

(H. B. 1586)

**(No. 106)**

(Approved August 26, 2005)

### **AN ACT**

To amend the fourth paragraph of subsection (f) of Section 6 of Act No. 253 of December 27, 1995, as amended, to appoint the chief executive in charge of administering and/or directing the Compulsory Liability Insurance Joint Underwriting Association “Funds Belonging to Others Withheld by the Insurer” as President, to harmonize it with the corporate and administrative reality within the scope of the traditional insurance industry.

### **STATEMENT OF MOTIVES**

The Compulsory Liability Insurance Joint Underwriting Association, hereinafter the JUA (ASC, in Spanish), was created by Act No. 253 of December 27, 1995, as amended, as part of the plan created by the Government of Puerto Rico to adopt a compulsory liability insurance system for motor vehicles. The purpose behind the creation of the JUA was to provide compulsory motor vehicle liability insurance to those who applied for such insurance and were rejected by private insurers.

The Association has had an active role within the insurance industry in compliance with its social mission. This Legislature deems it pertinent to harmonize the operations and services of the Association with the corporate and administrative reality of the traditional insurance industry. Therefore, we consider it necessary to offer to the Association reasonable tools that promote a greater and better execution of its services, duties and prerogatives.

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

Section 1.- The fourth paragraph of subsection (f) of Section 6 of Act No. 253 of December 27, 1995, as amended, is hereby amended to read as follows:

“(f) ...

The Board of Directors, with the advice and counsel of the Commissioner, shall appoint the President of the Joint Underwriting Association and shall establish his/her salary.”

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. 106 (H.B. 1586) of the 1<sup>st</sup> Session of the 15<sup>th</sup> Legislature of Puerto Rico:

**AN ACT** to amend the fourth paragraph of subsection (f) of Section 6 of Act No. 253 of December 27, 1995, as amended, to appoint the chief executive in charge of administering and/or directing the Compulsory Liability Insurance Joint Underwriting Association “Funds Belonging to Others Withheld by the Insurer” as President, to harmonize it with the corporate and administrative reality within the scope of the traditional insurance industry,

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

In San Juan, Puerto Rico, today 1st of February of 2006.

Francisco J. Domenech  
Director