

(H. B. 868)

**(No. 98)**

(Approved August 26, 2005)

**AN ACT**

To amend subsection (g) of Section 10.002 of Act No. 81 of August 30, 1991, as amended, better known as the “Autonomous Municipalities Act of Puerto Rico,” to adjust it to the provisions established in the Basic Norms Regulations for the Municipalities of Puerto Rico.

**STATEMENT OF MOTIVES**

Act No. 81 of August 30, 1991, as amended, known as the “Autonomous Municipalities Act of Puerto Rico,” was approved to grant greater power to the municipalities, as well as the administrative and regulatory tools necessary for their effective operation, once the Legislature acknowledged that they constitute the primary government services entity that is closest to the citizenry.

Recently, the Legislature of Puerto Rico amended subsection (g) of said Section 10.002, through Act No. 258 of September 7, 2004. Said amendment consisted of adjusting the provisions pertaining to the percentage limits on the original cost of any public works or improvements construction contract, pursuant to the Basic Norms Regulations for the Municipalities. Notwithstanding the above, at the end of said amendment, a provision was introduced which limited it, thus contradicting its purposes, creating more confusion with respect to its provisions instead of the remedy it was intended to provide.

For all of the above, subsection (g) of Act No. 81 of August 30, 1991, as amended, is hereby amended to adjust in an exact and precise manner what is established therein with the provisions on change orders in public works and improvements, and for other purposes.

***BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:***

Section 1.- Subsection (g) of Section 10.002, “Purchases Excluded from Public Bidding,” of Act No. 81 of August 30, 1991, is hereby amended to read as follows:

“Section 10.002.- Purchases Excluded from Public Bidding

There shall be no need to issue a notice and hold public bidding for purchasing personal property or services in the following cases:

(a) ...

(g) Any modifications or extensions that entail an increase in costs of up to a maximum of thirty percent (30%) of the total cost of the original project in any public works or improvement performed under a construction contract. Such modifications or extensions shall comply with the provisions in effect in this regard. Provided, that under exceptional duly justified and documented circumstances, the Municipality may approve a change order that exceeds thirty percent (30%) of the cost of the original project in any public works or improvement by means of drafting a suppletory construction contract, pursuant to the provisions established in the Revised Basic Norms Regulations for the Municipalities of Puerto Rico approved by the Office of the Commissioner of Municipal Affairs. Should there be more than one modification or extension to a contract, such modifications or extensions altogether shall not exceed the maximum of thirty percent (30%) of the total cost of the original project and must be approved by the Bidding Board, unless when this takes place, a suppletory contract is executed with the affirmative vote of two thirds (2/3) of the members of the Bidding Board. Said contract shall not exceed fifteen percent (15%) of the total cost of the project,

including change orders.”

Section 2.- This Act shall take effect immediately after its approval.

## CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 98 (H.B. 868) of the 1<sup>st</sup> Session of the 15<sup>th</sup> Legislature of Puerto Rico:

**AN ACT** to amend subsection (g) of Section 10.002 of Act No. 81 of August 30, 1991, as amended, better known as the “Autonomous Municipalities Act of Puerto Rico,” to adjust it to the provisions established in the Basic Norms Regulations for the Municipalities of Puerto Rico,

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

In San Juan, Puerto Rico, today 1<sup>st</sup> of February of 2006.

Francisco J. Domenech  
Director