

(H.B. 2977)

(No. 221)

(Approved October 2, 2006)

AN ACT

To amend Section 7 of Act No. 43 of August 1, 2005, as amended, in order to establish the requirements to be met by the Municipalities of the Commonwealth of Puerto Rico regarding the grants made by the Secretary of the Department of the Treasury pursuant to said Act.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.-Section 7 of Act No. 43 of August 1, 2005, as amended, is hereby amended to read as follows:

“Section 7.-The proceeds of the sale of the notes and bonds issued under the provisions of this Act (other than the proceeds of the bonds required for the payment of the principal of such notes) shall be covered into a special fund denominated the “Public Improvements Fund for 2006,” and shall be disbursed according to the statutory provisions that regulate the disbursements of public funds, and for the purposes herein provided, except for the disbursements to the Municipalities which, as grants for purposes of the federal tax laws which regulate the exempted bond issues, are made by the Secretary of the Treasury. These grants to the municipalities shall be made directly and without being subject to the statutory provisions herein set forth.

The funds granted to defray the cost of public improvements for the benefit of the Municipalities shall be conditioned by the following requirements:

a) The Municipality shall adopt a municipal ordinance according to the conditions and requirements established by the Department of the Treasury regarding the use of the grants to defray the cost of public improvements.

b) Within a term of not more than sixty (60) days as of the close of each fiscal year, the Municipality shall have to submit to the Office of Management and Budget, the Government Development Bank and the Offices of the Clerks of the House and the Senate, a certification about the progress of the public improvements projects according to the requirements established by them, and the same shall include as a minimum the following: i) the use of the funds for the fiscal year for which the certification is issued and ii) the balance of the funds at the close of the fiscal year, including the revenues generated by investments.

c) With the advice of the Government Development Bank for Puerto Rico, the funds disbursed as grants shall be covered into or invested in an account restricted for the public improvements listed in the municipal ordinance required in subsection (a) of this Section, according to the requirements for investments of the federal tax laws that regulate the exempted bond issues.

Section 2.-Effectiveness

This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 221 (H.B. 2977) of the 4th Session of the 15th Legislature of Puerto Rico:

AN ACT to amend Section 7 of Act No. 43 of August 1, 2005, as amended, in order to establish the requirements to be met by the Municipalities of the Commonwealth of Puerto Rico regarding the grants made by the Secretary of the Department of the Treasury pursuant to said Act,

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

In San Juan, Puerto Rico, today 8th of December of 2006.

Francisco J. Domenech
Director