist industry in general. The halt in the issuance of new franchises, authorizations, permits and licenses shall be for the shortest term and as strictly necessary to address the extraordinary circumstances that affect the industry.

Section 18.- Sale, Conveyance, Cession, Donation, Substitution, Exchange or Lease.

- A. No enterprise, concessionaire or operator shall sell, cede, donate, alienate, encumber, convey, substitute, exchange nor lease the franchise, authorization, permit or license, or otherwise modify the terms under which they were granted, without prior authorization from the Tourism Company. In the event of death and permanent

disability of the person who owns, controls, operates or manages the motor vehicle considered to be the working instrument for its owner, as defined in Section 309 of Title 9, the franchise that for that effect was granted shall pass to his/her spouse, if any, or surviving heirs or dependants, as the case may be; provided, at the Tourism Company's discretion, that if they are capable, willing and able to fully comply with the applicable provisions of law, and with the requirements and regulations approved by the Company, they may operate said vehicles under the franchise previously granted.

- B. The Tourism Company shall establish, through regulations approved to that effect, the procedure and requirements to be fulfilled by enterprises, concessionaries, or operators when applying for the transfer, sale, donation, exchange, modification or substitution of franchises, authorizations, permits or licenses, and the complementary documents required for the application to be duly evaluated.

Section 19.- Power to Require an Insurance Policy or a Surety Bond

The Tourism Company may require the enterprises, concessionaries, or operators to file evidence attesting that they have insurance policies or a surety bonds. The coverage may be required for the limits the Tourism Company deems reasonably necessary to guarantee the payment for any damage caused to any person or property as a result of negligent or culpable acts or omissions by the enterprise, concessionaire or operator. Said policy or bond shall contain a liability waiver in behalf of the Tourism Company.

Section 20.- Authorization to Regulate Service Suspension

The Tourism Company shall be empowered to provide that no enterprises, concessionaries, or operators to whom this Act refers may discontinue, suspend or reduce tourist ground transportation services for a term of more than twenty (20) calendar days without previously obtaining the approval of the Tourism Company.

Enterprises, concessionaries, or operators who voluntarily wish to discontinue operations shall notify it to the Tourism Company within a term of twenty (20) calendar days before discontinuing or suspending the service.

In unforeseen cases of interruption, suspension or reduction of the service, the enterprise, concessionaire, or operator shall notify the Tourism Company through any suitable means within twenty-four (24) hours after the occurrence, indicating the causes and probable duration. Upon resumption of the service, the enterprise, concessionaire, or operator shall notify the Tourism Company in writing, stating the date and time of said resumption.

The Tourism Company may impose sanctions for any non-authorized cessation of service, as provided in this Act and the regulations adopted pursuant to it. Discontinuance, suspension or reduction of the service contrary to the provisions of this Act shall be just cause to have the franchise, authorization, permit or license revoked.

No provision in this Section has the purpose of infringing the constitutional rights acknowledged by the Constitutions of the Commonwealth of Puerto Rico and of the United States of America.

Section 21.- Power to Set Fair and Reasonable Rates

The Tourism Company shall be empowered to set the fair and reasonable rates that enterprises, concessionaries and operators herein

regulated may charge. Likewise, the Tourism Company shall be empowered to:

- (a) Set the fixed rates that tourist taxicab enterprises may charge for providing tourist ground transportation services from Luis Muñoz Marín International Airport or from airport and seaport terminals under the jurisdiction of the Ports Authority located within tourist transportation areas.
- (b) Set metered rates that tourist taxicab enterprises may charge subject to the provisions of this Act; and
- (c) Determine and set the fair and reasonable rates that enterprises, concessionaries and operators herein regulated may charge when the Tourist Company deems that a rate for providing tourist ground transportation services or selling and servicing taximeters is unreasonable or does not comply with any of the provisions of this Act, or the regulations approved pursuant to it.
- (d) Conduct research to:

- (1) Set new rates for taxicab services;

When determining or setting fair and reasonable rates, the Tourism Company may take into consideration the needs of the tourist market, as well as those of the enterprises, the concessionaries and the operators.

Through regulations approved pursuant to this Act, the Tourism Company shall determine the specific physical location inside the authorized vehicles where the rates authorized by the Tourism Company shall be posted, as well as the size, content and type of lettering.

Section 22.- New Rates or Charges

Every enterprise, concessionaire and operator that wishes to modify an existing rate shall submit a request to the Tourism Company thirty (30) days in advance. Enterprises, concessionaires and operators may also request the Tourism Company to modify the fixed or metered rates it has set.

The Tourism Company shall establish through regulations the procedure that enterprises, concessionaires and operators shall follow to request a revision of the rates and establish the criteria that the Tourism Company will use, at its discretion, to evaluate the request.

The requested rate shall apply after being authorized by the Tourism Company.

Section 23.- Power to Regulate the Accounting System

The Tourism Company may determine the accounting system that shall be used by the enterprises, concessionaries or operators that render tourist ground transportation services, or to sell or service taximeters.

Section 24.- Detailed and Permanent Inventory

The Tourism Company may require any enterprise, concessionaries or operator to continuously keep and maintain a detailed, permanent and accurate inventory of all the property used to render tourist ground transportation services, or to sell or service taximeters. It may also require that said enterprise or concessionaire keep books, accounts and records that show at all times the original cost of the property, as well as the capital accumulated to procure that same be retired or replaced. The Tourism Company may demand audited financial statements from any enterprise or concessionaire.

Section 25.- Examination of Accounts, Registries, Books and Premises

The Tourism Company, through its officers or employees, shall have the right to examine all the accounts, registries and annotations made by enterprises and concessionaries, and it may appoint any of its officers or employees to conduct said investigation. The Tourism Company may enter and examine the premises, motor vehicles, equipment and documents of any enterprise, concessionaire, and operator and of any other person subject to its jurisdiction. The Tourism Company shall also have access to and use any information or document held by of any instrumentality or political subdivision of the Commonwealth of Puerto Rico.

Section 26.- Reports

The Tourism Company may require every enterprise, concessionaire, operator or any other person subject to its jurisdiction to file before it the reports and financial statements it deems necessary in order to achieve the purposes of this Act. Moreover, any person who possesses or owns majority interest in any enterprise that renders tourist ground transportations services, or sells or services taximeters, or that has contracts with any enterprise, concessionaire, operator or any other person subject to the jurisdiction of the Tourism Company shall be subject to its jurisdiction with respect to its relationship with said enterprise.

Section 27.- General Investigative Powers

- A. If a complainant is not in Puerto Rico, the Tourism Company shall be empowered to represent him/her through duly authorized officers or employees pursuant to the powers established in Section 7 of this Act, including the subpoena of witnesses under admonition of contempt, the taking of oaths, the interview of witnesses, the taking of sworn statements and the compelling to

show books, papers and documents deemed necessary and pertinent in any procedure held and to carry out all necessary actions to exercise their duties and powers.

- B. The Tourism Company may order any enterprise, concessionaire or operator concerned to pay fair and reasonable expenses for professional and consulting services incurred during the investigations, studies, hearings or any other procedures conducted by the Tourism Company regarding the application to render and/or provide tourist ground transportation services, or the sale or servicing of taximeters.
- C. The Tourism Company, may order any enterprise, concessionaire or operator engaged in providing tourist ground transportation services to pay any other expense the Tourist Company incurs due to non-compliance or violation of the provisions of this Act.

Section 28.- Complaints Filed Before the Tourism Company

The Tourism Company, *motu proprio*, or any person, government instrumentality, agency, business or private company that complains of any act or omission committed by or intended to be committed by any enterprise, concessionaire or operator in violation of any provision of this Act, regulation or order of the Tourism Company, may resort to the Company through a written application. The Company shall establish the procedures to file complaints through regulations approved to that effect.

Section 29.- Adjudicative Proceedings

In the exercise of the duties and faculties imposed upon and conferred to the Tourism Company pursuant to this Act, the Company may hold public hearings, subpoena witnesses, issue orders, resolutions and decisions, and

conduct any other quasi judicial duty deemed necessary to implement the provisions of this Act.

The Company shall be empowered to hold adjudicative hearings to discuss complaints against any enterprise, concessionaire or operator providing tourist ground transportation services, or selling or repairing taximeters, or against any person subject to its jurisdiction, motu proprio or upon the request of the interested party, as provided in this Act, and may impose sanctions and/or penalties deemed appropriate in accordance with the regulations promulgated to that effect.

Motu proprio or on behalf of the person who initiated the complaint, the Tourism Company shall be empowered to investigate, issue subpoenas, require documents deemed necessary and reject evidence when any enterprise, concessionaire, operator or person subject to these regulations, has:

- (1) failed to carry out any action required by any of the provisions of this Act or of the regulations approved pursuant to it;
- (2) committed an action against any of the provisions contained in this Act or of the regulations approved pursuant to it.

The Tourism Company shall establish through regulations the procedure to be followed in every adjudicative proceeding and shall guarantee the defendant a due process of law.

The adjudicative power conferred to the Tourism Company shall be implemented in accordance with the provisions of Act No. 170 of August 12, 1988, known as the "Uniform Administrative Procedures Act." The Tourism Company shall safeguard the right to reconsider and to judicial review contained in said Act.

Section 30.- Refusal to Act

The Tourism Company may suspend or revoke a franchise to any person subpoenaed to appear before the Tourism Company who fails to appear, or if appearing, refuses to be sworn in, to provide information, to testify or answer any pertinent question, or to present any pertinent document when so ordered by the Tourism Company. The Company shall also be empowered to invoke the aid of the Court of First Instance to force the appearance, statement and presentation of documents.

The Tourism Company may impose fines or sanctions upon any person who fails to appear or refuses to testify, disregards any legal request or refuses to present books, papers or documents, if capable to do so, in compliance with a valid subpoena to submit same issued by the Company, or upon any person who acts in a disorderly or disrespectful manner before the Tourism Company, or any of its officers or employees presiding a hearing or investigation. Said conduct may constitute a misdemeanor punishable with a fine not greater than five hundred (500) dollars, at the discretion of the trial court.

Section 31.- Burden of Proof

When a hearing is held for a violation of any provisions of this Act or any regulation or order of the Tourism Company, the burden of proof shall fall upon the enterprise, concessionaire, operator, person concerned or defendant.

Section 32.- Authority to Sanction and to Impose and Collect Fines

The Tourism Company shall be empowered to impose administrative sanctions and fines for any violation against the provisions of this Act or the regulations approved pursuant to it, committed by any enterprise, concessionaire, or operator engaged in providing tourist ground

transportation services or in selling and servicing taximeters, or by any person subject to its provisions. The Tourism Company shall establish the sanctions through regulations, in proportion to the violation.

The Tourism Company may, upon a violation against the provisions of this Act and to the regulations approved pursuant to it or to any order issued in accordance with it, impose administrative fines or sanctions that correspond pursuant to this Act or Regulations, or suspend or revoke the franchise, authorization, permit or license.

Recidivism in violations against any provision of this Act or the regulations approved pursuant to it may entail the revocation of the franchise, authorization, permit or license, as the case may be, as well as the subsequent ineligibility of the recidivist to render tourist ground transportation services or sell or service taximeters.

The administrative fines shall not exceed ten thousand (10,000) dollars per violation. It shall be understood that each day the violation continues shall be considered as a separate violation up to a maximum of two hundred and fifty thousand (250,000) dollars.

If an enterprise, concessionaire, operator or any person who is subject to the provisions of this Act shows contempt by committing or continuing actions for which an administrative fine has been imposed, or contempt by violating any order or resolution issued by the Tourism Company, the latter, at its discretion, may impose administrative fines up to a maximum of fifty thousand (50,000) dollars per day. It shall be understood that each day the violation continues shall be considered as a separate violation up to a maximum fine of five hundred thousand (500,000) dollars.

Section 32a.- Determination of Damages

1. Whenever the Tourism Company, after having held a hearing, determines that any charged rate, committed or omitted action, or practice put in effect has violated any order, was unfair or unreasonable, established unjustified or illegal differences or preferences, or if the charged rate exceeds the rate filed, published and in effect at the time that the service was rendered, it may order the tourist ground transportation company to pay to the injured party, within a reasonable specified term, the amount of the damages suffered as a result of the rate, action, omission, or unfair, unreasonable or illegal practice. The order issued to that effect shall contain findings of fact and the amount to be paid.
2. If the tourist ground transportation company does not comply with the aforementioned order to pay the amount of money within the specified term, the person to whom the payment is ordered may file legal action to claim the amount. Said action shall be processed, regardless of the amount, in accordance with Rule 60 of the Rules of Civil Procedure in effect. The order issued by the Tourism Company shall constitute *prima facie* evidence of the facts therein, and that the amount adjudicated is owed to the plaintiff in said legal action. The defendant tourist ground transportation company may not raise the defense that the service, as an issue of fact, was rendered to the plaintiff for the price contained in the rate in effect at the time in which the payment was made and received.
3. No indemnity shall be granted by the Tourism Company, unless the complaint or petition has been filed before it within two (2) years, calculated from the date when the cause of action occurred. The suit

to enforce compliance with the order to pay the amount shall be filed within one (1) year from the date the order was issued.

4. No action shall be instituted for the damages referred to in this Section, until the Tourism Company determines that the rate, action or omission in question was unfair, unreasonable, or established unfair differences or illegal or unreasonable preferences, or in excess of the prices contained in said rates, and said action shall be limited to a claim for the damages that the Tourism Company would have adjudicated and ordered.
5. As part of the proceedings, the Tourism Company may order the defendant to refrain from continuing to charge the rate or from carrying out or omitting the action or the practice object of the complaint and, to that effect, it may demand that the complainant must make a reasonable deposit appropriate to the amount that justifies the terms of the complaint subject to a determination to be made by the Tourism Company at a later date on the case.

Section 33.- Criminal Penalties Due to Infringements

- A. Ninety (90) days after the effective date of this Act, any enterprise, concessionaire, operator or person that voluntarily violates any of the provisions of this Act, omits, neglects or refuses to obey, observe or comply with any of the rules or decision made by the Tourism Company, fails to comply with a judgment from any court, incites, helps violate, omits, neglects or fails or refuses to comply with the provisions of this Act shall be guilty of a misdemeanor punishable with a maximum fine of five thousand (5,000) dollars, at the discretion of the trial court.

- B. Ninety (90) days after the effective date of this Act, any enterprise, concessionaire, operator that travels within a tourist transportation area or picks up passengers within said tourist transportation area to offer tourist ground transportation services, as defined in this Act, without the franchise, authorization or license duly issued by the Tourism Company, except when entering said tourist transportation area to drop-off passengers it had picked up out of the tourist transportation areas shall incur in a misdemeanor punishable with a maximum fine of five hundred (500) dollars, at the discretion of the trial court.
- C. Ninety (90) days after the effective date of this Act, any operator who operates his authorized vehicle with an altered meter, shall incur a misdemeanor punishable with a maximum fine of five hundred (500) dollars, at the discretion of the trial court.
- D. Ninety (90) days after the effective date of this Act, any person who sells, installs, repairs or adjusts a taximeter without being duly authorized by the Tourism Company shall incur in a misdemeanor punishable with a maximum fine of five hundred (500) dollars, at the discretion of the trial court.
- E. Ninety (90) days after the effective date of this Act, any enterprise that alters a taximeter so that it shows an amount different from the one according to the traveled mileage, to be paid by the user, pursuant to the regulations approved by the Tourism Company shall incur in a misdemeanor punishable with a maximum fine of five hundred (500) dollars, at the discretion of the trial court.

Any action against an enterprise, concessionaire, operator or person under the provisions of this Act does not hinder the Tourism Company from taking any other additional action authorized by it.

Section 34.- Additional Penalty for Violating Orders

Each day in violation against any provision of this Act, rule or order issued, or decision made by the Tourism Company, or any judgment issued by a court, shall constitute a separate and different crime.

Section 35.- Power to order a Summary Suspension

The right of an enterprise, concessionaire/franchises or operator to render tourist ground transportation services, or to sell or service taximeters, may be suspended by the Tourism Company through notification to that effect for a temporary period that shall not exceed sixty (60) days, in cases of imminent damage that constitute a threat to the environment, health or public safety. After having issued the order or resolution in accordance with this Section, the Tourism Company shall promptly complete any procedure that would have been required if there weren't an imminent danger, pursuant to Act No. 170 of August 12, 1988, as amended, known as the "Uniform Administrative Procedures Act".

Section 36.- Judicial Actions

The Tourism Company may refer to the Secretary of the Department of Justice those cases in which it is understood that violations of law have been committed, so that he may begin the corresponding penal action.

Section 37.- Listing of Powers shall Not Imply Limitations

Listing the powers of the Tourism Company granted in this Act, does not imply a limitation of its power to effectively attain the purposes established therein.

CHAPTER IV

TOURIST GROUND TRANSPORTATION ENTERPRISES

Section 38.- Reports

- A. Any enterprise, concessionaire or operator that offers or intends to offer tourist ground transportation services, or sell or service taximeters shall notify to the Tourism Company its name and physical and mailing addresses. Any change in the name or address shall be notified to the Company within forty-eight (48) hours after the change has taken place.
- B. Every operator is hereby bound to submit to the Tourism Company and to the enterprise he works for a written report of any accident occurred while driving an authorized motor vehicle involving dead or injured persons, or that has wrecked or damaged property within twenty-four (24) hours after it occurred. If the accident occurred on a holiday or during a weekend, he shall submit a written report to the Tourism Company on the next working day.
- C. Every concessionaire shall submit a written report to the Tourism Company of any accident with dead or injured persons in which one of its vehicles is involved, or that has wrecked or damaged someone else's property. Said report shall be remitted to the Company within twenty-four (24) hours after it takes place.
- D. No report submitted under the provisions of the preceding subsection may be used as evidence in any civil action or suit for damages which were originated by any matter mentioned in said report, except for those proceedings the Tourism Company deems pertinent.

- E. All concessionaries shall be bound to submit, for official purposes of the Tourism Company, any information related to the operation and organization of the company; and all operators shall be bound to submit any information on the services they rendered to the public, as the Company may require.
- F. Every concessionaire shall keep a continuous record of the name of each of the operators working during different working hours, the license's number granted to them by the Tourism Company and the amount of authorizations granted for the vehicles operated by them. This information shall be submitted quarterly to the Tourism Company.
- G. Every concessionaire shall keep the accounting records ordered by the Tourism Company, and after having five (5) or more authorizations or vehicles it may be bound to submit financial statements each year. If it has four (4) or less authorized vehicles, it shall submit its financial statements when so required by the Tourism Company.
- H. Every concessionaire shall submit to the Tourism Company a copy of every collective bargaining agreement or contract that affects the labor relations between operators and enterprises within five (5) years after the date it was executed. Any amendment to a collective bargaining agreement or contract shall be notified to the Tourism Company within the aforementioned term.
- I. All Enterprises and concessionaries shall keep all books, accounts, documents and files needed by the Tourism Company in order to verify the company's income and expenses in Puerto Rico.

Section 39.- Posting and Filing of Rates

- A. Every concessionaire and operator shall comply with the rates approved by the Tourism Company for any tourist ground transportation service to be offered, and shall establish and observe reasonable practices for their application.
- B. Every concessionaire and operator shall submit to the Tourism Company, in the form and manner that the latter so requires, and post and keep accessible to the public, a rate schedule including the rates and practices in force for any tourist ground transportation service to be offered and/or rendered. No concessionaire or operator shall render services related to tourist ground transportation until having submitted, posted and entered into effect the rate schedules, in accordance with the provisions of this Act and the regulations approved pursuant to it. In case said concessionaire or operator renders tourist ground transportation services within the pre-established time table and/or routes, same shall also submit the time tables applicable to the type of service to be offered.
- C. Every concessionaire and operator shall have available copies of the rate schedules for the public's inspection, including time tables, places, way and nature that the Tourism Company had established through regulations. The Tourism Company may discretionally allow that, in addition to the rates mentioned above, simplified rate schedules be published and put at the public's disposal. In case there is a discrepancy between the simplified rate schedule and the ones filed before the Tourism Company, the rate schedules filed and in force shall prevail. The Company may waive the

requirement of filing rate schedules to concessionaries or operators when promulgated rules or orders applicable to the operations, and setting rates applicable to tourist ground transportation services.

- D. No concessionaire may modify its rates or time tables without having notified the Tourism Company, thirty (30) days in advance and the latter having issued its approval. The notification shall be made in the way the Tourism Company establishes through regulations.
- E. Concessionaries, who at the time of the approval of this Act had published rates applicable to the services they render, shall be governed by same until after they become applicable to the provisions of this Act.
- F. Those concessionaries operating in good faith at the time this Act takes effect shall not be bound to file their initial rates before the ninety (90) day term from the effective date of this Act.

Section 40.- Duties of the Enterprises, Concessionaries and Operators

- A. Every enterprise, concessionaire or operator shall comply with all the laws of the Commonwealth of Puerto Rico, municipal ordinances and traffic regulations in force.
- B. Every enterprise or concessionaire shall be responsible for any non-compliance with a law, order or regulation, when it has been caused by its own acts or omissions, or by the acts or omissions of its officers, employees or operators within the company's frame of operations.
- C. Every enterprise or concessionaire shall be solely responsible for any violation against this Act or its regulations committed by any of its employees or operators.

- D. Enterprises that request franchises or authorizations to offer tourist ground transportation services, operators who apply for a license, and enterprises that apply for permits to offer service or to sell taximeters, shall pay the fees that to such effect, and from time to time, may be determined by the Tourism Company.
- E. The practice of soliciting passengers directly in areas in which there is a terminal shall be illegal for concessionaires and operators. In said terminals, the operators shall remain near the vehicle and in the order of their corresponding turn. Operators shall only approach passengers when their services are required.
- F. No operator may walk away more than six (6) feet from his motor vehicle to offer his services. The operator who does not comply with this norm shall lose his turn.
- G. Every enterprise, concessionaire or operator shall carry all the documents related to the tourist ground transportation services rendered or of the selling and servicing taximeters he provides and show them when so required by any duly identified officer or employee of the Tourism Company or the Puerto Rico Police and, shall also assist same, and receive any subpoena or related document issued by or on behalf of the Tourism Company or the Puerto Rico Police.
- H. Every enterprise, concessionaire or operator shall appear for any summons made by any officer authorized by the Tourist Company or the Puerto Rico Police.
- I. No concessionaire or operator shall use or allow the authorized vehicle to be used to teach a person how to drive a motor vehicle.

- J. Every enterprise, concessionaire or operator shall establish and observe, in relation to tourist ground transportation services, sale, service and repair of taximeters and equipment, reasonable practices leading to a fair competition within the authorized activity. The same shall render its services to those who request them, without establishing unfair or discriminatory differences among them.
- K. No concessionaire or operator shall allow a person to drive an authorized vehicle, unless said person is an operator to whom the Tourism Company had issued a license, which at the time, is in force.
- L. Every concessionaire shall be bound to require from those interested in working as operators to submit themselves to anti-drug testing, observing the corresponding legal procedures for such.
- M. No concessionaire or operator of an authorized motor vehicle shall change, destroy or otherwise alter the franchise, authorization or license, the vehicle's permit or the certificate of inspection issued by the Tourism Company.
- N. Every enterprise, concessionaire or operator of an authorized motor vehicle shall be bound to observe respectful and courteous behavior toward those using their services, other concessionaries, operators, officers or employees of the Tourism Company and the general public. Noncompliance with the duties and obligations mentioned herein shall be sufficient cause for the imposition of an administrative fine and/or suspension or cancellation of the franchise, authorization, permit or license.

- O. After finishing every trip, the operator shall examine his/her vehicle to ensure that no package or object has been left behind. Every enterprise, concessionaire or operator of an authorized motor vehicle that finds inside the vehicle, after finishing the trip, a lost object or package, shall return it to its owner. If not found, he/she shall consign it in the offices of the Tourism Company. It shall be the operator's duty to notify to the concessionaire what was found within a twenty-four (24) hour period.
- P. The concessionaire, in turn, shall notify the Tourism Company in writing within the following forty-eight (48) hours the details of the object left behind, the operator's name and license number, the vehicle's authorization number, the name of the person who found the object, the final known destination of the passenger, the person who consigned same at the Tourism Company and the officer or employee who received it.
- Q. If an operator has a contagious disease, severe cardiac or mental condition, or has been declared legally disabled, the concessionaire shall notify same to the Tourism Company within a term of forty-eight (48) hours after having learned about it, and shall not allow that person to drive the assigned tourist transportation vehicle until after the Tourism Company has made a final decision on the matter. The Company may hold a hearing in which it shall be discussed if the operator's license should or should not be cancelled or suspended.
- R. Every concessionaire or operator that renders tourist ground transportation services shall comply with every internal regulation

or applicable operating rules issued by the Ports Authority or any agency concerned.

- S. No concessionaire shall allow any of its operators to drive an authorized motor vehicle for more than twelve (12) hours in a continuous schedule of twenty-four (24) hours.
- T. No enterprise, concessionaire, operator or person shall offer rewards or gifts to officers or employees of the Tourism Company, nor grant them any kind of loan. Every enterprise, concessionaire, operator or person shall be responsible for reporting any request for gifts or rewards demanded by officers or employees of the Company. Any violation of these two (2) rules shall be cause for severe sanctions and may provoke the cancellation of the franchise, authorization, permit or license, without limiting any other penal or administrative consequences.
- U. Before beginning the trip, the concessionaire and the operator shall make sure that the passengers do not exceed the authorized passenger capacity.
- V. When an operator does not complete the trip begun for reasons that could have been foreseen and under his control, or if the rate charged is higher than the maximum rate approved by the Tourism Company, this shall be enough cause for revoking the franchise, authorization and/or license, as applicable, through the adjudicative proceeding approved by the Company.
- W. No concessionaire shall allow a vehicle to begin to operate or to offer tourist ground transportation services until after having been inspected by the Tourism Department in order to ensure that it is in adequate physical and mechanical conditions to travel.

- X. No person carrying out duties that could be in conflict with possessing a franchise, authorization, permit or license shall request it, including without limitation, officers or employees of the Tourism Company and the Puerto Rico Police.
- Y. All concessionaries who have obtained a franchise must own the motor vehicles they put into service. The concessionaries may only use vehicles that are not their own with prior consent from the Tourism Company.
- Z. Every concessionaire that wishes to use a vehicle leased to a leasing enterprise, long or short term, for the operation of the franchise shall request so and obtain a prior authorization from the Tourism Company.
- AA. No concessionaire or operator shall lease the authorized vehicles without having first requested and obtained the authorization of the Tourism Company. The concessionaire shall file the lease contract before the Tourism Company and cannot execute it until after having its approval. The contract shall contain the effectiveness and the terms and conditions that shall govern the contractual relationship, it being understood that the conditions established by the Company by law or regulation shall be included in all agreements.
- BB. At the beginning of each trip, the operator shall ensure that the taximeter has no amount registered and it shall be his/her duty to put it to work while the tourist taxicab is being used by a user, and that the metered rate is the applicable one.
- CC. With the exception of the fixed rates, the metered rate to be charged shall be the one indicated in the taximeter. The operator

shall refrain from charging a rate different from the metered rate established by the Tourism Company, and from negotiating or trying to agree or impose any other charge for the tourist ground transportation services rendered.

DD. No operator shall allow his vehicle to be used for immoral purposes, nor shall same participate and/or help to commit a crime, or voluntarily give transportation to those involved who abandon the scene of a crime. If the operator has knowledge of a crime being committed he/she shall immediately notify same to the authorities.

EE. Upon a passenger's request, the operator shall remit a receipt stating his/her name, license number, and the time and place where the trip began and ended, as well as the amount charged. To fulfill this requirement, the operator shall keep a receipt book in his vehicle at all times.

FF. Every operator shall visibly exhibit his license in the place so established by the Tourism Company through regulations.

GG. Every operator may use his discretion when a passenger requests tourist ground transportation services accompanied by an animal, with exception of the following circumstances:

1. When the animal is in a cage that would not damage the interior of the vehicle; and
- 2) When it's a guide dog for blind persons, and the animal is wearing the corresponding muzzle. In this case, no charge will be made for transporting the animal.

HH. Every operator shall keep a record of the daily operations, which shall include the following:

- 1) Operator's license number;
- 2) Authorization number and description of the vehicle;
- 3) Mechanical conditions of the vehicle at the beginning of the day;
- 4) Damages and repairs, if any, made to the vehicle.
- 5) Date, time and place where each the trip began and ended.
- 6) Number of passengers in each trip; and
- 7) Rate charged for each trip.

Said record shall be subject to inspection, at any time, by personnel of the Tourism Company.

Section 41.- Subcontracts

Concessionaries under these regulations may subcontract with other enterprises:

- A. When their authorized vehicles are not enough for transporting the number of people for which the services have been hired;
- B. Provided they subcontract those concessionaries that already have a franchise issued by the Tourism Company to render similar tourist ground transportation services, and to which vehicles the Tourism Company has issued an authorization.

Section 42.- Temporary Special Authorizations

The Tourism Company may allow buses authorized to operate as such by the Tourism Company to be used to render tour services through the issuance of special authorizations when there exist extraordinary circumstances in the tourist market that so do warrant. All of which prior to having complied with the requirements established in this Act and the regulations approved pursuant to it, and subject to the additional conditions that the Tourism Company may establish.

Likewise, the Tourism Company may allow public service enterprises engaged in rendering passenger transportation who bear authorizations issued by the Public Service Commission may be used to render tour services through the issuance of special authorizations when there exist extraordinary circumstances in the tourist market that so do warrant. All that after having complied with the requirements established in this Act and the regulations approved pursuant to it, and subject to the additional conditions that the Tourism Company may establish.

No temporary special authorization shall take effect for more than sixty (60) calendar days.

CHAPTER V REQUIREMENTS

Section 43.- Requirements To Be a Concessionaire

The following are compulsory requirements for an enterprise to obtain a franchise from the Tourism Company:

- A. File the commercial or corporate name, emblem and colors to be used when rendering tourist ground transportation services duly authorized by the Department of State of the Commonwealth of Puerto Rico;
- B. Submit the description of the vehicles proposed to be used, including without limitation, the make, model, year, engine number, capacity, vehicle title and registration and license plate number issued by the Department of Transportation and Public Works;
- C. Specify the rates proposed to be charged for the tourist ground transportation services to be offered;

- D. File before the Tourism Company a public liability insurance policy with an insurer authorized by the Commissioner of Insurance to do business in Puerto Rico, for a reasonable amount to be determined by the Tourism Company, and with the purpose of responding or indemnify for damages caused to passengers, third parties, other person's property as a result of operating the vehicle. The Tourism Company shall detail, through regulation approved to that effect, the coverage, limits and content of the required insurance policies.

Section 44.- Requirements To Be an Operator

The following shall be compulsory requirements for an enterprise to obtain a license from the Tourism Company:

- A. Be between eighteen (18) and sixty-five (65) years of age, as shown on the Birth Certificate or any evidencing document. For those operators who exceed the regulatory age, the Tourism Company may issue an annual license, at its discretion, and based on a Medical Certificate or any other evidence attesting that the operator is physically (vision and reflexes) and mentally able to continue rendering tourist ground transportation services.
- B. Be authorized by the Department of Transportation and Public Works to drive a motor vehicle through a driver's license to drive a heavy motor vehicle, as the case may be.
- C. Having approved the Driver Improvement Course offered by the Public Service Commission in coordination with the Department of Transportation and Public Works. This course shall be taken every two (2) years.
- D. Know how to speak, read and write Spanish, and speak English.

- E. Have one (1) year or more of experience as a driver authorized by the Department of Transportation and Public Works.
- F. Have knowledge of the regulations applicable to the services same is about to render.
- G. Operators shall also take and approve any courses determined by the Tourism Company. The minimum course requirements that operators shall take and approve are the following:
 - 1) Tourist and historic information on Puerto Rico;
 - 2) Conversational English (those operators who demonstrate to know English may be exempted from this requirement and,
 - 3) human relations.

All applicants shall submit along with the application for license a certification attesting they approved the aforementioned courses issued by said entities.

- H. Every operator shall take continued education courses in an entity accredited by the Tourism Company, and approve a minimum of twelve (12) credit hours every two years.
- I. In addition, every operator shall submit the following documents when filing the application:
 - 1) Birth Certificate issued by the Demographic Registry of the Commonwealth of Puerto Rico, or from the place of birth, or any evidencing document;
 - 2) Driver's license and Certificate of Driver's Background issued by the Department of Transportation and Public Works, with an issuance date of not more that three (3) months;
 - 3) Certificate of Negative Criminal Record issued by the Puerto Rico Police, or by any jurisdiction in which same resided

during the preceding year and still in effect at the date of the application;

- 4) Medical Certificate from a Public Health Unit or a private physician, crediting that, according to his medical background, the applicant is in a good physical condition, specifically on the following organs: eyes, including tests for glaucoma and cataracts, ears, heart, lungs, state or condition of the legs and arms (reflexes) and test for diabetes. Said medical certificate shall include the results of a test on controlled substances performed;
- 5) Official receipt regarding payment of the fees for this type of application;
- 6) Negative Certificate of Debt from the Child Support Administration ASUME, for its Spanish acronym;
- 7) Negative Certificate of Debt from the Department of the Treasury;
- 8) Negative Certificate of Debt from the Municipal Revenues Collection Center, CRIM for its Spanish acronym;
- 9) If the applicant is an alien, he shall be required to present his Visa or work permit, naturalization or resident card, or passport issued by the United States of America.
- 10) Certificate of payment of the municipal business license, if applicable.

If any of the certificates of debt requested show any debt, the Company may issue the corresponding franchise, permit, or license provided the concessionaire shows evidence that same has a payment plan in accordance with the provisions for each of said agencies.

- J. Every operator shall always have a good and clean appearance, and dress according to the Dress Code adopted by the Tourism Company through regulations to that effect.
- k. Every operator shall comply with the traffic laws, municipal ordinances and regulations in effect. In addition, same shall be bound to allow the inspection of the vehicle he/she operates at any time, upon request of any duly authorized officer or employee of the Tourism Company.
- L. Every operator shall be bound to act respectfully and courteously with the public, especially with passengers traveling in his/her vehicle. If same behaves rudely or disrespectfully with the public or passengers traveling in his/her vehicle, or behaves contrary to the moral and correct manner toward any person while rendering public services, it shall be sufficient cause for the imposition of an administrative fine, suspension or cancellation of the license, or both.
- M. If any operator fails or omits to comply with any of these responsibilities and duties, it shall be sufficient cause for an unsatisfied passenger to file a complaint before the Tourism Company.

Section 45.- Requirements for the Vehicles to be Used to Render Tourist Ground Transportation Services

- A. Any motor vehicle to be used to render tourist ground transportation services shall be kept clean, with its paint in good condition, in good mechanical and safety conditions, with seats, brakes, tires, bodywork, wipers, seatbelts, lights and electric system in good working condition, and with enough fuel and oil.

The tires should be the size corresponding to the vehicle and the air pressure adequate for the size. In addition, it shall have the equipment and tools needed to handle any emergency involving a minor repair.

- B. Any authorized motor vehicle shall have an air conditioner in good working condition.
- C. No authorized motor vehicle may be altered regarding its capacity or structure, unless so authorized by the Tourism Company.
- D. No authorized motor vehicle shall exhibit emblems, advertisements or insignias of any of the political parties.
- E. All authorized motor vehicles shall have available all the accessories that are required for the corresponding type of vehicle and for the service to be offered, pursuant to the provisions of this Act.
- F. Every vehicle authorized by the Tourism Company to offer the services herein regulated shall display a notice containing information for the user regarding the place and telephone number where he may file a complaint if not satisfied with the services rendered, including the number of the authorized vehicle. Likewise, the authorized vehicle shall display the rates in effect as approved by the Tourism Company through regulations approved to that effect. Every authorized vehicle shall also display its Certificate of Inspection duly issued by the Tourism Company. All vehicles shall display any other information that the Tourism Company deems pertinent and has required. Through regulations approved to that effect, the Tourism Company shall determine the size, content and place where the notices shall be displayed.

- G. All motor vehicles engaged in rendering tourist ground transportation services shall have at least been manufactured during the last ten (10) years. The Tourism Company, at its discretion, may waive this requirement to any individual vehicle maintained and kept in optimum conditions to render tourist ground transportation services.
- H. No authorized vehicle may transport more persons than the authorized passenger capacity, nor may transport more than three (3) persons on the front seat, including the operator.
- I. Authorized vehicles shall comply, in addition, with the provisions of this Act, regarding the applicable equipment and safety requirements established through regulations by the Puerto Rico Tourism Company.
- J. Every citizen shall have the right to demand from the concessionaries and operators full compliance with the provisions of this Section and, in case of non-compliance, may file a complaint before the Tourism Company in the form and manner it so determines through regulations.
- K. The enterprises regulated under this Act shall comply with the Safe Transport Regulations that shall be promulgated by the Tourism Company.

CHAPTER VI

GENERAL PROVISIONS

Section 46.- Medallion – Description; fees

- a) Any natural or juridical person to whom the Tourism Company issues or to whom, prior to the effectiveness of this Act, the Public Service Commission has issued an authorization, franchise or

license to operate a taximeter, a tour vehicle or enterprise, may request from the Company the granting of a medallion in representation of said authorization or franchise, when the granting turns out to benefit of the tourist ground transportation services.

- (b) The medallion shall consist of a certificate bearing the official seal of the Company, the franchise number it represents, and the date of issuance thereof, and any other information deemed necessary for its optimum use as a negotiable document.
- (c) Under no circumstance shall the franchise number or the date of issuance that are embossed on the face of the medallion certificate be altered or mutilated in such a way that the number and date are undistinguishable.
- (d) Every application shall include fifty (50) dollars in cash, money order or certified check.

Section 47.- Alienation or Encumbrance

The medallion thus granted may be transferred or encumbered upon with prior authorization of the Company, and only by the holder thereof or an acquirer by purchase or transfer previously declared eligible by the Company. In no case shall the Company authorize more than three (3) lien transaction bids annually, which in any case shall not have a monetary limit when the purpose for requesting them is to repair a motor vehicle. When the purpose behind the lien transaction is to finance the acquisition of the medallion by a person previously declared eligible by the Company or to replace the motor vehicle used to provide the service, the Company may authorize lien transactions which shall not exceed the amounts stated below:

- (a) Twenty thousand (20,000) dollars for financing the acquisition of the medallion.

- (b) Twenty-five thousand (25,000) dollars for vehicles engaged in rendering tourist ground transportation services for pay.
- (c) Sixty thousand (60,000) dollars for taximeters.
- (d) Sixty thousand (60,000) dollars for motor vehicles engaged in rendering tours or as taxicabs.

The vehicles thus acquired must be within the five (5) leading models in the country's market.

In no case shall the Company authorize more than one lien transaction for the acquisition of a vehicle in a period of two (2) calendar years.

The applicant shall be bound to remit to the Company convincing evidence, such as purchase or repair bills that show that the money obtained through the lien has been used for the purposes for which it was requested.

Section 48.- Requirements for Alienation

The Company shall not authorize the alienation or encumbrance of a medallion unless convincing evidence is furnished showing that it shall not be in prejudice of the public service. No transaction shall impair the right of the holder to exercise the activity permitted by the authorization or franchise.

Section 49.- Registry of Eligibles and Medallions

The Company shall prepare a Registry of Eligibles wherein shall be set down in strict order of presentation the names and pertinent data of all applicants for authorizations to operate a taximeter or taximeter enterprise, tour vehicle enterprise, tour enterprise or vehicles engaged in providing ground transportation, that qualify therefor.

It shall, likewise, prepare a registry of the medallions granted, which shall reflect with exactness, all the transactions made on said medallions

under the provisions of this chapter, including the cancellation or settlement of those transactions at their termination.

It shall be the duty of every holder of a medallion to notify the Company of the cancellation or settlement of any lien transaction made with his medallion within thirty (30) days after having made the cancellation or settlement.

Both the Registry of Eligible and the Registry of Medallions shall be available for inspection by the holders, as well as by interested parties, or those who could be affected by any transaction in which a medallion is the object. By petition of any of the persons mentioned herein, the Company may issue a certificate of the contents of the registration of a medallion. The applicant shall pay ten (10) dollars in cash, money order or certified check for each certification. The Tourism Company shall provide through regulation the fees to be paid for the certifications.

Section 50.- Nullity of Transactions

Any alienation or lien transaction of a medallion made without the prior authorization of the Company shall be null and void.

- (a) The determination of nullity shall entail the cancellation of the franchise or authorization that the medallion represents, and the latter shall be returned immediately to the Company.
- (b) The holder of the medallion who alienates or encumbers it without the previous authorization of the Company shall be ineligible to obtain a new franchise or authorization for a term of five (5) years reckoned from the date of the determination of nullity.
- (c) The natural person who has made a lien or alienation transaction on a medallion without the previous approval of the Company shall be withdrawn from the Registry of Eligibles. If his name is not

recorded in such Registry, he/she shall be ineligible to be included therein, in either of these two (2) cases, for a term of five (5) years calculated from the date of the determination of nullity.

- (d) If the creditor is a private person or a bank, financial institution or a natural or juridical person engaged in the operation of a loan business, the determination of nullity shall entail the imposition of an administrative fine of ten thousand (10,000) dollars.

Section 51.- Auction of a medallion; proceeding

If a medallion is burdened and the holder cannot satisfy the obligation contracted, the creditor may place the medallion in public auction, upon previous notice by certified mail with return receipt requested to the holder and to the Company, not less than forty-five (45) days in advance of the date on which the auction is to be held.

The Company, within fifteen (15) days following the receipt of the creditor's notice, shall proceed to investigate if among the first twenty (20) persons recorded in the Registry of Eligible, regardless of the order in which they appear, there is any person who can assume the burden of the liens encumbering the medallion.

Should an eligible person appear, the Company shall take the necessary steps for the conveyance of the medallion and the settlement of the lien. It shall, likewise, enter the conveyance in the Registry of Medallions in the name of the new holder.

If no eligible person appears after taking the above-mentioned steps, the Company shall notify the creditor of such fact and shall send at least twenty (20) days in advance of the date of the auction, a true copy of the Registry of Eligibles and a certification of the status of the medallion to be auctioned, as it appears in the Registry of Medallions. If in the Registry of Medallions

there have been recorded other lien transactions at variance with those which caused the action and there is no recording of its cancellation or settlement, the creditor shall notify the other creditors of the date and other circumstances of the auction. If there are several creditors for the same medallion, the auction may be initiated only by the creditor who has in his/her favor the most burdensome credit and in default thereof, the most burdensome credit or in default thereof, the credit's holder. Likewise, the creditor who initiates the auction shall proceed to publish, at his own expense two edicts giving notice of the auction, which shall be published once a week during two consecutive weeks, in a newspaper of general circulation in Puerto Rico.

At the auction, an authorized representative of the Company who shall direct same shall be present and who shall receive and hold in custody the moneys derived from the auction and remit to the creditors the sums corresponding thereto.

The medallion shall be offered at the auction only for the total amount of the obligation or obligations for which it was burdened and may be awarded only in favor of one of the persons included in the Registry of Eligible, regardless of the order in which they appear in the same. If there is no award at the first auction, the medallion may be auctioned two (2) more times following in each occasion the aforementioned notification and notice procedure. If none of the persons included in the Registry of Eligible appears at the third auction or, having appeared, have not been able to satisfy the amount of the auction, the representative of the Company shall authorize the award of the medallion to the highest bidder. After the auction has finally been awarded, the representative of the Company who was in charge of the same shall draw up a document which shall contain the most

significant particulars of the auction. The document shall become a part of the Registry of Medallions in the record pertaining to the awarded medallion.

The Company shall proceed to cancel in said registry the name of the original holder and shall enter therein the name and other particulars of the new holder, who shall have the same rights, duties and obligations with respect to the medallion of the original holder.

The original holder of a medallion auctioned or awarded by the Company as herein stated shall become disqualified to obtain a new authorization or franchise and corresponding medallion for a term of five (5) years to be reckoned from the date of the award.

Section 52.- Robbery, Larceny, Loss, Destruction or Mutilation.

- (a) In case of robbery, larceny, loss, or destruction of a medallion, its holder shall, within the following twenty-four (24) hours, notify the Company of such an event. Such notice shall be made by sworn statement in which the holder shall state the circumstances in which the medallion was stolen, lost or destroyed, as well as the names of witnesses and any other information that the Company may require for the processing of the case. The Company shall forthwith proceed to enter this fact in the Registry of Medallions and shall not allow any transaction of the medallion within the following twenty (20) days. If after said lapse of time the medallion is not recovered, its holder may ask the Company to issue a new medallion. The Company shall, after having verified that the holder has made every kind of effort to recover the medallion, issue a duplicate thereof.

- (b) In the event of an involuntary mutilation of the medallion, the same transaction of notice and investigation as above stated for the cases of robbery, larceny, loss, destruction or mutilation, shall be followed except that the Company shall not issue a new medallion, but shall substitute the mutilated one with another medallion bearing the same number and date of the original.
- (c) In any of the cases stated herein, the holder shall pay the sum of fifty (50) dollars in cash, money order or certified check to the Company.

Section 53.- Death or disability of holder

- (a) If a holder dies or becomes temporarily or permanently disabled, his heirs or minor dependents and the wife or woman who has maritally cohabited with the holder at the time of his death or disability, may request from the Company to lease the medallion to one of the persons included in the Registry of Eligible.
- (b) The Company shall fix a reasonable rental fee for the lease, based upon the average income that the holder was obtaining at the time of his death or disability from the operation of the taximeter or taximeter enterprise, tour vehicle enterprise, tour enterprise or vehicles engaged in providing tourist ground transportation.
- (c) The term of the lease shall not exceed five (5) years, after which, the Company may award the medallion to the lessee, upon the latter's application, and with the approval of the disabled holder or his heirs or dependents. This new acquirer shall be responsible for the cancellation or balance of any obligation, which may weigh upon the medallion.

- (d) The heirs or dependents of a holder shall have the same responsibilities, duties and rights on the medallion hereby imposed and granted upon the holder.

Section 54.- Rules and Regulations

The Company shall adopt the rules and regulations that may be necessary for the implementation of this Act. Said regulations shall take effect once all the applicable provisions of the “Uniform Administrative Procedures Act,” as amended. Likewise, the Company shall review and amend its regulations in effect to adjust them to the provisions of this Chapter.

Section 55.- Remedies

The Tourism Company shall establish through regulations the adjudicative procedures that shall be followed, granting the complainant due process of law in any remedy of administrative or judicial review of orders and resolutions issued by the Company in the exercise of the duties conferred in this Chapter.

Section 56.- Penalties

Any violation against the provisions of this Chapter shall constitute a misdemeanor punishable by a fine not greater than five hundred (500) dollars, at the discretion of the court.

Section 57.- Inspection

- A. Any vehicle used or proposed to be used to offer tourist ground transportation services shall be submitted to an inspection every six (6) months, under the criteria established to that effect by the Tourism Company.
- B. As part of the inspection, attesting evidence shall be submitted that the vehicle fully complies with the license sticker and inspection

requirements, among others, imposed by the Department of Transportation and Public Works.

- C. Once certified that the motor vehicle has complied with all the inspection requirements, the corresponding Certificate of Inspection shall be issued.
- D. Motor vehicles that do not comply with the inspection requirements shall be declared “out of service” by the officer or employee of the Tourism Company conducting the inspection, in which case the corresponding Certificate of Inspection shall not be issued, and said vehicle shall be banned from use to render tourist ground transportation services.
- E. In case of tourist taxicabs, the toplight, air conditioner and taximeter shall be in perfect working conditions at the time of inspection. If these requirements are not complied with, the inspection shall not be approved.
- F. Any officers or employees of the Tourism Company may conduct inspections without prior notice, and may file a complaint *motu proprio* on behalf of the public interest if they understand and absolutely prove that there exists a violation against this Act or to any regulation approved pursuant to it.

Section 58.- Passenger Rights

Every passenger shall have the right to receive an excellent, efficient and safe service, and therefore shall have the following rights:

- 1) that the most direct route between two points be used;
- 2) to be attended by a courteous driver who speaks English and in Spanish adequately;
- 3) to have a driver who knows and complies with the traffic laws;

- 4) to have air conditioning in the cab during the trip, except when the passenger specifically states otherwise;
- 5) to have a silent trip, without music;
- 6) to have a smoke free environment;
- 7) to have a clean passenger area;
- 8) to have a clean trunk;
- 9) to have a driver who uses the vehicle's horn only when needed;
- 10) that the taximeter be used when the rate is metered under the provisions of this Act;
- 11) to refuse to give a tip;
- 12) to abandon the vehicle as soon as he/she requests it, and the operator reaches a safe place where to stop the vehicle, and
- 13) that the radio installed in authorized vehicles is turned off, unless the passenger expressly requests otherwise. This provision shall not be understood as a prohibition to use radiotelephones to communicate with the enterprise's main offices;
- 14) to have a safety seat available for any child traveling along, pursuant to the provisions of Act No. 22 of January 7, 2000, as amended.

Section 59.- Cooperatives, Associations and Labor Unions

Any concessionaire or operator may join a cooperative, labor union or association of less than five (5) units to operate under a business name and common colors, combination of colors and emblems or insignia that distinguish them from other concessionaries or operators. The Tourism Company shall establish through regulations the procedures and processes to be followed in order to register, acknowledge and certify them as bona fide representatives of their affiliates.

Section 60.- Terminology

Every word and phrase defined in this Act shall have the meaning established therein, provided they are used in context. When justified, it shall be understood that every word used in singular also includes the plural, and vice versa; and the masculine includes the feminine, and vice versa.

Section 61.- Construction of this Act

- A. The Tourism Company may issue administrative determinations to clarify and interpret the provisions of this Act and of the regulations approved pursuant to it, in accordance with the objectives and purposes established herein and with the public policy of the Commonwealth of Puerto Rico. In case there is a discrepancy between the Spanish text and its English translation, the Spanish original shall prevail.
- B. None of the provisions contained in this Act shall be understood, in any way, as a restriction or limitation of the general or inherent powers of the Tourism Company. The Tourism Company reserves its power to issue any order it deems necessary regarding the regulation of the services to be rendered or the compliance with the provisions of this Act, as long as same is necessary and convenient.

Section 62.- Personnel in Charge of Enforcing this Act

The Tourism Company, its officers and employees, in coordination with the agencies concerned, shall have primary jurisdiction to enforce the provisions of this Act.

Section 63.- A new subsection (10) is hereby added to Section 6 of Act No. 10 of June 18, 1970, as amended, to read as follows:

“Section 6.- Responsibilities

The Company shall be responsible for:

(1) ...

...

(10) Regulating, investigating, overseeing, intervening and imposing sanctions to those juridical persons or entities engaged in rendering tourist ground transportation services in the Commonwealth of Puerto Rico.”

Section 64.- Section 3 of Act No. 10 of June 18, 1970, as amended, is hereby amended to read as follows:

Section 3.-

This Board shall consist of eleven (11) members, one (1) of whom shall be a member of the Executive Committee of the Puerto Rico Hotel and Tourism Association, another of the Executive Committee of the Puerto Rico Convention Bureau, another an artisan or artist; another shall represent the sector of Puerto Rican Country Inns (*paradores*); another a representative of enterprises engaged in promoting and developing internal tourism; and another shall represent the sector of tourist transportation. All members shall be appointed by the Governor of the Commonwealth of Puerto Rico, with the advice and consent of the Senate. Three (3) of the members shall not reside in the metropolitan area. In addition, four (4) of the members shall receive appointments for a term of two (2) years and until their successors are appointed and take office. The following and subsequent appointments shall be for a term of three (3) years. Any vacancy in said offices shall be filled for the unexpired term thereof, by an appointment by the Governor within a period of sixty (60) days from the date the vacancy occurs. The Governor of the Commonwealth of Puerto

Rico shall appoint the Chairperson of the Board from among any of its eleven (11) members.

The members of the Board shall receive per diems of fifty (50) dollars for each meeting of the Board.

Within sixty (60) days after the Board is appointed, it shall meet, organize and designate its Vice-Chairperson. It shall also designate and fix the compensation of an Executive Director and a Secretary, neither of whom shall be members of the Board. The Board shall delegate to the Executive Director all such powers and duties as it deems appropriate to fully execute the Government's public policy on tourism.

Six (6) members of the Board shall constitute quorum to conduct the meetings thereof, and every agreement shall be reached by the majority of the attending members.”

Section 65.- To add subsections (q), (r), (s), (t), (u), (v), and (w) to Section 5 of Act No. 10 of June 18, 1970, as amended, to read as follows:

“Section 5.-

(a) ...

...

(q) In the exercise of the duties and powers imposed and conferred under this Act, the Tourism Company shall hold public hearings, subpoena witnesses, issue orders, resolutions and decisions, and conduct any other quasi judicial duty deemed necessary in order to implement the provisions of this Act.

(r) The Company shall be empowered to hold adjudicative hearings to discuss complaints against any person subject to its jurisdiction, motu proprio or upon request of the interested party, as provided in this Act, and may impose the sanctions and/or penalties deemed

appropriate in accordance with the regulations promulgated in accordance with Act No. 170 of August 12, 1988.

- (s) Motu proprio or on behalf of the person who initiated the complaint, the Tourism Company shall be empowered to investigate, issue subpoenas, require documents deemed necessary and reject evidence.
- (t) To put into effect and implement an administrative structure with full powers to oversee laws and regulations approved pursuant to it, and the complaints brought to its consideration, and to grant pertinent remedies pursuant to the law.
- (u) Adopt the rules and regulations needed to conduct the regulatory and adjudicative administrative proceedings held by the Tourism Company pursuant to Act No. 170 of August 12, 1988.
- (v) Issue orders to compel the appearance of witnesses and the production of documents and information.
- (w) To interpose all legal remedies needed to attain the purposes of this Act, and enforce the rules, regulations, orders, resolutions and determinations made by the Tourism Company, including the faculty to impose sanctions pursuant to Act No. 170 of August 12, 1988.

Section 66.- Act No. 100 of June 25, 1962 is hereby repealed.

Section 67.- Section 2 of Act No. 109 of June 28, 1962, as amended, is hereby amended to read as follows:

“Section 2.- Terminology

For the purposes of this part, unless another interpretation clearly arises from the text:

- (a) ...

...

(d) Public carrier.- Includes every:

- (1) Railroad enterprise
- (2) Public vehicle enterprise
- (3) Taxicab enterprise, except those taxicabs regulated by the
“Puerto Rico Tourist Ground Transportation Act.”
- (4) Motor vehicle freight transportation enterprise
- (5) Marine transportation enterprise
- (6) Air transportation enterprise
- (7) Lease vehicle enterprise offered to render, or that renders
transportation of cargo or passengers for pay, to the general
public or part thereof. The term shall apply to public contract
carriers.

(e) ...

(f) ...

(g) Taxicab enterprise. – Includes any person who as a public carrier
owns, controls, operates or manages any motor vehicle of a
capacity not over seven (7) passengers, used for the transportation
of passengers and of baggage incidental to the transportation
thereof, over any public thoroughfare, except to those taxicabs
regulated by the “Puerto Rico Tourist Ground Transportation Act.”

(h) ...

...

(k) Tour enterprise. - Includes any person who, as a public carrier,
owns, controls, operates or manages any kind of watercraft or
motor vehicle used for the transportation of passengers and
baggage incidental to the transportation thereof, by water or air,

between points in Puerto Rico, for the purpose of sight-seeing interesting, picturesque or historic places, regardless of whether or not such transportation is carried out between fixed terminals or through regular or irregular routes.

- (l) ...
- (m) ...
- (n) ...
- (o) ...
- (p) ...
- (q) ...
- (r) ...
- (s) ...
- (t) ...
- (u) ...
- (v) ...
- (w) ...
- (x) ...
- (y) ...
- (z) ...
- (aa) ...
- (bb) ...
- (cc) ...
- (dd) ...
- (ee) ...
- (ff) ...
- (gg) ...
- (hh) ...

- (ii) ...
- (jj) ...
- (kk) ...
- (ll) ...
- (mm) ...
- (nn) ...
- (oo) ...
- (pp) ...
- (qq) ...”

Section 68.- Subsection (a) of Section 14 of Act No. 109 of June 29, 1962, as amended, is hereby amended to read as follows:

“Section 14.-

- (a) The Commission is hereby empowered to grant all authorizations of public nature for whose granting no other legal procedure has been fixed, including the right to use or cross public highways or public water riverbeds at grade, above grade or below grade, and to regulate public service companies and contract carriers, including the assignment of public vehicles which will use parking lots (terminals) which are provided for passenger carriers by municipal assemblies or by the Department of Transportation and Public Works, who shall keep the Commission informed of the existing or proposed parking lots (terminals) in order for the Commission to be able to discharge that function, taking into consideration factors such as public peace, cooperation between carriers, and between there and the public, the parking lot (terminal) vehicle capacity and the facilities it provides for public service, among others.

The Commission shall be empowered to regulate the private vehicle enterprise engaged in business. Any regulation that is established for these private vehicle enterprises engaged in business shall only cover the aspect related to their safety.

In granting authorization for public transportation, the Commission shall consider the transportation plan prepared by the Secretary of the Department of Transportation and Public Works and approved by the Governor as one of the criteria of necessity and convenience, as provided in Act No. 74 of June 23, 1965, as amended.”

Section 69.- Subsection (a) of Section 18 of Act No. 109 of June 29, 1962, as amended, is hereby amended to read as follows:

“Section 18.-

- (a) The Commission, after giving the affected parties an opportunity to be heard through their participation in quasi-legislative hearings or in writing, may establish service standards and determine the equipment to be used therefore by the public service companies which are reasonable and necessary for the safety, comfort or convenience of its patrons, employees and the public, in the rendering, accounting and evaluating of their services. After granting the parties the opportunity to be heard through their participation in quasi-legislative hearings or in writing, the Commission may also require public service companies to make all such repairs, changes, alterations, additions, extensions and improvements in and about their equipment and service as may be reasonable, necessary and proper for the safety, comfort, convenience and service of its patrons, employees and the public, as well as for rendering and the accounting of its services. The

regulation of car rental enterprises shall include the inspection of their vehicles, the fixing of liability insurance any and all regulations pertaining to the signage of rented cars, and the prohibition of the use of stickers, drawings, signs or stamps which identify the rental nature of said vehicles, and any other regulation that the Commission deems necessary pursuant to Sections 14 and 21 of this Act.”

Section 70.- Subsection (n) of Section 38 of Act No. 109 of June 29, 1962, as amended, is hereby amended to read as follows:

“Section 38.-

...

(n) Cessation of service.- It may not discontinue, reduce, impair the service it renders to a community without first obtaining a certificate from the Commission to the effect that such action shall not adversely affect public necessity and convenience. A taxicab enterprise, except tourist taxicab enterprises regulated by the “Puerto Rico Tourist Ground Transportation Act,” or a public vehicle enterprise operating a single vehicle, a ticket agency or transportation broker may cease operations without obtaining such certificate from the Commission. Said taxicab enterprise, except tourist taxicab enterprises regulated by the “Puerto Rico Tourist Ground Transportation Act,” tour or public vehicle enterprise, ticket agency or transportation broker shall, however, surrender to the Commission the authorization granted to it by the latter within thirty (30) days following the cease of operations.”

Section 71.- Subsection (a) of Section 1 of Act No. 7 of June 8, 1972, as amended, is hereby amended to read as follows:

“Section 1.-

- (a) Any natural or juridical person to whom the Public Service Commission issues or has issued an authorization, franchise or license to operate a vehicle or public vehicle enterprise, distributors of gas oil or a motor vehicle devoted to the transportation of purchased goods (shopping car), and of passengers as an activity that is incidental to the main service, a motor vehicle engaged in the transportation of students, a motor vehicle engaged in the towing of other vehicles (tow truck), a motor vehicle engaged in hauling general freight and a motor vehicle wholly engaged in the transportation or hauling aggregates for industrial or commercial purposes or any person engaged in said activity, as these two terms are defined in Act No. 1 of May 16, 1972, may request from the Commission the granting of a medallion in representation of said authorization or franchise.

What has been established in this subsection and subsequently in this Act shall prevail over what could be incompatible herewith, and with regard to public vehicles or heavy motor vehicles that are their owner’s working tools, as this term is defined in Section 1-109 of Act No. 141 of July 20, 1960, as amended, and over what was established in subsection 4(a) of Section 249 of the Code of Civil Procedure of Puerto Rico, 1933 edition, that refers to properties exempted from attachment.”

Section 72.- Section 2 of Act No. 7 of June 8, 1972, as amended, is hereby amended to read as follows:

“Section 2.-

The medallion thus granted may be transferred or encumbered upon prior authorization of the Public Service Commission and only by the holder

thereof or an acquirer by purchase or transfer previously declared eligible by the Commission. In no case shall the Company authorize more than three (3) lien transactions annually, which in any case shall not have a monetary limit when the purpose to request them is to repair a motor vehicle.

When the purpose behind the lien transaction is to finance the acquisition of the medallion by a person previously declared eligible by the Commission or to replace the motor vehicle used to provide the service, the Commission may authorize lien transactions which shall not exceed the amounts stated below:

(a) ...

(d) Sixty thousand (60,000) dollars in case of motor vehicles engaged in the transportation of aggregates, general freight in vans and gas oil distributors.”

Section 73.- Section 4 of Act No. 7 of June 8, 1972, as amended, is hereby amended to read as follows:

“Section 4.-

The Commission shall prepare a Registry of Eligible wherein shall be set down in strict order of presentation the names and pertinent data of all applicants for authorizations to operate a motor vehicle engaged in the transportation of purchased goods and passengers as an activity that is incidental to the main service, a motor vehicle engaged in the transportation of students, a motor vehicle engaged in hauling general freight and a motor vehicle wholly engaged in the transportation or hauling aggregates for industrial or commercial purposes or any person engaged in said activity, as these two terms are defined in Act No. 1 of May 16, 1972, that qualify therefore.

It shall, likewise, prepare a registry of the medallions granted, which shall reflect with exactness, all the transactions made on said medallions under the provisions of this Act, including the cancellation or settlement of those transactions at their termination.

It shall be the duty of every holder of a medallion to notify the Commission of the cancellation or settlement of any lien transaction made with his/her medallion within thirty (30) days after having made the cancellation or settlement.

The Registry of Eligible and the Registry of Medallions shall be available for inspections by the holders, as well as by interested parties, or those who could be affected by any transaction in which a medallion is the object. By petition by any of the persons mentioned herein, the Commission may issue a certificate as to the contents of the registration of a medallion. The applicant shall pay ten (10) dollars in cash, money order or certified check for each certification.

Section 74.- Subsection (b) of Section 8 of Act No. 7 of June 8, 1972, as amended, is hereby amended to read as follows:

“Section 8.-

(b) The Commission shall fix a reasonable rental for the lease, based upon the average income that the holder was obtaining at the time of his death or disability from the operation of a public vehicle or public vehicle enterprise, motor vehicle engaged in the transportation of purchased goods and passengers as an activity that is incidental to the main service, a motor vehicle engaged in the transportation of students, a motor vehicle engaged in hauling general freight and a motor vehicle wholly engaged in the transportation or hauling of aggregates for industrial or commercial purposes

or any person engaged in such activity, as these two terms are defined in Act No. 1 of May 16, 1972.

Section 75.- Separability Clause

Should any provision, word, sentence or subsection of this Act be impugned for any reason before a court and declared unconstitutional or null, said judgment shall not affect, impair nor invalidate any of the remaining provisions of this Act. Its effect shall be limited to the provision, word, sentence or subsection so declared unconstitutional or null. The invalidity of any word, sentence or subsection in no case shall affect or impair in any way its application or validity in any other case, except when specifically and expressly invalidated for all cases.

Section 76.- Effectiveness

This Act shall take effect one hundred and eighty (180) days after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 282 (H.B. 3166) of the 4th-Session of the 14th Legislature of Puerto Rico:

AN ACT to create the “Puerto Rico Tourist Ground Transportation Act,” to assign all duties for regulating, investigating, overseeing, intervening and sanctioning those persons and juridical entities engaged in providing tourist ground transportation services to the Puerto Rico Tourism Company and other companies, and to define their obligations, duties and responsibilities; to add a new Subsection (10) to Section 6 of Act No. 10 of June 18, 1970, as amended, known as the “Puerto Rico Tourist Development Company Act,” etc.

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

In San Juan, Puerto Rico, today 15th of December of 2004.

Elba Rosa Rodríguez-Fuentes
Director