AN ACT

To authorize the Board of Trustees of the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities to invest the System's reserves, besides as authorized in section 19 of the Retirement Act in force, in loans to public employees for educational tours, and to provide for the payment by the Government of Puerto Rico of the interest on such loans.

STATEMENT OF MOTIVES

The academic training of a people in the educational centers of their country is supplemented through studying and traveling in other milieus. The traveler profits from his acquaintance with other people's education and skills which he could avail of in the solution of life's real problems.

The people of Puerto Rico are now making remarkable strides in and stepping up their social, economic and political advancement. An effective medium for keeping alive the dynamics of such development would be to induce the largest possible number of Puerto Ricans to take on travel. Traveling would bring about a wider exchange of ideas and a fuller acquaintance with other peoples and would at the same time arouse a closer understanding of our own heritage. To this end it would be beneficial if a fair number of public employees could be included among our traveling population. Public service would profit from the experience and knowledge thus gained.

In the light of these considerations, the Government of Puerto Rico deems it advisable to work out an Educational Tour Program for its employees. Thus, while enjoying a period of rest, they can recover physically and mentally and at the same time broaden their knowledge. The Government would profit from both.

In view of the fact that most public employees are covered by the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities, this System is considered one of the program's best sources of financial support. To this end the Board of Trustees is hereby authorized to invest...
a part of the System’s reserves in the granting of loans to the employees directly. To induce public employees to participate in this activity, the Government will meet the interest payable by them on such loans. Thus will travel expenses be reduced and the refund of the loan by the public employee made easier. For the foregoing reasons this enactment seems indispensable.

Be it enacted by the Legislature of Puerto Rico:

Section 1.—The Board of Trustees of the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities is hereby authorized to invest a part of the System’s available reserves in facilitating the granting of loans to public officers and employees for educational tours.

Section 2.—The Board of Trustees of the Retirement System shall, in consultation with the Director of Personnel, from time to time determine the amount of the System’s funds that shall be devoted to this type of investments. The Director of Personnel shall have charge of the administration of said funds and shall by regulation set the pertinent conditions and procedure for the granting of the loans authorized hereunder. These loans shall be amortized through monthly deductions from the employee’s salary. The Government of the Commonwealth of Puerto Rico shall pay to the Retirement System the interest on the loan made to the public employee for him to participate in such tours. If a public employee resigns as such within eighteen (18) months from the date he has received such a loan, he shall repay to the Government the interest thereon. The sum deemed necessary for such purposes shall be annually included in the General Budgetary Act.

Section 3.—For the purposes of this act, “educational tour” shall mean any trip or excursion organized or approved by the Personnel Office of the Commonwealth of Puerto Rico in behalf of public employees to travel to foreign countries in search of rest, amusement, or educational pursuits.

Section 4.—This act shall take effect immediately after its approval.

Approved June 20, 1956.