

(H. B. 1237)

**(No. 31)**

(Approved January 23, 2006)

**AN ACT**

To add subsection (g) and amend Section 8 of Act No. 48 of August 22, 1990, as amended, known as the “Act to Regulate the Student Boarding House Business,” in order to require that lease contracts certify that the boarding house complies with the provisions of the above Act and the regulations of the Department of Consumer Affairs for the Student Boarding House Business and that the lessee has been informed about the availability of the Act and the regulations and the advantage of reviewing and discussing both documents at the time of the execution of the contract; to add a new Section 14 to prohibit the contracting for the leasing of apartments in buildings, parts thereof, dwellings or establishments operating as student boarding houses lacking the licenses and permits required by law and regulations; to add a new Section 15 in order to fix penalties for violations of this Act, and to renumber Section 14 as the new Section 16 of said Act.

**STATEMENT OF MOTIVES**

Data collected by the Council on Education of Puerto Rico shows that 206,791 college students are enrolled in higher education institutions in Puerto Rico. Of these, 107,169 students chose to pursue their studies in the Metropolitan Area, while 99,622 students study at different institutions throughout the Island. Their enrollment poses the need to provide lodging near said institutions to address the demand for housing of the students who reside in distant municipalities.

With the approval of Act No. 48 of August 22, 1990, as amended, the Legislature addressed the need to establish parameters to regulate the

establishment of boarding houses which guarantee security, hygiene, and space conditions to their lessees under government supervision. To this end, the Department of Consumer Affairs was empowered as the body responsible for issuing licenses and permits to student boarding house businesses and for overseeing their operations. It was also provided that no person shall engage in the operation of a student boarding house without having obtained a license therefor, which shall be posted in a conspicuous place and renewed annually. In addition, compliance with the certification requirement of the Puerto Rico Department of Health and Firefighters Corps shall be necessary.

Recent studies show that that the number of student boarding houses has increased dramatically on the Island after approximately 120,000 students in need of lodging facilities have been identified. Different sectors have brought to our attention the poor living conditions, high costs, lack of maintenance and hygiene, and lack of security in student boarding houses, in addition to a dramatic increase in the number of proprietors who establish illegal student boarding houses, thus evading compliance with Act No. 48 and the Regulations approved by the Department of Consumer Affairs to regulate this business.

The purpose of this Act is to require that lease contracts certify that the student boarding house complies with the provisions of Act No. 48 and with the Regulations of the Department of Consumer Affairs relative to the student boarding house business, and to require a certificate stating that the lessee has been informed about the availability of the Act and the regulations and the advantage of reviewing and discussing both documents at the time of the execution of any lease contract, to add a new Section to prohibit the execution of lease contracts in apartments in buildings, part of a building,

dwellings, or establishments which operate as boarding houses without having the licenses and permits required by the law and the regulations; and to expressly empower the Secretary of the Department of Consumer Affairs to punish the irresponsible and illegal conduct of those persons who operate these businesses illegally. With this action, this Legislature intends to eradicate the proliferation of illegal student boarding houses and to oversee full compliance with the applicable laws and regulations, as well as to guarantee our young students that boarding houses in Puerto Rico meet all the legal requirements for operating them in terms of licenses, permits, security, and hygiene.

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

Section 1.- A subsection (g) is hereby added and Section 8 of Act No. 48 of August 22, 1990, as amended, is hereby amended to read as follows:

“Section 8.-

The regulations adopted by the Department shall specify, among others, the following requirements that must be met by student boarding house businesses:

(a) ...

(g) Every lease contract shall contain a clause certifying that the student boarding house complies with all the provisions contained in Act No. 48 of August 22, 1990, as amended, and with regulations of the Department of Consumer Affairs for Student Boarding House Businesses. In addition, it shall certify that the lessee has been duly informed about the availability of the Act and the regulations and the advantages of reviewing and discussing both documents at the time of the execution of said contract.

The requirements listed in this Section shall apply to any apartment identified by the Department as a single unit, which is sublet as an individual student boarding unit. Likewise, the provisions of Section 13 of Act No. 5 of April 23, 1973, as amended, known as the “Organic Act of the Department of Consumer Affairs” shall apply thereto.”

Section 2.- A new Section 14 is hereby added to Act No. 48 of August 22, 1990, as amended, to read as follows:

“Section 14.-

The execution of contracts for leasing apartments in buildings, part thereof, dwellings, or establishments operating as student boarding houses lacking the licenses and permits required by law and regulations is hereby prohibited.

Section 3.- A new Section 15 is hereby added to Act No. 48 of August 22, 1990, as amended, to read as follows:

“Section 15.-

Any person who violates the provisions of any Section of this Act shall be sanctioned by the Secretary with the established administrative penalties and sanctions, which include the imposition of a fine which shall not exceed ten thousand (10,000) dollars per violation, pursuant to the power granted in Section 18 of Act No. 5 of April 23, 1973, as amended, known as the “Organic Act of the Department of Consumer Affairs.”

Section 4.- Section 14 which provides for the effectiveness of the Act is hereby renumbered as Section 16 of Act No. 48 of August 22, 1990, as amended.

Section 5.- This Act shall take effect ninety (90) days after its approval.

## CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 31 (H.B. 1237) of the 3<sup>rd</sup> Session of the 15<sup>th</sup> Legislature of Puerto Rico:

**AN ACT** to add subsection (g) and amend Section 8 of Act No. 48 of August 22, 1990, as amended, known as the “Act to Regulate the Student Boarding House Business,” in order to require that lease contracts certify that the boarding house complies with the provisions of the above Act and the regulations of the Department of Consumer Affairs for the Student Boarding House Business and that the lessee has been informed about the availability of the Act and the regulations and the advantage of reviewing and discussing both documents at the time of the execution of the contract; etc.,

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

In San Juan, Puerto Rico, today 11<sup>th</sup> of July of 2006.

Francisco J. Domenech  
Director