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“Puerto Rico Vacation and Sick Leave Act”

Act No. 180 of July 27, 1998, as amended

(Contains amendments incorporated by:

Act No. 192 of July 30, 1999

[Act No. 80 of May 21, 2000](#)

[Act No. 160 of September 19, 2014](#)

[Act No. 251 of December 31, 2015](#)

[Act No. 4 of January 26, 2017](#)

[Act No. 60 of January 27, 2018](#)

[Act No. 37 of April 9, 2020](#)

[Act No. 47 of September 21, 2021](#))

[Amendments non-incorporated:

[Act No. 41 of June 20, 2022](#) (repealed by *In re: FOMB v Pierluisi Urrutia* [17-BK3283-LTS \(Adv. Proc. 22-00063-LTS\)](#))

To establish the Puerto Rico Minimum Wage, Vacation and Sick Leave Act; to provide that the Federal Minimum Wage Act shall apply in Puerto Rico in the same manner and with the same criteria as in the United States of America; provide coverage for workers of local firms not covered by the [Federal Fair Labor Standards Act of 1938](#); establish all factors related to vacation and sick leave; empower the Secretary of Labor and Human Resources to implement this Act; provide for the elimination of the Puerto Rico Minimum Wage Board created by Act No 96 of June 26, 1956, as amended, known as Puerto Rico Minimum Wage Act, in order to transfer the quasi-legislative powers delegated to it, to the Department of Labor and Human Resources; provide for the relocation of its employees and the protection of their rights; establish penalties; and repeal Act No. 96, cited above.

STATEMENT OF MOTIVES

The first minimum wage act of Puerto Rico approved in 1941, established a complicated and time-consuming mechanism to raise the workers' salaries. After 15 years of innumerable amendments, the Legislature decided to repeal it and pass new, more agile legislation which would be attune to the economic and social changes in the field of labor at that time.

Forty-two years have passed since that change. As with the original minimum wage act, the second act was subject to innumerable amendments in order to adequately represent the prevailing economic, industrial, technological, business and services development.

This Legislature deems that the time is ripe to create a new Minimum Wage Act which will establish a more agile mechanism, in harmony with the developments in the Commonwealth as well as the Federal field of labor. Said new law shall also recognize that the conditions of the Puerto Rican workers have improved through the years. By means of Act No. 84 of July 20, 1995, it was ensured by statute, that the Island's public policy was for federal minimum wages to apply

automatically and immediately in Puerto Rico to those workers covered by the Federal statute. On the other hand, this legislation also recognized a need to ensure that the statutory mandates regarding other fringe benefits such as vacation and sick leave, do not operate in detriment of our opportunities for economic development and the creation of new jobs. The concession of benefits over and above the statutory mandate has to be established pursuant to the reality of the present economic and market conditions.

To implement the above, this Act affirms the public policy that is stated in Act No. 84, and establishes as a local fundamental right that the minimum wage for those enterprises that are covered by Federal legislation, shall be the Federal minimum wage. For the workers of firms that are not covered by said Federal legislation, an agile tool is provided for their protection in compliance with the Constitutional mandate established in Article II, Section 16, which recognizes that workers must have a reasonable minimum wage. Sick leave and vacation leave are regulated uniformly for all Puerto Rican workers, while protecting the higher benefits enjoyed under previous legislation, by the workers that were hired prior to the effectiveness of this Act.

As a result of this change, and pursuant to the present public policy to eliminate unnecessary government structures, the Minimum Wage Board of Puerto Rico, the quasi-legislative body of the Commonwealth created by Act No. 96 of June 26, 1956, as amended, must be eliminated. This Act provides for its orderly phasing-out, the relocation of its career employees, and the protection of their vested rights.

Be it enacted by the Legislature of Puerto Rico:

Section 1. — Title. (29 L.P.R.A. § 250a note)

This Act shall be known as the Puerto Rico Vacation and Sick Leave Act.

Section 2. — Definitions. (29 L.P.R.A. § 250b)

(a) **Mandatory Decree.** — means a decree approved by the Minimum Wage Board pursuant to the provisions of Act No. 96 of June 26, 1956, as amended, or a decree approved by the Minimum Wage Review Commission pursuant to the [‘Puerto Rico Minimum Wage Act.’](#)

(b) **Department.** — means the Department of Labor and Human Resources of Puerto Rico.

(c) **Employ.** — means to provide, allow, or put to work.

(d) **Industry.** — shall mean any field of economic activity including agriculture, silviculture, fishing, mining, construction, manufacturing, wholesale and retail trade, finance, insurance and real estate business, transportation, communications, and other public, personal (except household services), professional, and commercial services.

(e) **Board.** — means the Minimum Wage Board, under Act No. 96 of June 26, 1956, as amended, or the Minimum Wage Review Commission under the ‘Puerto Rico Minimum Wage Act.’

- (f) **Laborer, employee or worker.** — includes any person who, in any industry, works, practices or engages in any art, skill, trade, or labor under the orders or for the benefit of another person, under a services contract, for some type of compensation, or under the explicit or tacit promise to receive it. This definition does not include independent contractors.
- (g) **Employer.** — includes any natural or juridical person that, whether, for profit or not, employs or allows any number of laborers, workers, or employees to work for any type of compensation.
- (h) **Wage.** — includes salaries, pay, and any type of compensation, whether in cash, kind, services, facilities, or any combination thereof.
- (i) **Minimum Wage.** — means the minimum wage established pursuant to the ‘Puerto Rico Minimum Wage Act’ for the workers of businesses or activities not covered by the Federal Fair Labor Standards Act.
- (j) **Federal Minimum Wage.** — means the minimum wage established by the [Fair Labor Standards Act, as amended](#), approved by the Congress of the United States of America on June 25, 1938.
- (k) **Secretary.** — refers to the Secretary of the Department of Labor and Human Resources of Puerto Rico.
- (l) **Elderly Persons.** — means any person age sixty (60) or older.
- (m) **Person with Disabilities.** — means any person with a physical, mental, or sensory impairment, which substantially limits one or more major life activities.

[Amendments: [Act No. 251-2015](#); [Act No. 47-2021](#)]

Section 3. — Industries that Provide Greater or Lesser Benefits. (29 L.P.R.A. § 250c)

- (a) Those industries that on the effective date of this Act are paying higher wages under a mandatory decree and are not covered by the Federal minimum wage, shall continue to pay them to their workers. However, those industries that are covered by the federal act and are paying wages that are higher than the Federal minimum wage, shall continue to pay them to the workers.
- (b) Any employee who worked for an employer before the effective date of the ‘[Labor Transformation and Flexibility Act](#),’ and who was entitled by law to monthly vacation and sick leave accrual rates higher than those provided in the ‘[Labor Transformation and Flexibility Act](#),’ shall continue to enjoy such monthly leave accrual rates that applied to such employee before. This provision shall apply as long as he works for the same employer.

It shall constitute an unlawful employment practice for an employer to dismiss, discharge, or indefinitely suspend an employee who works for such employer before the effective date of the ‘[Labor Transformation and Flexibility Act](#)’ for the purpose of rehiring or substituting him for a new employee in order to avail himself of the sick or vacation leave accrual scheme provided under the ‘[Labor Transformation and Flexibility Act](#).’ Any employer who violates the provisions of this Section shall be guilty of a misdemeanor and be punished by a fine of not less than five hundred dollars (\$500) nor more than five thousand dollars (\$5,000) or by imprisonment for a term of not less than one hundred twenty (120) days nor more than one (1) year, or both penalties at the discretion of the Court. Such employer shall also be held liable for civil damages, for a penalty of twice the amount of the damages that his actions may have caused to the employee. If the person settling the dispute is unable to determine the amount of the damages caused to the employee, such

person may, in his discretion, impose a penalty of not less than one thousand dollars (\$1,000) nor more than five thousand dollars (\$5,000).

[Amendments: [Act No. 4-2017](#); [Act No. 47-2021](#)]

Section 4. — Provisions on Vacation and Sick Leave. (29 L.P.R.A. § 250d)

(a) Every employee shall be entitled to a minimum vacation and sick leave accrual after working at least one hundred and thirty (130) hours a month. The minimum monthly vacation leave accrual rate shall be one-half (1/2) day during the first year of service; three-fourths (3/4) of a day after the first year of service up to the fifth (5) year of service; one (1) day after the fifth year of service up to the fifteenth (15) year of service; and one and one-fourth (1 1/4) of a day after the fifteenth (15) year of service. The minimum monthly sick leave accrual rate shall be one (1) day for every month.

However, in the case of Puerto Rico resident employers who have less than twelve (12) employees, the minimum monthly vacation leave accrual rate shall be one-half (1/2) day. This exception shall be available for the employer insofar as he has less than twelve (12) employees, and shall cease in the calendar year following that in which the number of employees of such employer’s payroll exceeds twelve (12) employees during twenty-six (26) weeks or more on each one of the two (2) consecutive calendar years. The minimum monthly sick leave accrual rate for the employees of said employer shall be one (1) day for every month.

The use of vacation and sick leaves shall be considered time worked for purposes of the accrual of these benefits.

(b) Vacation and sick leave shall be accrued as of the regular working day in the month that the accrual occurred. For employees whose schedules fluctuate, a regular working day shall be determined by dividing the total number of regular hours worked by the total number of days worked. For employees whose hours of work cannot be determined, they shall be computed on the basis of eight (8) regular working hours a day.

(c) Vacation and sick leave time shall be used and shall be paid on the basis of a regular working day when the benefit is used or paid. To such effect, a period which is not greater than two (2) months shall be taken into consideration before taking or paying this benefit.

(d) Vacation and sick leave shall be paid on the basis of an amount which is not less than the regular hourly wage earned by the employee in the month the leave was accrued. For employees who receive commissions or other incentives that are not at the full discretion of the employer, the total commissions or incentives earned for the year, can be divided by fifty-two (52) weeks, to compute the regular hourly wage.

If employees receive tips for their services or if the employer shares, in whole or in part, service charges with his employees, the payment of vacation or sick leave shall be made on the basis of the legal minimum wage or the regular hourly wage agreed on for such benefits, whichever is higher.

(e) If a probation period authorized by law is established, sick leave shall accrue from the beginning of said probation period. However, any employee who completes the probation period shall accrue vacation leave from the date his/her employment commenced.

(f) An employee shall not claim vacation leave until it has accrued for one year. Vacation leave shall be granted annually, in such a way as not to disrupt the normal operation of the enterprise, to which ends, the employer shall establish the corresponding schedule.

(g) Vacation leave shall be enjoyed consecutively, however, through an agreement between the employer and the employee, it may be apportioned, provided that the employee enjoys at least five (5) consecutive working days of vacation leave during the year.

(h) Through an agreement between the employer and the employee, up to two (2) years of vacation leave may be accrued. An employer who does not grant vacation leave after accruing the above maximum, must grant the total leave accrued to date, and pay the employee twice (2) the corresponding salary for the period in excess of said maximum.

(i) Upon written request of the employee, the employer may allow vacation leave to include non-working days comprised in the period he will enjoy his vacation leave, and/or the non-working days immediately before or after said period of vacation leave.

(j) In the event the employee terminates his/her employment, the employer shall pay the employee the total leave accrued to such date, even though it is less than a year.

(k) The employer may allow the partial liquidation of accrued vacation leave in excess of ten (10) days upon written request of the employee.

(l) Sick leave not used by the employee in the course of the year shall be accrued for subsequent years up to a maximum of fifteen (15) days.

(m) Except in cases of force majeure, the employee shall notify the employer of his/her illness as soon as it is foreseeable that he/she shall be absent at the beginning of his/her regular hours of work and no later than the same day of his/her absence.

(n) Every employee may use up to a maximum of five (5) days per year of the accrued sick leave, insofar as they maintain a balance of five (5) days, in order:

(1) To care and tend to their sick children, spouse, or parents;

(2) To care and tend to sick minors, elderly persons or persons with disabilities of whom an employee is the legal guardian or has legal custody.

The provisions of subsection (n) above shall not apply to businesses that have fifteen (15) employees or less.

(o) The enjoyment of sick leave does not excuse compliance with those standards of conduct validly established by the employer, such as attendance, punctuality, medical certificates if the absence exceeds two (2) business days, and periodic reports on the continued illness. The medical certificate requirement shall also apply to illnesses or conditions of the employee’s children, spouse, and parents, and of minors, elderly persons, or persons with disabilities of whom the employee is a legal guardian or custodian, as provided in subsection (n) of this Act.

(p) During state of emergency declared by the Governor of Puerto Rico or the Secretary of Health, the latter pursuant to the provisions of Act No. 81 of March 14, 1912, as amended, an employee who has contracted or is suspected of contracting the disease or illness which prompted the state of emergency may use all accrued leaves to which he is entitled upon exhausting his sick leave. If the employee continues to be ill, he shall be granted an emergency paid leave for up to five (5) business days.

(q) No employer, supervisor, or their representative shall use, as part of a company’s administrative procedure or policy, excused absences because of illness as performance criteria for the employee evaluation process, if said employee is being considered for a raise or promotion

in the company he works for. No excused absences because of illness correctly charged to sick leave or to the special emergency leave provided in this Section, with or without pay, shall be used as grounds for disciplinary actions such as suspensions or dismissals.

[Amendments: [Act No. 251-2015](#); [Act No. 4-2017](#); [Act No. 60-2018](#); [Act No. 37-2020](#); [Act No. 47-2021](#)]

Section 5. — Use of Uniforms. (29 L.P.R.A. § 250e)

Every employer who requires his/her employees to use a uniform shall have to defray the expense of their acquisition. Under no circumstances shall the employee be required in any way, to contribute directly or indirectly to assume, totally or partially, the expense of acquiring said uniforms. Pursuant to this section, every health services employer is required to assume the obligation to furnish uniforms, or their equivalent in money, to the nurses, as well as to laboratory and radiology technicians, therapists, or other technical health professionals whose practice requires the use of uniforms.

[Amendments: [Act 192-1999](#); [Act No. 47-2021](#)]

Section 6. — Persons Excluded from the Act. (29 L.P.R.A. § 250f)

(a) The provisions of this Act shall not apply to:

(1) The employees of the Government of the United States of America, and the Government of Puerto Rico, except for the employees of those agencies or instrumentalities thereof operating as private businesses or enterprises, and;

(2) Municipal Government employees.

(b) The provisions of this Act shall not apply to ‘Administrators,’ ‘Executives,’ and ‘Professionals’ as such terms are defined in Regulation Number 13 of the Minimum Wage Board.

(c) The provisions of this Act shall not apply to employees covered by a collective bargaining agreement executed between a labor union and an employer; provided, that the wage is equal or greater than the wage established under this Act.

[Amendments: [Act No. 4-2017](#); [Act No. 47-2021](#)]

Section 7. — Violations; Penalties. (29 L.P.R.A. § 250g)

(a) Any person who as an employer, or an administrator, official, agent, employee or person in charge of a firm, partnership or corporation, or of another person or persons, violates or refuses to comply or is reticent in complying with any provision of this Act, or any decree or regulation adopted by the Minimum Wage Board, and which has been validated by the provisions of this Act, or that is subsequently issued by the Legislature pursuant to the provisions of this Act, shall be guilty of a misdemeanor and shall be punished by a fine of not less than five hundred (500) dollars nor more than one thousand (1,000) dollars, or imprisonment for a term of not less than ninety (90) days nor more than one hundred and twenty (120) days, or both penalties, at the discretion of the Court.

(b) In the event of a second violation of the infractions mentioned in this Section, a fine which shall not be less than one thousand (1,000) dollars or more than five thousand (5,000) dollars, or imprisonment for a term of not less than one hundred twenty (120) days nor more than one (1) year, or both penalties, shall be imposed at the discretion of the Court.

(c) In addition to the criminal penalties established above, any person who, as employer or administrator, official, agent, employee or person in charge of a firm, partnership or corporation, or of another person or persons, violates, refuses to comply or neglects to comply with any provision of this Act, or with any decree or regulation in effect that has been validated by the provisions of this Act, shall be subject to civil liability in an amount equal to twice the amount of the damages sustained by the employee as a result of said act. If the arbitrator is unable to determine the amount of the damages sustained by the employee, such arbitrator may, in his discretion, impose a penalty of not less than five hundred dollars (\$500) nor more than three thousand dollars (\$3,000).

[Amendments: [Act No. 160-2014](#); [Act No. 47-2021](#)]

Section 8. — Injunction and other Proceedings. (29 L.P.R.A. § 250h)

(a) It shall be the duty of the Secretary of Labor and Human Resources or through any of his/her duly authorized employees or agents to ensure compliance of this Act. To such effects, whenever the Secretary believes that any employer is violating or is going to violate any provision of this Act, shall file an injunction or any other remedies that may be needed to enforce the terms of this Act. The Court of First Instance, Superior Part, shall have the authority to hear and decide all the above mentioned suits.

(b) To such effects, every employer:

(1) Shall allow the Secretary of Labor and Human Resources or any of his/her duly authorized employees or agents, free access to all sites and properties in which or with which any type of work is performed, in order to perform any investigation on the prevailing working conditions therein.

(2) Shall allow the Secretary of Labor and Human Resources or any of his/her authorized employees or agents to inspect his/her accounting books, reports, contracts, lists, payrolls, and all records of the employees' working conditions in order to perform any investigation related to compliance of any provision of this Act.

(c) Any employer who does not comply with or violates any of the duties or obligations stated in this Section shall be guilty of a misdemeanor and shall be punished by a fine of not more than six hundred (600) dollars, or a maximum term of one (1) month of imprisonment, or both penalties, at the discretion of the Court, and in case of a second offense, he/she shall be punished with a fine of fifteen hundred (1,500) dollars or imprisonment for a term of ninety (90) days, or both penalties, at the discretion of the Court.

Section 9. — Claims Filed by Employees. (29 L.P.R.A. § 250i)

(a) Any employee or worker who receives compensation for his/her work which is less than that prescribed by this Act or a collective bargaining agreement or an individual work contract, shall be entitled to collect through a civil suit, the difference owed up to the total amount of the

corresponding compensation for wages, vacation and sick leave, or any other benefit, plus an amount equal to that which has not been paid to him/her as additional compensation, plus costs interest, expenses and fees of the lawyers in the case, notwithstanding any other agreement to the contrary.

(b) All claims that several or all of the workers or employees have against an employer in common for work performed in the same establishment, firm or site may be joined in a single suit.

(c) Claims may be handled by regular suit or through any procedure for wage claims that are established in other laws of Puerto Rico.

(d) With regard to compliance of this Act, the Secretary of Labor and Human Resources may file suit on his own account or at the request of one or more workers or employees with an interest therein, and in representation and benefit of one or more of the same who are in similar circumstances, for the payment of any indebted amount for wages, additional compensation, interests, costs, expenses and lawyers fees that are indicated in subsection (a) of this Section. Any worker with an interest therein may become a plaintiff in any suit that is thus brought by the Secretary of Labor and Human Resources.

(e) The Secretary of Labor and Human Resources may become a plaintiff or intervener in any judicial suit or proceeding that is filed by any person under this Act.

Section 10. — Prescriptive Term. (29 L.P.R.A. § 250j)

(a) An employee’s suit to claim wages against his employer under this Act, approved or to be approved pursuant to the provisions of this Act or under any contract or law, shall prescribe within a term of one (1) year. The statute of limitation of this action shall be counted from the time that the employee ceased to work for the employer. The above statute of limitation shall be interrupted and shall begin anew through the judicial or extrajudicial claim for the wage debt filed by the worker, his representative or an official of the Department empowered to do so, and by any act by the employer acknowledging the debt.

Wage claims filed before the effective date of the ‘Labor Transformation and Flexibility Act’ shall be subject to the statute of limitations previously in effect.

(b) When the employee is working with the employer, the claim shall only include the salaries to which the employee is entitled for any reason during the three (3) years prior to the date the judicial action was filed.

(c) In the event the employee has ceased working for the employer, the claim shall only include the last three (3) years prior to the date he/she stopped working.

(d) With regard to the prescriptive term provided in this Section, a change in the nature of the employee’s work shall not constitute a novation of the employment contract.

(e) The provisions of this Section shall in no way affect the cases that have already been filed in the courts, or those that are filed within one (1) year after this Act becomes effective.

[Amendments: Act No. 80-2000; [Act No. 4-2017](#)]

Section 11. — General Provisions. (29 L.P.R.A. § 250a note)

(a) The Minimum Wage Board of Puerto Rico, created by virtue of Act No. 96 of June 26, 1956, as amended, is hereby repealed.

(b) The quasi-legal powers delegated on said Board are hereby transferred to the Department of Labor and Human Resources, as well as the current administrative records, personnel, property and equipment assigned to the Minimum Wage Board.

(c) The provisions of this act shall not affect the contractual obligations pending on the effective date of this Act.

(d) The Governor of Puerto Rico is authorized to adopt such transitory measures and make any decisions that are needed for the purposes of this Section.

(e) All vested rights under the personnel laws and regulations, as well as all rights, privileges, obligations and status regarding any existing pension, or retirement, or savings and loan funds system or systems to which the career employees of the Board are affiliated upon the effectiveness of this Act, are hereby guaranteed.

Section 12. — Omitted. [Subsection (n) is repealed and subsection (o) is redesignated as subsection (n) of Section 11 of Act No. 15 of April 14, 1931, as amended]

Section 13. — Omitted. [Section 2 of Reorganization Plan No. 2 of May 4, 1994, is hereby amended]

Section 14. — Omitted. [Clause 8 of Section 4 of Reorganization Plan No. 2 of May 4, 1994, Department of Labor and Human Resources, is hereby amended]

Section 15. — Repealed. [Act No. 4-2017, Sec. 3.22]

Section 16. — This Act shall take effect immediately after its approval.

Note. This compilation was prepared by the [Puerto Rico Office of Management and Budget](#) staff who have striven to ensure it is complete and accurate. However, this is not an official compilation and may not be completely free of error. It contains all amendments incorporated for reading purposes only. For accuracy and exactitude please refer to the act original text and the collection of Laws of Puerto Rico Annotated LPRA. The state links acts are property of [Legislative Services Office](#) of Puerto Rico. The federal links acts are property of [US Government Publishing Office GPO](#). Compiled by the Office of Management and Budget Library.

See also the [Original version Act](#), as approved by the Legislature of Puerto Rico.