

(H. B. 2227)

**(No. 172)**

(Approved August 30, 2006)

## **AN ACT**

To add a new Section 19.0 and redesignate the present Section 19.0 as Section 20.0 of Act No. 220 of August 29, 2002, as amended, known as the “Special Act of Youth Cooperatives”; to direct the Cooperative Development Administration, together with the Department of Education and with the collaboration of the Puerto Rico Cooperative League to promulgate the necessary regulations to ensure the effective enforcement of this Act; and for other related purposes.

## **STATEMENT OF MOTIVES**

With the approval of Act No. 220 of August 29, 2002, as amended, known as the “Special Act of Youth Cooperatives,” said cooperatives were granted higher status. From its Statement of Motives it arises that, although Chapter 33 of Act No. 50 of August 4, 1994, was a significant advancement in the efforts to guarantee the permanence of school youth cooperatives, it has not been sufficient to achieve their development to their full potential and capacity. For this reason, the need arises for the creation of a new instrument that allows the Cooperative Development Administration, the Department of Education and the Cooperative Movement to join efforts in order to guarantee the development of the youth sector.

The purpose of Act No. 220, supra, was to sow the seed of Cooperativism in those who someday shall lead our country. It is intended with this Act to rescue the educational laboratory, to standardize its

performance and to guarantee compliance with the goals and purposes for which youth cooperatives are created.

However, in order to achieve full enforcement of this Act it is imperative to grant the authority to promulgate regulations that cover areas of a general nature in the Act to the concerned agencies. At present, the Cooperative Development Administration and the Department of Education cover those areas that are not contemplated in the Act or that are of a general nature in the “Regulations for Promoting, Organizing and Supervising Youth Cooperatives,” created by virtue of Chapter 33 of the now repealed Act No. 50 of August 4, 1994, formerly known as the “General Cooperative Associations Act of Puerto Rico.”

Said Regulations were promulgated by virtue of a Act that no longer exists and do not take into account the accelerated evolution of Youth Cooperatives since their creation a decade ago. Under Act No. 220, supra, both the Cooperative Development Administration and the Department of Education have assumed new roles that are not contemplated in the Regulations in effect, and this Legislature deems necessary to harmonize the same in order to ensure the effective enforcement of the Act in effect.

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

Section 1.– A new Section 19.0 is hereby added to Act No. 220 of August 29, 2002, as amended, to read as follows:

“PART VIII – REGULATIONS

Chapter 19.– Agency Regulations

Section 19.0.– The Cooperative Development Administration and the Department of Education, with the collaboration of the Puerto Rico Cooperative League shall adopt regulations to establish, among other things, all the rules and standards that relate to the effective

enforcement of this Act. Such regulations shall be adopted in accordance with Act No. 170 of August 12, 1988, as amended, known as the “Uniform Administrative Procedures Act of the Commonwealth of Puerto Rico,” and shall be filed immediately after its approval.

Furthermore, it is hereby established that no public agency, except for the Cooperative Development Administration, the Department of Education and any other expressly authorized by law, shall intervene in the promulgation of the regulations and/or the functions, operations and activities of youth cooperatives.”

Section 2.— For purposes of ensuring the effective enforcement of the provisions of this Act, the public agencies concerned shall prepare an inventory of youth cooperatives that are duly constituted which shall be remitted to the Puerto Rico Cooperative League. Said inventory shall be used by the League, to notify the youth cooperatives and to keep the latter and the rest of the Cooperative Movement informed with respect to the process of the promulgation of the regulations, so that they, in turn, may actively participate in the public hearing(s) to be held in accordance with this Act, without being subject to the provisions set forth in Section 2.3 of Act No. 170 of August 12, 1988, as amended. Section 3.— The present Section 19.0 of Chapter 19 of Part VIII of Act No. 220 of August 29, 2002, as amended, is hereby redesignated as Section 20.0 of Chapter 20 of Part IX.

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

## CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 172 (H.B. 2227) of the 4<sup>th</sup> Session of the 15<sup>th</sup> Legislature of Puerto Rico:

**AN ACT** to add a new Section 19.0 and redesignate the present Section 19.0 as Section 20.0 of Act No. 220 of August 29, 2002, as amended, known as the “Special Act of Youth Cooperatives”; to direct the Cooperative Development Administration, together with the Department of Education and with the collaboration of the Puerto Rico Cooperative League to promulgate the necessary regulations to ensure the effective enforcement of this Act; and for other related purposes,

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

In San Juan, Puerto Rico, today 17<sup>th</sup> of September of 2007.

Francisco J. Domenech  
Director