

(H. B. 609)

(No. 24)

(Approved January 23, 2006)

AN ACT

To amend subsection (b) of Section 6 and to add a subsection (c) to Section 2 of Act No. 1 of December 1, 1989, as amended, known as an “Act to Regulate the Operation of Business establishments,” in order to increase from seven (7) to (15) fifteen the maximum number of employees in the weekly payroll of a business establishment in order to be exempted from the provisions of said act regarding the opening and closing thereof.

STATEMENT OF MOTIVES

In 1989, Act No. 1 of December 1 was approved for the purpose of regulating the operation of business establishments. Said Act has been amended to reduce the days of total or partial closing. Section 3 of said Act establishes the closing of operations for the whole day on January 1, January 6, Good Friday, Easter Sunday, Mother’s Day, Father’s Day, General Elections Day and Thanksgiving Day. In Section 4, partial closing is established for January 5, December 24 and 31 from 5:00 a.m. to 9:00 p.m.; and all workdays from Monday through Saturday from 5:00 a.m. to 12 midnight. In Section 5 of said Act it is established that on Sundays business establishment shall be open to the public from 11:00 a.m. to 5:00 p.m.

The exceptions to the general rule established in the aforementioned sections are set forth in Section 6. Its subsection (b) specifically excludes from the provisions on closing those business establishments owned by natural or juridical persons that do not have more than seven (7) employees

in their weekly payroll, but that are subject to the provisions and penalties established by law.

It is evident that during the last decade, Puerto Rico has had a sustained economic growth. This is seen, among other things, by the proliferation of all sorts of business establishments, which, in turn are evidence, in general terms of the financial health of the citizenry.

This has a consequence that small business must make improvements and extensions to their establishments to improve their services so that they are in a better position to compete with big stores. This often leads them to hire more employees. However, the provisions of subsection (b) of said Section 6 dissuades the hiring of employees. Furthermore, the extension of opening hours of business establishments entails the hiring of more employees in order to be in a competitive position with respect to big commercial chains. For the purposes of this Act, employees are those persons on the payroll or who have a contract with an employment company or directly with the employee.

This Legislature recognizes the new economic reality of Puerto Rico and is aware that since 1989 there has been no revision of the provision regarding the number of employees in the weekly payroll to be able to avail themselves of the abovementioned exception. Therefore, it deems that the approval of this Act shall result in an improvement to the present situation of small businessmen.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- Subsection (b) of Section 6 of Act No. 1 of December 1, 1989, as amended, is hereby amended to read as follows:

“Section 6.- Exceptions.-

The following business establishments shall not be subject to the opening and closing hours set forth in Sections 3, 4 and 5 of this Act.

- (a) Those operated exclusively...
- (b) Those that are owned by natural or juridical persons and that do not have more than fifteen (15) employees in their weekly payroll, within which employees by contract are included, but subject to the provisions and penalties of Sections 8, 9 and 11 of this Act.
- (c) Those located...
...
...”

Section 2.- A subsection (c) is hereby added to Section 2 of Act No. 1 of December 1, 1989, as amended, to read as follows:

“Section 2.- Definitions.-

For the purposes of this Act, the following terms shall have the meanings indicated hereinbelow:

- (a) “Day” shall mean a period of twenty-four (24) consecutive hours, which begin and end at midnight.
- (b) “Business Establishment” shall mean any site, store or similar place where any type of business operation or commercial activity for the sale or transfer of retail or wholesale articles is carried out, or that is owned by the same corporation or natural or juridical person.
- (c) “Employee” shall mean any fulltime or part-time employee; professional employee, executive or administrator who works in the business establishment; or employee by contract.

Section 3.- This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 24 (H.B. 609) of the 3rd Session of the 15th Legislature of Puerto Rico:

AN ACT to amend subsection (b) of Section 6 and to add a subsection (c) to Section 2 of Act No. 1 of December 1, 1989, as amended, known as an “Act to Regulate the Operation of Business establishments,” in order to increase from seven (7) to (15) fifteen the maximum number of employees in the weekly payroll of a business establishment in order to be exempted from the provisions of said act regarding the opening and closing thereof,

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

In San Juan, Puerto Rico, today 5th of July of 2006.

Francisco J. Domenech
Director