

“Puerto Rico Telecommunications Act of 1996”

Act No. 213 of September 12, 1996 as amended

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(Contains amendments incorporated by:

[Act No. 302 of September 2, 1999](#)

[Act No. 303 of September 2, 1999](#)

[Act No. 210 of August 25, 2000](#)

[Act No. 124 of August 17, 2001](#)

[Act No. 242 of October 9, 2002](#)

[Act No. 101 of August 26, 2005](#)

[Act No. 138 of November 4, 2005](#)

[Act No. 94 of May 16, 2006](#)

[Act No. 202 of December 14, 2007](#)

[Act No. 68 of May 23, 2008](#)

[Act No. 198 of August 7, 2008](#)

[Act No. 45 of July 29, 2009](#)

[Act No. 101 of July 28, 2010](#)

[Act No. 120 of August 1, 2010](#)

[Act No. 11 of February 18, 2011](#)

[Act No. 110 of July 1, 2011](#)

[Act No. 11 of April 26, 2013](#)

[Act No. 118 of October 14, 2013](#)

[Act No. 27 of February 15, 2014](#)

[Act No. 174 of October 21, 2015](#)

[Act No. 34 of June 9, 2017](#)

[Act No. 5 of January 20, 2018](#)

[Act No. 211 of August 28, 2018](#)

[Amendments non-incorporated:

Act No. 80 of August 6, 2017 (*amended Chapter III, Sect. 9*)

Act No. 22 of May 15, 2019 (*added Chapter III, Sect. 8A*)]

To create the Telecommunications Regulatory Board of Puerto Rico, establish its powers and prerogatives, and provide for its organization; to repeal Act No. 64 of August 23, 1990, as amended; to establish the public policy of the Government of Puerto Rico concerning telecommunications; and for other purposes.

STATEMENT OF MOTIVES

After having investigated, analyzed, and determined the needs and interests of the people of Puerto Rico regarding the development of the telecommunications field, and taking into account the action taken by the Federal Government with regard to the extent and applicability of these services to the general public by enacting the Federal Communications Act of 1996, this Legislature has determined that it is essential to establish a Board that fosters total, equal, and fair competition in telecommunications, and to promote and facilitate the construction and development of telecommunications facilities, in order to allow and ensure for the people of Puerto Rico, better and more varied telecommunications services at reasonable rates, in order to promote the economic development for the general welfare of our Island.

With this objective in mind, this Act creates the Telecommunications Regulatory Board of Puerto Rico, with the powers and prerogatives needed to establish a regulatory code that: (1) ensures the availability of universal telecommunications services at affordable rates for all citizens of Puerto Rico; (2) oversees the efficiency of telephone and cable television services as well as other telecommunications services; (3) assures the continuity in the rendering of services of a social nature, such as public telephones in urban and rural areas, and telephone directories, according to the public need; (4) promotes competition; (5) allows and guarantees to Puerto Ricans the same telecommunications and information privileges enjoyed by the United States citizens; and (6) safeguards the public interest to the utmost.

The market conditions to be created by virtue of this Act shall stimulate and strengthen the competitiveness of Puerto Rico in the field of telecommunications, which shall, in turn, contribute to the creation of more jobs.

The Legislature acknowledges that the telecommunications industry pursues the public purpose of providing our population with proper access to telecommunications services, at reasonable and affordable rates and charges. The Board created by this Act shall protect the general public interest, ensuring for our people the access to telecommunications services, pursuant to the universal service principles established by the Federal Telecommunications Act of 1996, the regulations promulgated thereunder and the objectives of this Act.

The Board created by this legislation shall operate independently and shall be vested with the capacity and powers needed to ensure, facilitate, and stimulate the construction and development of the facilities of all branches of telecommunications in Puerto Rico, to promote the effective and fair competition, and to detect and correct anti-competitive behavior, in order to strengthen this industry and, thus the socio-economic development of the citizenry in general.

Be it enacted by the Legislature of Puerto Rico:

CHAPTER I. — PUBLIC POLICY OF THE GOVERNMENT OF PUERTO RICO FOR THE TELECOMMUNICATIONS INDUSTRY OF PUERTO RICO; GENERAL PROVISIONS

Section 1. — Short Title. (27 L.P.R.A. § 265 note)

This Act shall be cited as the “Puerto Rico Telecommunications Act of 1996.”

Section 2. — Statement of Public Policy. (27 L.P.R.A. § 265)

It shall be the public policy of the Commonwealth of Puerto Rico to:

- (a) Acknowledge the telecommunications service as an essential public service the rendering of which pursues a high public interest within a competitive market;
- (b) provide universal service at a fair, reasonable, and affordable rate for all citizens;
- (c) distribute the duties, responsibilities, and obligations inherent to the development and preservation of universal service equitably among all telecommunications companies;
- (d) establish specific, predictable, and sufficient support mechanisms to preserve and develop universal service;
- (e) promote the investment of capital in the development of the telecommunications infrastructure;
- (f) ensure the availability of the broadest range of competitive possibilities in the offering of telecommunications services and facilities;
- (g) promote competition and use the market forces as key factors in determining the prices, terms, availability, and conditions of the service;
- (h) [promote] interconnection and interoperability among telecommunications companies;
- (i) ensure that no regulatory barriers or unnecessary administrative procedures exist which hamper competition in the market;
- (j) simplify the regulatory process in those situations in which regulation is necessary, and gear such regulations to the promotion of the consumer's welfare and to penalize for anti-competitive practices in the telecommunications market;
- (k) regulate service providers in a manner compatible to their standing in the market and the influence they exert on customers;
- (l) promote the establishment of cost-based pricing, so that consumers pay for the services they are really receiving, pursuant to what is provided or authorized by the Federal Communications Act;
- (m) eliminate direct or indirect subsidies between competitive and noncompetitive services, as well as prohibit any other subsidy which allows for unreasonably low prices to be sustained, whose purpose is to reduce competition or undermine a competitor;
- (n) protect the right to privacy of the subscribers of telecommunications services and assure that the constitutional and legal provisions which guarantee this right are complied with;
- (o) concentrate the primary jurisdiction with regard to the regulation of the telecommunications field in a single agency of the Commonwealth of Puerto Rico;
- (p) govern its regulation process by the so-called forbearance process, as the Federal Act has established for providers of telecommunications service, performing its duty as guardian of the competitive environment and allowing for said environment to indeed regulate, in the first

instance, the conduct of participating companies. The companies shall, in turn, commit themselves to seek, also in the first instance, negotiated solutions for controversies among them, resorting to administrative and/or judiciary forums if all bona fide negotiation efforts have been exhausted;

(q) give access to telecommunications services which can be reasonably compared to those provided in urban areas to consumers throughout the Island, including low-income consumers and those living in rural areas or in areas where access to such services is costly;

(r) guarantee the enjoyment of the service offered, without fear of unreasonable interruptions or interference;

(s) guarantee the nondiscriminatory rendering of services regardless of race, sex, origin, religion, or political affiliation;

(t) guarantee all subscribers that service shall not be discontinued unless there is just cause, and in each case, only after due notice;

(u) guarantee the utmost promptness in the re-establishment of service when the same is inevitably interrupted. Should said interruptions continue beyond a reasonable period of time, the telecommunications companies shall provide credit of the corresponding portion of the basic rate;

(v) guarantee that all controversies on billing or services be handled in an equitable and diligent manner, and

(w) ensure that no law or regulations of the Commonwealth of Puerto Rico or municipal ordinance limits, prohibits or has the effect to limit or prohibit the capacity of a telecommunications company to provide competitive telecommunications services at intrastate or interstate level.

[Amendments: [Act 5-2018](#)]

Section 3. — Definitions. (27 L.P.R.A. § 265a)

- (a) **Local exchange carrier.** — Shall mean any person engaged in rendering the local telecommunications exchange service or exchange access. This term does not include persons who render commercial mobile radio services under [Section 332\(c\) of the Federal Communications Act](#), except to the extent that the Federal Communications Commission determines that said service should be included within that term.
- (b) **Incumbent local exchange service carriers.** — Shall mean the Puerto Rico Telephone Company, while there is no effective competition in the market.
- (c) **Intrastate long distance service carrier.** — Shall mean any person engaged in rendering long distance intrastate services.
- (d) **Commercial mobile radio service carrier.** — Shall mean any person engaged in rendering commercial mobile radio services as defined by the Federal Communications Act.
- (e) **Competitive access service carrier.** — Shall mean any person engaged in rendering exchange access services in competition with the local exchange service carrier.
- (f) **Exchange access.** — Shall mean the offering of access to telecommunications services or facilities in order to originate or terminate long distance telephone services.
- (g) **Affiliate.** — Shall mean a person who, directly or indirectly possesses or controls, is possessed or controlled by, or is jointly possessed or controlled with, another person. For the purposes of this subsection, the term "possess" shall mean having proprietary interest or its equivalent, of more than ten percent (10%).

(h) Bill and keep. — Shall mean the mutual billing and accounting system which two telecommunications companies with interconnected networks shall charge each other, resulting in a rate of zero dollars (\$0) for terminating traffic in both directions.

(i) Internet Access Centers. — Means the municipal service centers where information, assistance, and help are available for anyone who requires the use of information and communication technologies to access the Internet free of charge and on equal conditions.

(j) Telecommunications Commissioners or Commissioners. — Means the persons appointed by the Governor who comprise the Telecommunications Bureau under the provisions of this Act.

(k) Cable Company. — Shall mean any person who possesses, controls operates, or manages any plant, equipment, and facilities used to receive, amplify, modify, and distribute through coaxial cable, fiber optics, metal, or any other kind of cable, the signal originated by one or more television stations, programming services transmitted by wires, wireless, satellite, or any other medium. The signals that can be projected in cinematography halls or that are received free of cost via satellite and that are not broadcast outside of the place where they are received are hereby excluded from this definition. Direct broadcast satellite (DBS) companies shall be excluded from this definition.

(l) Telecommunications company. — Shall mean any person who, whether partially or totally, directly or indirectly, possesses, controls, administers, operates, manages, supplies, or resells, any telecommunications service in Puerto Rico, including services of access to the network; Provided, That those cable companies which render telecommunications services shall be deemed to be telecommunications companies for the purposes of this chapter.

(m) Eligible Telecommunications Company. — Shall mean a telecommunications company designated by the Telecommunications Bureau (TEB) to provide universal service in a specific geographical area.

(n) Direct Broadcast Satellite (DBS) Companies. — Licensed entities that operate satellites in the Ku-band fixed satellite service under Part 100 of Title 47 of the Code of Federal Regulations of the United States of America; or any distributor providing a sufficient number of channels (as specified in FCC Regulations) using a fixed satellite system in the Ku-band to offer video programming directly to consumers in Puerto Rico, who is licensed under [Part 25 of Title 47 of the Code of Federal Regulations](#) and has administrative and customer service offices or departments in and/or outside Puerto Rico.

(o) Reciprocal compensation. — Shall mean that flow of compensation between the networks interconnected by the traffic originating in the network of the telecommunications company which originates the call and vice versa.

(p) Symmetrical compensation. — Shall mean that the amount of traffic units compensation is equal in both directions between telecommunications companies whose networks are interconnected.

(q) Effective competition. — Shall mean that situation by which no telecommunications company has control of the market. Regarding cable service, the phrase "effective competition" shall have the same meaning as that indicated in the Federal Cable Television Act.

(r) Damages. — Shall exclusively mean the financial damages suffered by the consumer that directly arise from noncompliance with this Chapter, the regulations approved by the Board and/or the service contract between the consumer and the telecommunications or television cable company.

(s) Market control. — Shall mean the capacity of one person to exert control over the prices, terms or availability of goods or services, or the availability or functionality of substitutes in the market, pertinent to said goods and services.

(t) Imposition of provider (Slamming). — Shall mean to subscribe a person to the services of a telecommunications company without the person's authorization.

(u) Imposition of an additional surcharge (Cramming). — Shall mean charging a person for telecommunications services that were not expressly requested, authorized or contracted by the person.

(v) Public Service Regulatory Board or PSRB. — Shall mean the Public Service Regulatory Board created by virtue of the Reorganization Plan of the Puerto Rico Public Service Regulatory Board.

(w) Telecommunications Regulatory Board or Board. — Means the Puerto Rico Telecommunications Bureau (TEB) created by virtue of the Reorganization Plan of the Puerto Rico Public Service Regulatory Board. Any reference in this Act to the ‘Telecommunications Regulatory Board’ or ‘Board’ shall be construed as a reference to the Puerto Rico Telecommunications Bureau or TEB.

(x) Federal Communications Act. — Shall mean the [Federal Communications Act of 1934, as amended](#), which includes, in its totality, the [Federal Telecommunications Act of 1996](#).

(u) Federal Cable Television Act. — Shall mean the ["Cable Act of 1984", as amended](#) by the "Cable Television Consumer Protection and Competition Act of 1992", and the ["Federal Telecommunications Act of 1996"](#).

(v) Parity in dialing. — Shall mean the capacity of a person not affiliated to a local exchange service carrier, to provide telecommunications services so that his/her subscribers shall be enabled to automatically send, without having to use any access code whatsoever, his/her telecommunications to the telecommunications company of his/her choice, between two (2) or more telecommunications companies, including the local exchange service carrier.

(aa) Person. — Shall mean any person, whether natural or juridical, including, but without it being a limitation, any individual, corporation, partnership, association, trust, agency, public instrumentality or corporation, cooperative, cooperative association, special employee-owned corporations, or any combination of these, created, organized or existing under the laws of the Commonwealth of Puerto Rico, the United States of America, of any state of the Union, of any foreign state or country.

(bb) Number portability. — Shall mean the capacity of the users of a telecommunications service to retain, at the same location, his/her existing telecommunications numbers, without impairing their quality, trustworthiness or convenience, when he/she changes from one telecommunications company to another.

(cc) Registry. — Means the telephone list of the persons who are not interested in receiving telemarketing calls to be created by TEB.

(dd) Competitive Service. — Shall mean a telecommunications service where no single person exerts market control.

(ee) Intrastate Long Distance Service. — Shall mean service provided exclusively within Puerto Rico other than a local service and for which the client must pay a fee apart from the fees imposed by the local service.

(ff) Telecommunications Service. — Shall mean the offer of telecommunications directly to the public through payment, or to such classes of subscribers who actually make the service available directly to the public, regardless of the installations or means used. No part of this subsection shall be interpreted to include transmission services through radio, television cable service, including the multichannel multipoint distribution service or common television antennas.

(gg) Intrastate Telecommunications Service. — Shall mean the provision of telecommunications services originating and terminating in Puerto Rico.

(hh) Local Telecommunications Service. — Shall mean a telecommunications service rendered within a local area.

(ii) Noncompetitive service. — Shall mean a telecommunications service where market control is exerted.

(jj) Long distance telephone service. — Shall mean non-local telecommunications service.

(kk) Universal service. — Means an evolving level of basic telecommunications services in Puerto Rico, as established by TEB from time to time, pursuant to the Federal Communications Act.

(ll) Easements. — Shall mean for the purposes of this chapter, any post, channel, conduit, or easement which is owned or controlled by a cable telecommunications and/or television company.

(mm) Emergency Alert System. — Shall mean the manner or means used by the President of the United States of America and other authorized officers to immediately communicate or warn the public of any national or local emergency situations under the [Federal Telecommunications Act of 1996](#).

(nn) Telecommunications. — Shall mean the transmission of information selected by the subscriber, between points specified by the subscriber, without changing the format or content of the information sent and received.

(oo) User. — Shall mean a natural or juridical person that is not a telecommunications or television cable company certified by TEB that receives telecommunications or television cable services.

[Amendments: Act 302-1999; Act 303-1999; Act 101-2005; Act 138-2005; Act 94-2006; Act 101-2010; [Act 11-2011](#); [Act 5-2018](#); [Act 211-2018](#)]

CHAPTER II. — CREATION OF THE TELECOMMUNICATIONS REGULATORY BOARD OF PUERTO RICO

Section I. — Creation of the Telecommunications Regulatory Board of Puerto Rico. (27 L.P.R.A. § 267)

(a) The Telecommunications Regulatory Board of Puerto Rico is hereby created as the agency in charge of regulating telecommunications services in Puerto Rico and of enforcing compliance and administering this chapter. All orders and authorizations issued and granted by the Board shall be issued on behalf of the Telecommunications Regulatory Board of Puerto Rico, and all procedures instituted by the Board shall be on behalf of the Commonwealth of Puerto Rico.

(b) The Board shall have an official seal which shall bear the words "Telecommunications Regulatory Board of Puerto Rico" and the design prescribed by the Board.

Section 2. — Organization. (27 L.P.R.A. § 267a)

TEB shall be attached to the Public Service Regulatory Board and shall be composed of two (2) associate commissioners and one (1) commissioner who shall be the President, all of which shall be appointed by the Governor of Puerto Rico with the advice and consent of the Senate of Puerto Rico. The Commissioners shall earn a salary equal to that of a superior judge of the Court of First Instance.

Two (2) members of the Telecommunications Bureau shall constitute a quorum at a meeting of the Bureau assembled as a whole. The actions taken by the President or by one (1) of the associate members shall be subject to review by the whole Bureau.

TEB decisions shall be made by a majority of the members thereof and the affected party may file a petition for administrative review with the Public Service Regulatory Board or with the Court of Appeals. The adversely affected party shall have discretion to choose the forum to which the party shall appeal unless jurisdiction has been granted by a law of the Government of the United States of America to a federal agency or entity or to the U.S. District Court for the District of Puerto Rico.

[Amendments: [Act 11-2013](#); [Act 211-2018](#)]

Section 3. — Requirements and Vacancies in the Offices of the Commissioners. (27 L.P.R.A. § 267b)

(a) The President and the Associate Commissioners shall be United States citizens and shall meet some of the following requirements: to be a professional engineer in Puerto Rico, preferably holding a master’s or doctoral degree in engineering with at least ten (10) years of experience practicing such profession, which includes experience in the field of telecommunications, or an attorney admitted to the Bar with at least ten (10) years of experience practicing his profession, including experience in the field of telecommunications, or a professional holding a master’s or doctoral degree in economics, planning or finance, or in telecommunications-related fields, or a professional with a bachelor’ degree or with ten (10) years of experience in the field of telecommunications. Neither the President nor the Associate Commissioners shall have a direct or indirect interest in, or any contractual relationship with, the telecommunications companies subject to the jurisdiction of TEB, or in entities within or outside of Puerto Rico affiliated to, or having interests in, said telecommunications companies. No member of the Board may participate in any matter or dispute in which a party thereto is a natural or juridical person with whom said member has had any contractual, professional, work, or fiduciary relationship within two (2) years before to his appointment. Furthermore, no board member shall represent, after ceasing his functions in TEB any person or entity before TEB with regard to any matter in which he participated while in the service of TEB and for two (2) years following his separation from said office regarding any other matter. The activities of the members during and after the expiration of their terms of office

shall be subject to the restrictions provided in the [“Organic Act of the Puerto Rico Government Ethics Office”](#).

(b) The President and the Associate Commissioners of the Board shall be appointed for a fixed staggered term. The first members of TEB appointed by virtue of the [“Act for the Implementation of the Puerto Rico Public Service Regulatory Board Reorganization Plan,”](#) shall be appointed as follows: The President shall be appointed for a term of six (6) years and the Associate Commissioners shall be appointed for four-(4) and two-(2) year terms, respectively. Their successors shall be appointed for six-year terms. Any person chosen to fill a vacancy shall be appointed only for the remainder of the unexpired term of his predecessor. Upon the expiration of the term of office of any member, he shall continue to hold office until his successor is appointed and takes office. In the event that the President is absent or unable to discharge his responsibilities, TEB may temporarily designate one of its members as President until the cause or circumstance that required such designation ceases or is corrected.

[Amendments: Act 11-2013; [Act 211-2018](#)]

Section 4. — Powers of the President. (27 L.P.R.A. § 267c)

The President shall preside over all TEB meetings, be in charge of all administrative operations, and represent TEB in all matters related to legislation and legislative reports; however, any associate member may present a dissenting or supplementary opinion. The President shall also represent TEB whenever conferences or communications with other heads of agency of the Government of Puerto Rico or the Government of the United States are required.

[Amendments: [Act 211-2018](#)]

Section 5. — Personnel. (27 L.P.R.A. § 267d)

The Board shall be deemed an individual administrator pursuant to the provisions of the Public Service Personnel Act of Puerto Rico, Act No. 5 of October 14, 1975 [Note: Repealed by Act 184-2004; repealed and replaced by [Act 8-2017](#)].

The Board, upon consultation with the Government Ethics Office, shall promulgate an ethics regulation to regulate the relationship between its personnel and the telecommunications companies.

Section 6. — Jurisdiction of the Board. (27 L.P.R.A. § 267e)

(a) The Board shall have primary jurisdiction over all telecommunications services and over all those persons [who] render these services in the Commonwealth of Puerto Rico, and over any person with a direct or indirect interest in said services or companies. Specifically, the Board shall have jurisdiction over:

(1) Any person who violates the provisions of this Act or the regulations of the Board, including any person or entity that uses its control over the telecommunications services or companies to carry out such violation.

(2) Any person whose actions affect the rendering of telecommunications service, including any person or entity that uses its control over telecommunications services or companies to affect the rendering of the above mentioned services.

(3) Any person who carries out any activity for which a certification from the Board is necessary.

(4) Any person whose actions or omissions are detrimental to the activities, resources or interests over which the Board has regulatory, supervisory or surveillance powers, including any person who uses his/her control over telecommunications services or companies in such a manner that is detrimental to them.

(b) The Board shall have jurisdiction to regulate the service contract terms and conditions of DBS companies rendering such services in Puerto Rico over any person with a direct or indirect interest in such services or companies, and to address subscriber complaints related to such services and/or contract terms and conditions; also, to address consumer complaints related to services offered within Puerto Rico by DBS companies operating in Puerto Rico. The Board shall have jurisdiction, insofar as it is not inconsistent with the provisions of Federal laws and regulations, especially those of the Federal Communications Commission. As for DBS services, the [Federal Telecommunications Act of 1996](#) and Federal regulations have preemption in all that pertains to the authorization, construction, and regulation of the transmission of energy by interstate or foreign radio in Puerto Rico.

The Board shall exercise its jurisdiction in all that is not in conflict with federal statutory or regulatory provisions, especially those that correspond to the Federal Communications Commission, as well as those preemptive federal norms.

[Amendments: [Act 11-2011](#)]

Section 7. — General Powers and Duties. (27 L.P.R.A. § 267f)

(a) TEB shall adopt, promulgate, amend, and revoke rules, orders, and regulations as it deems necessary and proper for exercising its powers and performing its duties. When adopting, amending, or revoking rules or regulations, TEB shall be subject to the provisions of Act No. 38-2017, known as the ‘Government of Puerto Rico Uniform Administrative Procedure Act,’ and, shall also:

(1) send notice by certified mail to the telecommunications companies in Puerto Rico that have received a certification as provided in subsection (a) of Section 2 of Chapter III of this Act, a notice of the adoption of regulations explaining the adoption, amendment, or repeal proposed by TEB, including information as to where the complete text of the proposed change may be obtained, and granting a term of not less than thirty (30) days to submit their comments on said proposal; and

(2) prior to the adoption, amendment, or repeal of a regulation, TEB shall issue a resolution stating its reasons for said action, specifically addressing each one of the points that have been made in writing with respect to the proposed regulations.

(b) TEB shall have the following powers to ensure compliance with this Act and its regulations:

(1) To impose reasonable civil fines for violations of this Act, its regulations, and orders up to a maximum of twenty-five thousand dollars (\$25,000) per violation.

- (2) To require any type of information as necessary for the proper exercise of its powers, clarifying, however, that the information deemed confidential by its source shall be duly safeguarded and disclosed solely and strictly to TEB’s personnel who have a need to know, subject to a nondisclosure agreement. Any confidentiality claim for information submitted by a telecommunications company under this subsection shall be processed expeditiously by TEB through a resolution to such effect before disclosing any such allegedly confidential information. The information furnished by each of the telecommunications companies regarding their rates and fees, pursuant to subsection (a) of Section 7 of Chapter III of this Act, shall be public and available to any person upon request.
- (3) To order the ceasing of activities or acts in violation of any provision of this Act or TEB’s regulations.
- (4) To impose and order the payment of costs, expenses, and attorney fees, as well as the payment of expenses and fees for other professional and consulting services incurred for adjudicative procedures before TEB.
- (5) To direct that any act be carried out in compliance with the provisions of this Act or TEB’s regulations.
- (6) To resort to the appropriate forums to enforce the purposes of this Act, as well as the rules, regulations, orders, resolutions, and determinations thereof.
- (7) To appear before any private entity, public organization, court, board, committee, administrative organization, department, office, or agency of the Government of Puerto Rico or of the United States Government in any hearing, proceeding, or matter that affects or could affect the purposes of this Act or the regulations that TEB promulgates or the interests of telecommunications services’ consumers; and
- (8) To carry out any other acts, if necessary, to ensure compliance with this Act or the regulations promulgated thereunder, such as:
- (A) Conducting public hearings;
 - (B) issuing summons[es] under admonishment of contempt, which shall be signed by a member, and served personally or by certified mail with acknowledgment of receipt;
 - (C) participate, by petition of a party, in negotiations between telecommunications companies and mediate the controversies that rise in the course of said negotiations, and
 - (D) intervene as arbitrator pursuant to the provisions of [Section 252\(b\) of the Federal Communications Act](#).
- (9) Prescribe through Regulations the duties that TEB shall discharge during an emergency in order to restore the communications infrastructure and facilitate systems recovery.
- (10) To lead efforts to coordinate, establish, and maintain federal, state, and local communications during emergency situations.
- (11) To promote and lead efforts to close the digital divide by furthering and moving towards broadband.
- (12) To create an amateur radio operators database that during emergency situations can be shared with the pertinent emergency management agencies so that amateur radio operators may provide support if communications are affected.
- (13) To provide support to the 9-1-1 Emergency Systems Bureau attached to the Department of Public Safety in order to ensure the compliance by telecommunication companies with the transfer of funds collected through the telephone service bill.

(14) To administer public and private telecommunications easements and establish the regulations as are necessary in connections with this duty.

(15) To lead efforts to address the issue of metal theft through an Interagency and Multisectoral Copper Theft Committee, and coordinate the jobs and training necessary for Committee members. The Committee shall be presided by the President of TEB and shall be further comprised of: the Department of Justice, the Permit Management Office, Office of the Chief Permit Inspector, the Puerto Rico Police, the Electric Power Authority, the Environmental Quality Board, the Department of Consumer Affairs, the Puerto Rico Firefighters, the Transport and other Public Services Bureau; and the telecommunications companies that own installations affected by this type of criminal activity.

(c) TEB shall have authority to conduct inspections, investigations, and audits, if necessary, to attain the purposes of this Act.

(d) TEB shall also have the following powers and authorities:

(1) To subsist in perpetuity, to sue and be sued as a juridical person, and

(2) grant contracts and execute any kind of document that is necessary and convenient in the exercise of its powers. (e) All agreements between TEB and any telecommunications company shall be in writing and all resulting documents shall be kept on file. TEB shall establish its offices and facilities separate from those of any company subject to its jurisdiction.

(f) All the actions, regulations, and determinations of TEB shall be governed by the ‘Federal Communications Act,’ by the public interest, and particularly by the protection of the consumers’ rights.

(g) TEB shall create a do not call registry system for the persons to opt out of telemarketing calls.

(h) To ensure that any alerts required by law to be sent to citizens through text messages to their mobile phones are free of charge.

[Amendments: Act 303-1999; [Act 211-2018](#)]

Section 8. — Expropriation and Easements. (27 L.P.R.A. § 267g)

(a) *Expropriation.* — The Board shall have the power to identify the private property that shall be expropriated for the rendering of telecommunications services pursuant to the objectives of this Act. Said property shall be expropriated by petition of the Board, by the Commonwealth of Puerto Rico represented by the Governor, or by the agency or official on whom [sic] the latter delegates.

(b) *Legal easements.* — The Board shall adopt the rules and regulations for the establishment, use and enjoyment of easements for any facilities needed for the installation of systems required and necessary to render telecommunications services, as provided in Act No. 143 of July 20, 1979, as amended [27 L.P.R.A. §§ 2151 et seq.]. These benefits shall apply equally to all companies providing telecommunications services.

In the rules and regulations to be adopted, the Telecommunications Regulatory Board shall establish the obligations that arise from the enjoyment of this right. Among these, the obligation to coordinate with the other companies the installation, repair and maintenance work in the facilities to reduce the damage that could be caused to the property affected by the easement and its occupants, the norms to prevent the interruption of other services, and compensation for damages caused to the services rendered by other companies and to the property. It is further

provided that it shall be the obligation of the telecommunications companies to repair, maintain or remove those installations or structures of which they have ownership, title ship or a lease that are property of, owned or leased, that could be considered a danger to public safety. The municipalities may require any telecommunications company to repair or remove any of its installations that represents a danger to public safety. If the telecommunications company does not take any action on such respect within fifteen (15) workdays after being notified of the request, the municipality may resort to the Court of Instance through an injunction and petition the court to order the required work of repair or removal. If the injunction is accepted, the court may impose a fine of not less than five thousand dollars (\$5,000) nor greater than ten thousand dollars (\$10,000), plus costs and expenses incurred by the municipality.

[Amendments: Act 101-2005; Act 68-2008]

Section 9. — Delegation of Powers. (27 L.P.R.A. § 267h)

(a) *On one or more members.* — Through an order, TEB may assign, refer, or delegate any adjudicative or non-adjudicative matter for its resolution to one or more commissioners who shall be appointed in said order and who shall have the powers that TEB expressly delegates in said order. The members shall be empowered to:

- (1) Take oaths and depositions.
- (2) Issue summons.
- (3) Receive and evaluate evidence.
- (4) Preside over hearings.
- (5) Hold conferences to simplify procedures.

Any order issued by one or more members pursuant to this Section shall become a final order of the Board as a whole, unless the Board renders ineffective, alters, or amends the order within thirty (30) days after it has been notified. With regards to the decisions of TEB, an adversely affected party may file a petition for administrative review with the Public Service Regulatory Board or with the Court of Appeals. The adversely affected party shall have discretion to choose the forum to which the party shall appeal unless jurisdiction has been granted by a law of the Government of the United States of America to any federal agency or entity or to the U.S. District Court for the District of Puerto Rico.

(b) *Hearing Officers and Administrative Judges.*- TEB shall be empowered to assign, refer, or delegate any matter to hearing officers who shall have authority to recommend decisions which shall take effect upon their approval by TEB. Any hearing officer appointed to preside over a hearing or investigation shall have the powers expressly delegated to him by TEB and the designation order. TEB may also designate administrative judges with full decision-making powers. Said hearing officers and administrative judges shall be appointed and shall carry out their duties pursuant to Act No. 38-2017, known as the ‘Government of Puerto Rico Uniform Administrative Procedure Act.’

[Amendments: [Act 211-2018](#)]

Section 10. — Incidental Powers. (27 L.P.R.A. § 267i)

The provisions of this Act shall be liberally construed in order to achieve its purposes, and whenever any specific power or authority is granted to TEB, such specification shall not be construed as excluding or hindering any other power or authority otherwise conferred thereto. TEB, as created herein shall have, in addition to the powers specified in this Act, all those additional, implicit, or incidental powers that are pertinent and necessary to put into effect and carry out, perform, and exercise all the aforementioned powers and to attain the purposes of this Act, subject to the preemption of said powers by federal legislation or the rules of the Federal Communications Commission.”

[Amendments: [Act 211-2018](#)]

Section 11. — Budget and Regulation Fees. (27 L.P.R.A. § 267j)

(a) TEB shall impose and collect fees pursuant to the provisions of this Section in order to generate sufficient income to:

- a. Cover the operating expenses of TEB in the fulfillment of its responsibilities under this Act; and
- b. establish a reserve, as TEB deems reasonable, to ensure the continuous and efficient operation thereof, in accordance with its projected goals and objectives, and the experience of previous years’ expenses. Said reserve shall not exceed twenty-five percent (25%) of TEB’s annual budget.

(b) The annual fee to defray TEB’s annual operating expenses shall be fixed proportionally on the basis of the gross income of the telecommunications or cable company that provides telecommunications services generated from the rendering of such telecommunications services in Puerto Rico. In the case of the resale of services, the gross income shall not include the cost corresponding to the acquisition of the service subject to resale. These fees shall be paid to TEB on a quarterly basis, pursuant to the regulations it promulgates.

(c) The fees to be imposed on a telecommunications or cable company which provides telecommunications services pursuant to subsection (b) of this section shall not exceed point twenty-five percent (.25%) of its annual gross income from the rendering of telecommunications services in Puerto Rico. Those telecommunications companies whose annual gross income in Puerto Rico is less than twenty-five thousand dollars (\$25,000) shall be exempted from the payment of said fees.

(d) All telecommunications or cable companies shall submit the information required by TEB in the manner and on the forms established by TEB in order to be able to state the amount of fees established in this Section. TEB shall not be required to notify in advance or afford an opportunity for a hearing before the imposition of fees.

(e) TEB may compel a telecommunications or cable company to reimburse the fees, special expenses, and other direct and incidental charges incurred for professional and consulting services in the course of investigations, hearings, and other procedures conducted in connection with said companies.

(f) The telecommunications and cable companies shall liquidate the payment of the fees imposed within a period not to exceed thirty (30) days after notice to such effect. Any delay in the payment of said fees shall be subject to the payment of interest and penalties as determined by TEB through regulations. The payment of fees shall be made in the manner and through the negotiable instruments that TEB specifies in any notice of fees.

(g) No telecommunications or cable company may request judicial review of any fee imposed by TEB unless:

(1) Said company has paid or posted bond to the satisfaction of TEB within the term established in subsection (f) of this Section or that TEB has extended said term;

(2) simultaneously with said payment, posting of bond or petition for extension, said company has submitted a detailed justification explaining why it considers said payment to be excessive or illegal, and

(3) ninety (90) days have elapsed from the date of notice of the fees imposed. No petition for judicial review may be based on arguments other than those alleged by the company before TEB. TEB shall not be bound to reimburse any portion of the charges if it certifies that said reimbursement would adversely affect the operations of TEB. If TEB issues said certification, then the telecommunications or cable company thus affected shall have the right to reduce the corresponding amount from the future charges imposed by TEB.

(h) The Secretary of the Treasury shall deposit, in a special account designated as the ‘Special Fund of the Public Service Regulatory Board, Telecommunications Bureau,’ the money collected by virtue of this Act, which may be used only and exclusively to defray the operating expenses and operations of TEB. The Department of the Treasury may transfer the surplus income generated by TEB to the General Fund in accordance with Act No. 26-2017, provided that the reserve required by law is maintained.

(i) TEB’s operating expenses budget shall be separate from the General Budget of Expenses of the Government of Puerto Rico.

[Amendments: Act 124-2001; Act 45-2009; Act 120-2010; [Act 110-2011](#); [Act 211-2018](#)]

CHAPTER III. — REGULATION AND SUPERVISION

Section 1. —Transitory Classification of Providers. (27 L.P.R.A. § 269)

(a) On the date of approval of this act, it shall be presumed that the incumbent local exchange service carrier has control of the market in the rendering of local telecommunications service, access service and intrastate long distance services and which it does not have in the cellular phones and beepers market.

(b) The Board may, once it has been requested and after the corresponding notification and public comments, forbear from applying or partially exempt a local exchange service carrier without control of the market in Puerto Rico from those provisions of this law of exclusive application to said local exchange service carrier, except the obligation to contribute to the universal service.

(c) Three months after the Board has been constituted, and by petition of the incumbent local exchange service carrier, or in any case, within three years after the effective date of this act, the Board shall initiate a procedure which shall include public notice and comments, to determine if the incumbent local exchange service carrier shall retain control of the market on the totality or part of the telecommunications services markets indicated in subsection (a) of this section. If the Board determines that the incumbent local exchange service carrier does not have control of the market in any line of business, it may forbear from regulating the former or it may also exempt it from any of the provisions of this Act of exclusive application to the incumbent local exchange service carrier in the line of business in which the latter does not have control of the market.

Section 2. — Certifications. (27 L.P.R.A. § 269a)

(a) As of the date on which the Board promulgates the regulations required by this section and with the exception of the provisions of Section 332(c)(1) of the Federal Communications Act, all telecommunications companies shall receive a valid certification from the Board to render telecommunication services in Puerto Rico. The Board shall not have the authority to deny a petition for certification to provide telecommunications services for arbitrary or discriminatory reasons or whose purpose is to prevent competition.

(b) The Board shall adopt regulations specifying the form, content and procedures to file petitions for certification which shall be of uniform application. All applicants shall present evidence of their moral and financial standing, their experience and background in the field for which certification is petitioned. The Board shall issue the certification if it determines that, in addition to substantially complying with the uniform criteria established, it is consistent with the mandate of the Federal Communications Act, the objectives of public interest pursued by this Act and that it also safeguards consumers' interests.

(c) Every telecommunications company that provides services upon the effective date of the regulations described in this subsection shall be entitled to receive a certification to provide said services. Within the ninety (90) days following the effectiveness of this act, the Board shall adopt regulations specifying the form and content of the petitions for said certifications. The petitions of said telecommunications companies shall be submitted to the Board within ninety (90) days following the effective date of the regulations promulgated by the Board. Every petition submitted shall be deemed as granted once thirty (30) days have elapsed from the date of filing the petition. It shall not constitute a violation to this Act by a telecommunications company to continue rendering the services they were providing:

- (1) Prior to the adoption by the Board of the regulation required by this subsection;
- (2) prior to the expiration of the term to file petitions for automatic certification or franchise as provided in this section, or
- (3) before the Board takes action regarding the petition filed by said telecommunications company to provide said services.

(d) All certifications granted by the Board pursuant to the provisions of this section may be modified, suspended or revoked by the Board, for just cause and after due notice and hearing.

(e) The Board shall not implement regulations, nor give orders, or impose requirements that have or could have as a result the prohibition or interference with the capacity of any person to provide

telecommunications services, with the exception of the provisions of [Section 253 of the Federal Communications Act](#).

Section 3. — Discontinuation of Services. (27 L.P.R.A. § 269b)

No local exchange service carrier shall discontinue, reduce or limit the total or partial service of a community without effective competition due to lack of profitability in the operation of said service unless it has a valid authorization from the Board for said discontinuation, reduction or limitation. The Board shall grant said authorization if it determines that the same does not violate the purposes of this Act. If the Board should deny a petition to discontinue, reduce or limit the total or partial service of a community, the local exchange service carrier shall be entitled to request or to continue to receive from the Board, fair and adequate compensation under the universal service program to continue rendering those services that are eligible to receive funds from said program. Any action that implies or causes a violation of this section or the regulations adopted by the Board shall be null ab initio. The provisions of this section shall not apply to services subject to effective competition.

Section 4. — Competitive Safeguards. (27 L.P.R.A. § 269c)

(a) The Board shall adopt the regulations needed to require the incumbent local exchange service carrier to provide services and access to its installations to any certified telecommunications company that requests it at any point of its network where it is technically feasible and in an unbundled manner, including any feature, function and capacity of its network, through the payment of fees determined on the basis of its real cost and profits as foreseen in the Federal Communications Act and under reasonable and nondiscriminatory conditions, mutually agreed on by the parties.

(b) Every telecommunications company shall have the duty to provide interconnection to its facilities directly or indirectly at any point within its network where it is technically feasible, under fair and nondiscriminatory terms and without unnecessary technical delays and restrictions.

(c) Every local exchange service carrier shall provide interconnection and access to its network at any point that is technically feasible through the payment of fees based on the real costs and profits as foreseen in the Federal Communications Act, and on individually designed terms, as agreed on in the interconnection contract with said telecommunications company, and in every case, and in accordance with terms not less favorable than those provided to the affiliates of the local exchange service carrier.

(d) Every local exchange service carrier shall offer and provide the features, functions and capacity of its network, in a nondiscriminatory manner, and subject to an interconnection contract consistent with the following principles:

(1) Each local exchange service carrier shall facilitate competition in the local exchange services allowing interconnection to other telecommunications companies at any point of its local network where it is technically feasible. Every local exchange service carrier shall offer access to its network in an unbundled manner giving separate access at any point of its network where technically feasible to: (i) Local access lines (connecting the main offices of the local telephone service to the subscriber's facilities); (ii) certain exchange functions of the main

office; (iii) exchange functions of the "tandem" office, and (iv) transport between the main office of the local exchange service carrier and/or the exchange equipment of the "tandem" offices. The local exchange service carriers may charge the telecommunications companies for the services or use of facilities which are indispensable to the rendering of the service or the facilities requested if said services or facilities are technically necessary to render the services requested.

(2) Each local exchange service carrier shall offer for resale at wholesale prices any telecommunications service that said carrier renders at retail price to subscribers other than telecommunications companies.

(3) All segregated rates negotiated by a local exchange service carrier in the interconnection contract shall follow a methodology that allows the local exchange service carrier to recover the real cost of providing the service plus a reasonable profit, as provided in [Section 252\(d\)\(1\) of the Federal Communications Act](#).

(e) The Board shall make [sic] ensure that all telecommunications companies are fairly compensated for the transportation and termination of telecommunications services through their networks and that the compensation reflects the reasonable and necessary costs of each company. The Board shall require reciprocal compensation arrangements and shall allow arrangements of negotiated compensation, which may include bill and keep, symmetrical compensation, or any other reasonable distribution of fees that is acceptable to the contracting parties. By petition of the parties during the negotiations, the Board shall comply with the requirements of Section 5 of Chapter III of this Act and [Section 252 of the Federal Communications Act of 1996](#).

(f) Every telecommunications company shall provide, under fair and nondiscriminatory terms, direct or indirect interconnection at any point of its network where technically feasible, and access to its installations with all the features, functions and capacities thereof, including physical collocation, except that said company may provide virtual collocation if the telecommunications company proves to the Board that physical collocation is not practical due to limitations of space. Likewise, every telecommunications company shall make available the information needed for the transmission, routing and collection of any telecommunications service, including access to the database, signal systems and transmission process, to assure the interoperability of the network of the telecommunications company that receives the interconnection petition and the telecommunications company that requests it.

(g) Every telecommunications company shall have access, under fair and nondiscriminatory terms, to the right of way of other telecommunications companies. Every telecommunications company shall provide nondiscriminatory access to any right of way owned by it or under its control [as mutually] agreed on. All charges and/or conditions for the use of any easements shall be fair and reasonable; and at the same time, shall be consistent with the rules and decisions of the Federal Communications Commission, of the Board and with the judicial decisions which have interpreted the applicable provisions of the Federal Communications Act.

(h) The Board shall administer the numbering of telecommunications and shall make the numbers available to the telecommunications companies on an equal basis in the measure that the Federal Communications Commission delegates to it the corresponding power. The cost of establishing agreements for the administration of the numbering of telecommunications and number portability shall be defrayed by all the telecommunications companies on a neutral competitive basis and as established or provided by the Federal Communications Commission.

(i) All local exchange service carriers shall provide, in the measure that is technically feasible, number portability, pursuant to the norms issued by the Federal Communications Commission. If the Commission has not issued norms to such effect by December 31, 1996, the Board shall evaluate other number portability programs that could be feasible.

(j) Every local exchange service carrier shall offer reliable and nondiscriminatory access to the directory assistance service; operator service; relay service; repair service; 9-1-1 service where applicable; to telephone directories; referral service and change of number; and shall provide every telecommunications company that requests it, at a reasonable price, the name and address of its clients for billing purposes, and the names and addresses of its clients that have been published in a telephone directory directly or indirectly by said carrier, for the purposes and under the terms and conditions to be negotiated by the parties. All telecommunications companies shall cooperate to provide reliable 9-1-1 and relay system services.

(k) No telecommunications company shall use the income generated by noncompetitive services to subsidize the offering or rendering of competitive services, nor shall it discriminate in favor of its own competitive service when providing telecommunications services.

(l) No company shall offer telecommunications service at prices lower than the cost of rendering the same, except for brief periods of time and under those terms and conditions previously approved by the Board. When evaluating the petitions submitted by the telecommunications companies under this subsection, the Board shall take into consideration their impact on free competition and damages that could be caused to their competitors. The Board shall see to the strictest compliance of this subsection and, without impairing the rights of the telecommunications companies thus affected, shall file complaints for monopolistic practices before the Department of Justice, and by petition of the company against which a complaint has been filed, take the action that the Board itself deems pertinent pursuant to this Act.

(m) Every telecommunications company that provides competitive and noncompetitive services, be it directly or through a subsidiary or affiliate, shall keep separate accounting systems for its competitive and non-competitive services.

(n) In case that a complaint is filed by a telecommunications company against another telecommunications company for violation of this section, the latter shall, if the Board requests it, present its annual audit so that the Board may determine if said telecommunications company has, in effect, complied with the requirements of this section. Said audit, and all the information related to it, shall be public, with the exception of that which the Board decides to keep confidential and for its exclusive use. The information it decides to keep confidential shall be that which is necessary to protect proprietary information, business or trade secrets, under Section 7(b)(2) of Chapter II of this Act..

(o) In case a telecommunications company files a complaint against another telecommunications company, the Board shall have access to all the accounts and records of the latter, in order to verify compliance of this section, including all the working papers and support material of any audit carried out under this section. All material requested pursuant to the provisions established herein shall be made available to whoever requests it, except that the Board shall keep confidential and for its exclusive use whatever material that is essential to protect proprietary information, business or trade secrets pursuant to Chapter II, Section 7(b)(2) of this Act.

(p) Every local exchange service carrier shall provide a public notice on the changes in the necessary information related to the transmission and routing of the services used by their facilities

or networks, as well as any other change that may affect the interoperability of their facilities and networks with those of any other competing telecommunications company.

(q) Within one hundred and eighty (180) days after the approval of this act, the Board shall adopt the regulations needed to implement the requirements of this section.

(r) No law or regulation of the Commonwealth of Puerto Rico nor any municipal ordinance shall limit or prohibit, nor shall have the effect of limiting or prohibiting the capacity of a telecommunications company to render competitive telecommunications services at intrastate or interstate level; Provided, however, That the courts of Puerto Rico shall not put into effect or require compliance of said laws, regulations or municipal ordinances that have or could have the effect of preventing or otherwise limiting the free rendering of such services.

(s) Nothing of the herein provided shall impair the rights under the Federal Statute that have been claimed before the Public Service Commission.

Section 5. — Imposition of Provider ('Slamming') or Additional Surcharge ('Cramming').
(27 L.P.R.A. § 269c-1)

(a)

(1) With the exception of the provisions of paragraphs (2) and (3) of this subsection, a telecommunications company shall not charge a client for telecommunication services not requested by him/her.

(2) Any telecommunications company that imposes a charge for services not requested shall [credit] the amount or sum of said charge to the next invoice, provided that the subscriber has notified the telecommunications company that he/she did not request nor use said service.

(3) A telecommunications company that receives a notice from the subscriber, as provided in paragraph (2) of this subsection, shall have the obligation to inform said person of his/her right to limit or block the future use of the services, and shall limit or block the future use of the services in question, if thus requested. If the subscriber requests the company not to limit or block the service, or subsequently requests that said limitation or blocking be cancelled, the subscriber shall be liable for the charges caused by the subsequent use of said services. The telecommunications company shall not collect a recurrent charge for the limiting or blocking of the service.

(b) *Imposition of Provider ('Slamming'); fraud.*

(1) To impose, require or request a change of the telecommunications services provider of a subscriber without the verification of his/her consent shall constitute fraud.

(2) A person who has subscribed to a telecommunications service may avail him/herself of the remedies provided by the law for any violation of the preceding paragraph of this Act.

(3) The following is provided for the purposes of subsection (1) of this section:

(A) The consent of the person subscribed to the telecommunications services may be verified through any method that is consistent with federal and state laws and regulations.

(B) Compliance with federal and state laws and regulations shall constitute a defense against an allegation of fraud, pursuant to subsection (1) of this section.

(C) It shall be the responsibility of the telecommunications company that requests the change in the telecommunications services provider of the subscriber to verify the consent.

Any telecommunications company that makes a change of the telecommunications services provider shall be liable or may be subject to prosecution under the provisions of this section only if it participates in the process of change knowing that the due authorization of the subscriber did not exist.

[Amendments: Added by Act 302-1999]

Section 6. — Procedure for Negotiation, Arbitration and Approval of Agreements. (27 L.P.R.A. § 269d)

(a) Agreements Arrived at Through Negotiation —

(1) *Voluntary negotiations.* — Upon receiving a request for interconnection services, or access to network elements pursuant to Section 4 of Chapter III of this Act, an incumbent local exchange service carrier may negotiate and enter an agreement with the requesting telecommunications carrier without regard to the standards set forth in subsections (a), (c), (d), (e), (f), (g), (i) and (j) of Section 4 of Chapter III of this Act [27 L.P.R.A. § 269c]. The agreement shall include a detailed schedule of individual charges for interconnection and each service or access to network elements included in the agreement. Said agreement, as well as any interconnection agreement negotiated before the date of enactment of the [Telecommunications Act of 1996](#), shall be submitted to the Board under subsection (e) of this section.

(2) *Mediation.* — Any party negotiating an agreement under this section may, at any point in the negotiation, request the Board to participate in the negotiation and to resolve any differences arising in the course of the negotiation.

(b) Agreements Arrived at Through Compulsory Arbitration. —

(1) *Arbitration.* — During the period from the 135th through the 160th day (inclusive) from the date on which an incumbent local exchange service carrier receives a petition to negotiate under this section, any of the parties to the negotiation may petition the Board to arbitrate any open issues.

(2) *Duty of Petitioner.* —

(A) The party that petitions the Board to arbitrate under paragraph (1) of this subsection shall, at the same time it files its petition, provide all relevant documentation concerning:

- (i) The unresolved issues;
- (ii) the position of each of the parties with respect to those issues, and
- (iii) any other issue discussed and resolved by the parties.

(B) A party petitioning for arbitration under paragraph (1) of this subsection shall provide a copy of the petition and any other pertinent documentation to the other party or parties, no later than the day on which the Board receives said petition.

(3) *Opportunity to respond.* — The non-petitioning party in a negotiation under this section may respond to the other party's petition and provide such additional information it deems pertinent within twenty-five (25) days after the date the Board receives the petition.

(4) *Action by the Board.* —

(A) The Board shall limit its consideration of any petition under paragraph (1) of this subsection (b) as well as the response, if any, to the issues set forth by the parties.

(B) The Board may require the petitioning party and the respondent party to provide the information it deems is necessary for it to reach a decision on the unresolved issues. If any party refuses to respond or does not comply within a reasonable period of time, without justification to a request of the Board, then the Board may resolve the issues on the basis of the best information available to it regardless of its source.

(C) The Board shall resolve each issue set forth in the petition and the response thereto, if any, by imposing appropriate conditions as required, to implement subsection (c) of this section upon the parties to the agreement. The Board shall conclude the resolution of any unresolved issues within the nine months following the date on which the local exchange service carrier received the request of the petitioner as provided in Section 4 of Chapter III of this Act [27 L.P.R.A. § 269c].

(5) Refusal to negotiate. — The refusal of any other party to the negotiation [sic] to continue negotiating, to cooperate with the Board in performing its functions as arbitrator, or to continue to negotiate in good faith in the presence, or with the assistance of the Board, shall be deemed as a failure to negotiate in good faith.

(c) Standards for Arbitration. — In resolving any open issue by arbitration under subsection (b) of this section and imposing conditions upon the parties to the agreement, the Board shall:

(1) Ensure that such solution and conditions meet the requirements of Section 251 of the Federal Communications Act and the regulations approved by the Federal Communications Commission pursuant thereto;

(2) establish any rates for interconnection, services, or access to network elements according to subsection (d) of this section, and

(3) establish a schedule for the implementation of the terms and conditions for the parties to the agreement.

(d) Pricing standards. —

(1) Charges for interconnection and access to network elements. — Determinations by the Board as to what constitutes fair and reasonable rates for the interconnection of facilities and equipment for the purposes of the interconnection provided in Section 4 of Chapter III as well as to what constitutes fair and reasonable rates for the use of network elements for segregated access purposes provided in said section:

(A) Shall be based on:

(i) The cost of providing the interconnection or access to network elements which shall be applicable without reference to a rate-of-return or other rate-based formula, and in

(ii) nondiscriminatory criteria[;]

(B) May include a reasonable profit.

(2) Charges for transport and termination of traffic. —

(A) In general. — For the purposes of compliance by an incumbent local exchange service carrier with the reciprocal compensation requirement provided in Section 4 of Chapter III of this Act [27 L.P.R.A. § 269c], the Board shall not consider the terms and conditions of reciprocal compensation to be fair and reasonable unless:

(i) Such terms and conditions provide for the mutual and reciprocal recovery by each carrier of the costs associated to the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier, and

(f) General statements of terms. —

(1) A telecommunications company may prepare and file with [the] Board a statement of the terms and conditions that [said] company generally offers in Puerto Rico to comply with the requirements of [Section 251 of the Federal Communications Act](#) and the regulations promulgated thereunder by the Federal Communications Commission and the standards that are applicable under this section.

(2) *Board review.* — The Board shall not approve said statement unless it complies with subsection (d) of this [Section 251 of the Federal Communication Act](#), and the regulations promulgated thereunder by the Federal Communications Commission. Except as provided in [Section 253 of the Federal Communications Act](#), nothing in this section shall prohibit the Board from establishing or enforcing any other requirements of the laws of Puerto Rico in its review of such statement, including compliance with quality standards and requirements applicable to intrastate telecommunications services.

(3) *Term for Review.* — Within sixty (60) days following the date in which a statement has been submitted, the Board shall:

(A) Complete the review of [said] statement under paragraph (2) of this subsection (f), including any reconsideration thereof, unless the filing carrier agrees to an extension of the period for such review, or

(B) permit said statement to take effect.

(4) *Authority to Continue Review.* — Paragraph (3) of this subsection (f) shall not preclude the Board from continuing to review a statement whose effectiveness is based on paragraph (B) of such subsection from allowing or disallowing such statement under paragraph (2) of this subsection (f).

(5) *Duty to Negotiate not Affected.* — The submission or approval of a statement under this subsection shall not relieve the incumbent local exchange service carrier of its duty to negotiate the terms and conditions of an agreement under Section 4 of Chapter III of this Act.

(g) Consolidation of Procedures. — When not inconsistent with the requirements of this Act, the Board may, to the extent which is practical, consolidate procedures in order to reduce administrative burdens imposed on telecommunications carriers to the other parties to the procedures, and to the Board in performing its responsibilities under this Act.

(h) Filing Required. — The Board shall make a copy of the agreements approved under subsection (e) of this section, and each statement approved under subsection (f) of this section, available for public inspection and copying within ten (10) days after this approval. The Board may charge a reasonable and nondiscriminatory fee to the parties to the agreement or to the party filing the statement to recover the costs of approving and filing such agreements or statements.

(i) Availability to Other Telecommunications Carriers. — A local exchange service carrier shall make available any interconnection, service, or access to a network element provided under an agreement approved under this section [to] which it is a party, to any other requesting telecommunications carrier, under the same terms and conditions as those provided in said agreement.

(j) Definition of Incumbent Local Exchange Service Carrier. — For the purposes of this Section, the term "incumbent local exchange service carrier" has the meaning provided in subsection (b) of Section 3, Chapter I of this Act [11 L.P.R.A. 265a].

Section 7. — Universal Service. (27 L.P.R.A. § 269e)

(a) *Universal Service Principles.* —

(1) TEB shall preserve and promote universal service through predictable, specific and sufficient support mechanisms, pursuant to the provisions of [Section 254 of the Federal Communications Act](#), and also pursuant to the following principles:

(A) The goal of universal service is to provide comparable quality telecommunications services to all sectors of the population and geographical areas of Puerto Rico.

(B) Telecommunications services shall be available throughout Puerto Rico at fair and reasonable rates, which means that the service rates in rural areas shall be reasonably comparable to those rates provided in urban areas.

(C) Advanced telecommunications services shall be available in all municipalities and communities, as well as in all health care providers' facilities, libraries and classrooms in the public schools of Puerto Rico.

(2) All telecommunications companies shall make an equitable and nondiscriminatory contribution, as established by the TEB, to the preservation and development of universal services in Puerto Rico.

(3) The structure of those support mechanisms developed, implemented and periodically reviewed by TEB shall complement but not duplicate the support mechanisms established at federal level.

(4) The universal service shall include, at least, the following services without excluding any other service, as provided by TEB pursuant to subsection (c)(3) of this Section

(A) Access to all public switched telephone networks with voice grade capacity;

(B) single party service;

(C) access, free of charge, to emergency services, including the 911 emergency service, and

(D) access to operator services.

(b) *Determination of eligible telecommunications companies.* —

(1) TEB may, motu proprio or by petition, designate a telecommunications company as an eligible telecommunications company to provide universal service in one or more areas designated by TEB. By petition, and consistent with the public interest, convenience, and necessity, TEB may designate more than one company as an eligible telecommunications company for a service area established by TEB, provided that each company meets the requirements of paragraph (2) of this subsection. In order to make the corresponding designation, TEB shall take into consideration technological factors and the cost of providing the service, among other factors.

(2) In order for a telecommunications company to be designated as a telecommunications company eligible to receive the universal service program funds, it shall, within the entire service area for which it has been designated:

(i) Provide the services supported by the universal service program using its own facilities or a combination of its own facilities and the resale of services of another telecommunications company, and

(ii) publish in newspapers of general circulation the availability of such services and their rates.

(3) If no telecommunications company that receives funds from the universal service program wishes or is able to provide services to a community, or any part thereof, that has requested them, TEB shall determine which telecommunications company or companies are in the best position to provide such service and shall direct such company or companies to proceed accordingly. Any telecommunications company which has been directed to provide services under this subsection must meet the requirements of paragraph (2) of this subsection, and shall be designated an eligible telecommunications company for such community or part thereof.

(4) TEB may allow an eligible telecommunications company, upon previous authorization from TEB, to surrender its designation in any area covered by more than one eligible telecommunications company. Before granting the authorization, TEB shall impose on the remaining eligible telecommunications companies the obligation to guarantee the service to the users of the eligible telecommunications company that withdrew, and shall require sufficient notice to allow the purchase or construction of proper facilities by any other eligible telecommunications company. The costs and expenses incurred by the telecommunications companies to provide eligible services shall be reimbursed to them through the universal service support procedures. TEB shall establish a term not to exceed one (1) year after the approval of such withdrawal under this subsection to complete the purchase or construction.

(c) *Universal Service Procedures.* —

(1) TEB shall determine:

(A) The support mechanisms needed in the jurisdiction of Puerto Rico to expand or maintain the universal service. The decision to such effects shall be made by the majority of TEB members if the favored mechanism or mechanisms are included among those already being used in any area under the jurisdictions governed by the Federal Communications Act, or are among those under the consideration of the Federal Communications Commission, or have been implemented in the different states of the United States of America. The decision to implement any other support mechanism shall require the unanimous vote of the members of TEB

(B) The manner in which the monetary contributions made through the support mechanisms to the universal service fund throughout Puerto Rico shall be distributed among the eligible telecommunications companies, and

(C) the manner in which any other support mechanism shall be established, administered, and controlled throughout Puerto Rico.

(2) The services to be defrayed by the universal service program in Puerto Rico shall include those services necessary to address unique needs across Puerto Rico, as established by TEB. When determining the services to be included in the definition of universal service, TEB shall take into consideration the recommendations, if any, made by the Federal-State Joint Board, established under Section 254(a) of the Federal Communications Act, as well as those services implemented by the different states of the United States of America in their respective universal service programs.

(3) All telecommunications companies and those other service providers required to contribute shall make equitable and nondiscriminatory contributions to the universal service fund.

(4) The requirement to contribute to the universal service fund shall begin on the date the telecommunications company or other service providers required to contribute begin to render telecommunications services or other eligible services in Puerto Rico and to generate income

from such services, pursuant to [Section 254\(f\) of the Federal Communications Act](#) or when the Federal Communications Commission so determines.

(5)) The sums of money contributed by the telecommunications companies to the universal service fund through the support mechanisms established by TEB shall be deposited in a special account in a bank to be determined by TEB. Said fund shall be used exclusively to help render, maintain, and improve services in support of which the fund is created.

(6) TEB shall designate TEB personnel to administer the sums deposited in the universal service account and supervise its disbursement to eligible telecommunications companies. The entire collection, administration, and disbursement process, and the use of said sums shall be subject to audits by the Comptroller of Puerto Rico.

(7) TEB shall review, at least once (1) a year, the amount of the contribution to the Universal Service Fund required from each telecommunications company or other providers of services developed in the future as technology evolves that are designated as an eligible telecommunications company. When fixing such amount, TEB shall take into consideration the recommendations, if any, of the President of TEB, the Chair of the Public Service Regulatory Board, or TEB personnel designated to the administration. The decisions adopted by TEB to such effects shall be based on two principal factors:

(A) The public interest in expanding and maintaining a modern telecommunications system available to all the geographic and social sectors of Puerto Rico, and

(B) the need to ensure that the criteria used to establish the companies' contribution to the fund are viable and uniformly and equitably applicable, and are nonarbitrary or nondiscriminatory.

(8) The funds collected through the universal service contribution mechanism shall be used efficiently in order to facilitate the offering of high quality services at the best possible price.

(9) Once the Puerto Rico Universal Service Fund is established, any decisions relating thereto shall be made by a majority of TEB members. However, the Puerto Rico Universal Service Fund may only be repealed by the unanimous vote of the TEB members in order to be valid, given the importance of said Fund to provide all the citizens of Puerto Rico with access to technology

(d) Lifeline Service Automatic Subscription Program. —

(1) Every telephone service user who is a beneficiary of any of the eligible assistance programs established by the Federal Communications Commission (FCC) shall be subject to automatic subscription to the Lifeline Service provided for in the Universal Service Regulations adopted by TEB. TEB shall establish the eligibility criteria following the guidelines established by the FCC.

(2) The public agencies that administer assistance or subsidy programs shall provide to the eligible telecommunications companies, on a monthly basis, electronic updates of the candidates that qualify in their respective programs. The monthly updates shall only include new eligible clients and those that were dropped. The term "dropped" refers to the person or persons that ceased to be eligible or stopped receiving benefits under the public assistance or subsidy programs administered by them.

(3) TEB shall prepare the application form for the automatic subscription and shall remit them to the public agencies that administer assistance or grant programs that render clients eligible for the Lifeline Service Program. The pertinent agency shall provide to the eligible client the

application prepared by TEB whereby clients may request to be automatically registered in the Lifeline Program, through a self-certification of eligible client that states, under penalty of prejudice[sic] and permanent ineligibility, that neither he, nor any residing member of the family unit have been receiving the benefit of the subsidy provided by said program and for which they are filing this application. The subsidy shall only be granted for a single landline or to a single wireless service for the family unit, at the discretion of the client. The application shall also provide the client with the option to opt out of the automatic registration

(4) The eligible telecommunications companies shall implement the Lifeline Service Automatic Registration Program within one hundred and eighty (180) days following the approval of this act.

(5) On or before March 31 of each year, the eligible telecommunications companies shall file a report with TEB of the total number of eligible clients that were registered in the Lifeline Service Automatic Registration Program during the preceding calendar year.

(6) It shall be the obligation of the eligible telecommunications companies to establish a confidentiality agreement with the public agencies prior to receiving the register of clients eligible to the assistance or subsidy programs administered by said agencies. Said agreement shall establish that the client information furnished by the public agencies to the eligible telecommunications companies shall be for the sole purpose of providing the subsidies of the "Lifeline" and "Link-Up" Service programs, and disclosure of the information shall be limited to those persons related to the implementation of said Program.

(7) Upon receipt of a notice from the public agencies that administer the assistance or subsidy programs that render their subscribers eligible for the subsidy programs of the Fund of the Universal Service of Puerto Rico and the Federal Universal Service Fund stating that a user is no longer eligible for said programs, the eligible telecommunications company shall notify the user, by mail, that his/her subsidy for the Lifeline Service Program, and the "Lifeline" and "Link-Up" programs shall be discontinued fifteen (15) days from the date of the notice, unless the user notifies the eligible telecommunications company that a mistake has been made. If the user notifies the eligible telecommunications company that a mistake has been made, the subscription to the Lifeline Service shall continue for thirty (30) days to allow the user sufficient time to correct the records and to obtain a confirmation of eligibility from the public agency. If the user has not obtained a confirmation of eligibility from the corresponding public agency at the end of the thirty (30) -day period, the Lifeline Service may be discontinued and the billing shall continue at the applicable rates.

(8) TEB shall amend the regulations in effect within one hundred eighty (180) days after the approval of this Act for the implementation of the provisions thereof. These regulations shall contain, among other things, the penalties to be established when citizens attempt to receive benefits to which they are not entitled, through misrepresentation and similar fraud schemes. In addition, TEB shall prescribe thereunder penalties for the irresponsible conduct of the eligible telecommunications companies that include noneligible subscribers in the Program, and that continually engage in fraud patterns which entail up to the partial or permanent suspension of the operations in Puerto Rico. Furthermore, public agencies are hereby empowered to draft regulations or to amend any existing regulations within one hundred and eighty (180) days after the approval of this Act, to the effect of establishing a procedure

whereby the information requested is furnished without breaching the confidentiality of the participants.

[Amendments: Act 302-1999; Act 242-2002; Act 202-2007; [Act 34-2017](#); [Act 211-2018](#)]

Section 7-A — Registry. (27 L.P.R.A. § 269e-1)

The Board shall create a registry of persons, including non-profit organizations, or companies including the whole central and municipal government, that do not want the telephonic promotions; for this, it shall promulgate a regulation as soon as possible about how said list will be made. It shall include the way in which they will subscribe to the book, and the cost of the subscription shall not exceed five dollars (\$5) per year, and every company that violates this mandate shall be fined for the sum of one thousand dollars (\$1,000). Also, the Board shall establish the way in which concessionaires shall be notified of the prohibition to make telephonic promotions and of the amount of time that the prohibition shall remain effective.

[Amendments: Act 303-1999]

Section 7-B. — Puerto Rico Emergency Alert System regulations. (27 L.P.R.A. § 269e-2)

The Telecommunications Regulatory Board of Puerto Rico shall approve regulations which shall be mandatory for the Puerto Rico Emergency Alert System to comply with the provisions set forth in this Act.

Once the Federal Emergency Alert System is activated, the pertinent government agencies shall transmit the message and information as provided by the federal agencies to the cellular companies and telecommunication service providers, which shall, in turn, transmit the emergency situation to their users via text message.

[Amendments: Act 94-2006]

Section 7-C. — Creation of Internet Access Centers and Implementation of Wireless Access at Town Squares. (27 L.P.R.A. § 269e-3)

The Board is hereby authorized and directed to create Internet Access Centers, together with the pertinent government agencies, the Municipalities of Puerto Rico, and private, educational, and community-based entities. Internet Access Centers are to be established at the municipalities that have none, in those areas that offer better access to citizens. The Board shall have the obligation to conduct the design and initial implementation of these Internet Access Centers, seeking that such Centers have the necessary infrastructure and equipment for compliance with all the provisions of this Act. The Board shall provide a maximum initial subsidy for the acquisition of information and communication technologies and furnishings, subject to the Board’s budget limitations and in staggered stages, through the establishment of pilot centers, for the next three (3) years after the approval of this Act. Municipalities shall have the obligation to provide the

premises, the personnel, the maintenance of physical facilities, infrastructure, and equipment, and the payment of utility bills, among others.

In concrete terms, the Board shall provide all the furnishings, computers, security equipment, programming, and minor remodeling of spaces. Municipalities shall provide the spaces, the utilities, telephone lines, recurring costs, and the personnel to administer the Center. The transfer from the Board to the Municipalities shall be conducted when the Centers are inaugurated.

In turn, the Board shall have the obligation to establish Internet access through the use of the technology known as WiFi at town squares in each Municipality, in order for the signal’s density to guarantee that citizens shall have optimal and adequate access to ensure quality digital contents. The establishment of wireless access at town squares shall be subject to the Board’s budget limitations and other factors, such as, for instance, the geography of the location, the electric power service, among others, and the same staggered schedule of implementation of the Centers.

[Amendments: Act 101-2010]

Section 8. — Pricing and Charges Information. (27 L.P.R.A. § 269f)

(a) Every telecommunications company shall have to submit to the Board a list of prices and charges, and every time a change is made, it shall have to submit them simultaneously when implemented in the market.

(b) The Board shall, at [the] request of the interested party, and through a complaint thereby, ascertain whether the prices and/or charges established are not based on their cost, thus violating the principle of fair and sound competition. To such effects, the Board may request [of] the complainant telecommunications company all the information pertinent to the prices or charges established by it. This information shall be available to the complainant party, except that the Board shall keep confidential and for its exclusive use such material which is needed to protect proprietary information, and business or trade secrets, pursuant to Chapter II, Section 7(b)(2) [27 L.P.R.A. 267f].

(c) The Board shall have a maximum of thirty (30) days to adjudicate complaints under this section. However, the Board may, at the request of the complainant telecommunications company, order a suspension of the application of the prices and/or charges in question, until the complaint is resolved on its merits. Every request to suspend the temporary application of the objected prices and/or charges shall be adjudicated within a term of not more than five (5) days from the date the petition to such effects is filed.

(d) When the Board determines that the pricing and/or charge structure is not based on costs, the Board may order the permanent suspension of said prices and charges, besides imposing administrative fines up to a maximum twenty-five thousand dollars (\$25,000) for each violation of this Act. In the case of a continuing violation, each additional day shall constitute a separate offense, but the total fine imposed shall not exceed two hundred and fifty thousand dollars (\$250,000) in any case.

Section 8A. — *[Note: Act No. 22-2019 added a new Section 8A but the official translation is not available. Please consult the Spanish version].*

Section 9. — Availability of Public Property. (27 L.P.R.A. § 269g) *[Note: Act No. 80-2017 amended this Section 9, but the official translation is not available. Please consult the Spanish version].*

The requirement is hereby established in law, in order for agencies, departments, public corporations, municipalities, and political subdivisions of the Commonwealth of Puerto Rico to make available the real property, right of way and easement under their control for the location of new telecommunications services and equipment to telecommunications companies certified and/or registered before the Telecommunications Regulatory Board. The Board shall establish procedures through regulations, through which the agencies, departments, public corporations, municipalities and political subdivisions of the Government of Puerto Rico shall make available on a fair, reasonable and non-discriminatory basis for the co-location of certified telecommunications companies, the real property, rights of way and easements under their control, for the location of new telecommunications services and equipment, and for the transmission or reception of telecommunications services. These procedures shall establish the presumption that the requests for the use of real property, rights of way and easements by duly certified providers are being granted provided these are not in direct and unavoidable conflict with the mission of the department, agency, public corporation, municipality, or political subdivision of the Government of Puerto Rico with the current or intended use of the property, rights of way and easements, or property thereof. Said departments, agencies, public corporations, municipalities, and political subdivisions of the Government of Puerto Rico may charge reasonable fees for the use of their properties, rights of way and easements pursuant to the regulations of the Puerto Rico Telecommunications Regulatory Board and the federal laws and regulations applicable. However, the various government instrumentalities should be allowed to retain the discretion of opposing to sharing their infrastructure with a private company when for reasons of emergency, technological incompatibility or security, these could be affected. The Commonwealth shall not be responsible for damages to third parties due to the bad use by the companies of their equipment or the public property leased.

Should a government instrumentality oppose to the co-location of a private company, the private company thus affected may request a hearing with the Puerto Rico Telecommunications Regulatory Board, which shall establish a process for the settlement of co-location disputes. This process shall not exceed sixty (60) days in arriving to its final resolution, counting from the date of filing the request with the Board.

Section 10. — Regulation of Cable Systems. (27 L.P.R.A. § 269h)

(a) Franchises. —

- (1) No cable company shall build or operate a cable system in Puerto Rico, fully or partially, without having previously obtained a franchise under this section for such construction or operation.
- (2) The Board shall be empowered to grant nonexclusive franchises to one or more cable companies to provide said services if it determines that granting such franchises, in one or all

service areas and to one or more cable companies, is in the best public interest. A franchise may be granted for a specific period of time, which shall not exceed eighteen (18) years. The Board shall specify in all its franchises the conditions, limitations, requirements and service areas determined as necessary to promote the purposes of this Act. All franchises granted up to the present by the Public Service Commission shall remain in effect with regard to their rights and responsibilities, but the Board shall assume jurisdiction on the terms and conditions of said franchises.

(3) Without it being understood as a limitation, the Board shall also specify in the franchises those reasonable conditions and requirements in connection with expansion and updating of the network, quality of service, extensions and improvements of services in areas with no service or poorly served, and shall evaluate the technical, legal, financial and moral credentials of the officials and directors of the cable company being granted a franchise. The Board may renew or extend said franchises for a specific term that shall not exceed ten (10) years, if it determines that such renovations or extensions help in promoting the purposes of this Act.

(4) Subject to the provisions of applicable federal statutes, every cable company operator shall program, reserve and offer access to noncommercial channels for public and educational use as part of their basic services, so that every subscriber shall have access to said channels. The Board shall not grant any authorization for the operation of cable services, unless the above obligation has been complied with to the satisfaction of the Board; Provided, That the Board shall require such compliance in the corresponding franchises.

(5) The Board may modify, suspend or cancel a franchise, for just cause, if it determines that a cable company has not complied substantially with the requirements of such franchise, or for having repeatedly violated the provisions of this Act or the regulations of the Board, after due notice and hearing.

(6) The Board shall promulgate the necessary regulations to enforce the provisions of this section.

(7) The provisions of this section, as well as all regulations promulgated by the Board with regard to cable services shall be consistent with the Federal Cable Television Act and Title III of the Federal Telecommunications Act of 1996.

(b) *Transfer of Authority.* — All authorities, powers, and duties related to cable systems conferred by laws or regulations shall be transferred to TEB.

(c) *Franchise charges.* — Every cable company shall continue to pay the same charges, liens or taxes on account of franchise fees that it has paid up to the moment this act is approved; Provided, That said cable companies shall also pay annual regulatory fees, under the provisions of Section 11 of Chapter II of this Act [27 L.P.R.A. § 267j] this title only to the extent and in proportion to the telecommunications services rendered in Puerto Rico.

[Amendments: Act 302-1999; [Act 211-2018](#)]

Section 11. — Suspension of Services. (27 L.P.R.A. § 269i)

No cable or telecommunications company certified by the Board pursuant to the provisions of this Act may suspend its services to its subscribers without complying with the procedures established in Act No. 33 of June 27, 1985, as amended [27 L.P.R.A. §§ 262 et seq.], which through

the present is made applicable as pertinent to the suspension of services by private companies or enterprises in the cable and telecommunications field.

Section 12. — Complaints by Subscribers. (27 L.P.R.A. § 269j)

(a) Within ninety (90) days following the approval of this act or the issuing of its certification or franchise, the telecommunications and cable companies shall adopt and present to the Board for its approval, a procedure for the resolution of subscriber complaints. Unless the Board takes action said procedure shall be deemed as approved after thirty (30) days from the filing thereof before the Board.

Once it is approved, the procedure shall be notified to all subscribers of the telecommunications company. It shall also be incorporated to every new subscriber service contract. Said procedure shall include the obligation of the telecommunications company to give notice to the subscriber of his right to request a review of the adjudication of the complaint presented by the company.

(b) The Board shall have primary jurisdiction to review the adjudication by a telecommunications company of the complaints filed by their subscribers pursuant to the complaint resolution procedure of the telecommunications company. The Board shall not consider complaints of subscribers which have not been submitted first to the telecommunications company as part of the complaint procedure.

(c) Every petition for review under subsection (b) of this section shall be presented before the Board within the non-extendable term of thirty (30) days from the notice to the subscriber of the determination of the telecommunications company.

(d) The Board shall establish a new record apart from the one created by the telecommunications company during the consideration of the complaint to determine whether it shall confirm, reverse or modify the decision of the telecommunications company.

(e) The Board shall adopt Regulations within ninety (90) days after the effective date of this Act in order to specify the form and content of applications for DBS companies in Puerto Rico to register with the Board. Such register has the sole purpose of containing the information deemed pertinent by the Board to act on complaints related to service and contract terms and conditions. The registration applications of such DBS companies shall be submitted to the Board within ninety (90) days after the Regulations issued by the Board take effect. Within ninety (90) days after registration, said companies shall adopt and file with the Board, for its approval, a procedure whereby disputes with their users would be addressed. These procedures shall exclusively apply to the provisions of this Section regarding complaints. Procedures related to jurisdiction for review and adjudication of complaints, as provided in this Section, shall exclusively apply to telecommunications and cable companies.

[Amendments: [Act 11-2011](#)]

Section 12A. — Cases of Damages Filed by the Users. (27 L.P.R.A. § 269j-1)

The Board shall have primary and exclusive jurisdiction to adjudicate any complaint for damages caused by any natural or juridical person to a user, except for the complaints filed by telecommunications, cable, and DBS companies against each other as a result of violations of the

provisions of this Act, the regulations approved by the Board, and the service contract between the user and the telecommunications, cable, and DBS services companies up to a maximum of five thousand dollars (\$5,000) per incident. For the purposes of this Section, the term “user” shall include those persons who receive telecommunications, cable, or DBS services from companies that are not telecommunications, cable, or DBS services companies. In the case of claims that exceed the established maximum compensation claimed, the Board shall have primary and exclusive jurisdiction to determine whether there has been a violation of this Act, its regulations, and/or the service contract. If the Board determines that there has been a violation upon holding a hearing on the merits, it shall issue a resolution and order describing the same. Once the determination is final and binding, the user may file an action for damages with the Court of First Instance accompanied by a certified copy of the resolution and order of the Board.

The court shall determine whether damages have been caused as a result of said violation and shall award those established through sufficient evidence. In both cases, the Board shall call for at least one mediation hearing to try to achieve a speedy and fair resolution of the claims of the users.

In the performance of its duty of adjudicating controversies for damages up to the stipulated limit, the Board shall comply with the following:

(1) The Board, in accordance with Act No. 170 of August 12, 1988, as amended, known as the ‘Uniform Administrative Procedures Act,’ shall approve separately, within ninety (90) days following the approval of this Act, regulations for the handling of user complaints claiming damages resulting from violations of the provisions of this Act, the regulations approved by the Board, and/or the terms of the service contract of the company.

The regulations approved by virtue of this Section shall include sufficient guarantees of due process of law which shall govern the adjudicative procedure, the introduction of evidence, and discovery. Likewise, an adjudicative procedure that allows for speedy and fair resolution shall be established.

(2) The right to discovery is hereby recognized for the parties in any complaint filed with the Board pursuant to Section 12 of Chapter III of this Act in which compensation is sought for damages caused by violations of Act No. 213 of September 12, 1996, as amended. The procedure shall be conducted pursuant to the provisions of the regulations approved to such effect by the Board in accordance with Section 12-A of Chapter III of this Act.

(3) The Board is hereby directed to publish all its determinations of complaints for damages caused by violations of Act No. 213-1996, as amended, known as the ‘Puerto Rico Telecommunications Act of 1996.’ The provisions herein set forth shall not be construed to mean that the decisions of the Board on such complaints shall establish a precedent that binds the Board in subsequent cases.

However, prior decisions of the Board that have been published pursuant to this Act may be used as guidelines to estimate any compensation for damages in a subsequent case.

The provisions of Act No. 118 of June 25, 1971, as amended, known as the ‘Goods and Services Consumers Class Action Act,’ shall be applicable to any complaint for damages caused by a telecommunications, cable, or DBS services company to a group of users. The Court of First Instance shall have primary and exclusive jurisdiction to certify and hear said class actions.

Section 12B. — Inter-jurisdictional Class Action Certification. (27 L.P.R.A. § 269j-2)

In the case of class actions brought before the General Court of Justice pursuant to Act No. 118 of June 25, 1971, as amended, by users of telecommunications, cable television, and DBS services for damages, the court may, *sua sponte* or by petition of a party, direct the Board to certify whether the company sued in the class action violated any provision of this Act or the regulations of the Board. The certification order issued by the court shall include: (1) the question or questions whose answer is sought; (2) a list of all facts relevant to the questions that clearly demonstrates the nature of the controversy from which it arises, and which must arise from a determination from the consulting court whether for having been stipulated by the parties, or because they have been argued and adjudicated during the process; (3) an attachment which shall include the original and a certified copy of that part of the record that, in the opinion of the court, is necessary or convenient to be remitted to the Board in order for the questions to be answered. The certification petition shall be signed by the Judge of the requesting court, and remitted to the Board by the Clerk of said court bearing the signature of the clerk and the seal of the court. The Board may, *motu proprio*, or by petition of a party, and with the consent of the consulting court receive the allegations of the parties regarding the question or questions whose answers are sought. The Board shall issue and notify its answers to the questions or issues before its consideration to the requesting court and to the parties within a period that shall not exceed ninety (90) days from the date on which the Clerk of the Court notified the Board of the petition for certification, unless the court grants an extension.

[Amendments: Act 118-2013 added this Section]

Section 13. — Fraud Prevention. (27 L.P.R.A. § 269k)

(a) Every telecommunications, cable, and DBS company shall adopt policies and procedures to reduce and prevent fraud in the purchase, sale, and rendering of cable, DBS, and telecommunications services within ninety (90) days following the approval of this Act, or the date on which the Board issues the appropriate certification or franchise.

(b) The Board shall promulgate and implement regulations geared to fighting and preventing fraud in telecommunications and video distribution through cable television, DBS, or internet protocol television services, including to adopt administrative procedures to impose penalties as provided in Section 7(b) of Chapter II of this Act to natural or juridical persons who engage in, promote, support, conceal, or instigate this type of fraud.

[Amendments: Act 27-2014]

Section 14. — *[Note: This section appears in blank on the original act]*

Section 15. — User Privacy Protection. (27 L.P.R.A. § 269l) *[Note: Act 198-2008 added this Section]*

(a) Within ninety (90) days following the date of approval of this section, or the future issuance of a certification or franchise, telecommunications and cable companies shall adopt and present before the Board a user information privacy policy. Said policy shall be notified to the users and

shall describe the kind of information of the user that is being compiled, for what purpose, and under which circumstances it shall be shared with other public or private entities.

(b) No telecommunications or cable company may require that a user present his/her original Social Security card or leave a copy of said card to be kept in possession of the company as a condition to conduct a transaction or process a service request, except for those cases in which federal laws specifically provide for the retention of a copy of the card. This provision shall not be applicable to the use of Social Security numbers for such cases and such purposes in which it is authorized by federal law or regulations; Provided, That except when explicitly otherwise ordered, the company may accept that the customer gives only the number without the need to show the original card or a copy thereof.

Section 16. — Limit to the Imposition of Interests, Surcharges, and Penalties on Account of a Late Payment for Services Billed in Advance. (27 L.P.R.A. § 269m) [*Note: Act 174-2015 added this Section*]

(a) No telecommunications, cable television, or DBS company shall impose on its subscribers any interests, surcharges, or any other penalty on account of a late payment for telecommunications services that are billed in advance until the billing cycle which was billed in advance has closed.

(b) Notwithstanding the provisions of subsection (a) of this Section, telecommunications, cable television, and DBS companies may impose interests, surcharges, or any other reasonable penalty for services that have been rendered and billed once the bill is past due.

CHAPTER IV. — SUPPLEMENTAL PROVISIONS

Section 1. — Administrative Procedures. (27 L.P.R.A. § 271)

All processes for which this Act fails to provide a procedure shall be governed by Act No. 38-2017, known as the ‘Government of Puerto Rico Uniform Administrative Procedure Act.’ This means that the ‘Government of Puerto Rico Uniform Administrative Procedure Act’ shall govern the procedures pertaining to the adoption of regulations, adjudications, judicial review, the granting of franchises, certifications, grievances from subscribers and between telecommunications companies, and inspections. As provided in the ‘Government of Puerto Rico Uniform Administrative Procedure Act,’ the decisions and orders of TEB shall be subject to review by the Public Service Regulatory Board or the Court of Appeals of Puerto Rico. The adversely affected party shall have discretion to choose the forum to which the party shall appeal unless jurisdiction has been granted by a law of the Government of the United States of America to any federal agency or entity or to the U.S. District Court for the District of Puerto Rico.

[Amendments: [Act 211-2018](#)]

Section 2. — Severability. (27 L.P.R.A. § 265 note)

Invalidation of any part of this Act by a judicial determination shall not affect the validity of the remaining provisions.

Section 3. — Incorporation of Laws by Reference; Amendments. (27 L.P.R.A. § 265 note)

Wherever reference is made to any portion of this Act or any other act of the Commonwealth of Puerto Rico, such reference shall apply to all its prior or subsequent amendments and additions in effect.

Section 4. — Procedural Guidelines. (27 L.P.R.A. § 272)

The Board shall be guided, during the initial stage of its operations, by the procedural concepts and precepts used by the Federal Telecommunications Commission, especially Part 1, "Practices and Procedures", Subpart C, "Rulemaking Proceedings", for the formulation of rules and regulations.

Section 5. — Repeal. — Act No. 64 of August 23, 1990, as amended is hereby repealed.

Section 6. — Effectiveness. — This Act shall take effect immediately after its approval.

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See also the **Original version Act**, as approved by the Legislature of Puerto Rico.