

(H. B. 2477)

(No. 257)

(Approved November 30, 2006)

AN ACT

To amend the first paragraph of Section 2.06 of Act No. 149 of July 15, 1999, as amended, known as the “Organic Act for the Department of Education of Puerto Rico,” and Sections 1, 2, 3, 4, and 5 of Act No. 341 of April 17, 1946, as amended, in order to provide a distribution method of the sale of agricultural products and other products generated in the schools that offer agricultural education programs or that operate school farms; to establish that the “Loan and Award Fund for the Future Farmers of America Association, Puerto Rico Chapter,” shall be attached to the Department of Education; and for other related purposes.

STATEMENT OF MOTIVES

Act No. 341 of April 17, 1946, as amended, created the Loan and Award Fund for the Future Farmers of America Association, Puerto Rico Chapter. Section 1 of the aforementioned Act establishes that said Fund shall be nourished from the proceeds of the sale of agricultural products and animals of the schools where courses in agricultural education are taught; donations received and the proceeds of the sale or lease, by the Secretary of Transportation and Public Works, of lands and accessions acquired for said schools, which pursuant to the resolution approved by the Commonwealth Board of Vocational Education, are no longer necessary or useful for the Vocational Agriculture Practical and Efficient Training Program.

Upon the approval of Act No. 149 of July 15, 1999, as amended, known as the “Organic Act for the Department of Education of Puerto Rico,” there was provided in the first paragraph of Section 2.06 that schools offering

specialized programs in agriculture shall retain the total product of their sales in their bank accounts and may use said funds to improve the agricultural projects conducted in the school farms and, with the prior authorization of the School Council for other purposes consonant with the Act.

Certainly, the clash caused by the interpretation of both legal provisions has created an operating disruption and various administrative interpretations, at local and central level, mainly when the Legislature has not stated its intention of repealing the Loan and Award Fund for the Future Farmers of America Association, Puerto Rico Chapter enabling Act.

In this sense, the Legislature of Puerto Rico deems it imperative to exercise its legislative power to adjust both provisions and create a fair balance to promote the development of the legitimate activities defrayed with said Fund, and at the same time, to keep a reasonable amount of resources to sustain the agricultural projects and school farms located in schools offering specialized programs in agricultural education of our public education system.

In this manner, the present legislation provides for the schools attached to the agricultural education program or with specialized programs in agriculture, to retain a sixty (60) percent of the proceeds of their sales, to be used in improvements to agricultural projects in their respective school farms and for other purposes that are in harmony with the “Organic Act for the Department of Education.” The remaining forty (40) percent shall be covered into the Fund created by Act No. 341, above, in order to contribute and continue granting the loans and awards provided in this legislation.

Finally, this Act has the purpose of attaching the Fund created by Act No. 341, *supra*, to the Department of Education due to its nature, the

composition of its Board and its public purpose. However, it is hereby provided that any regulation related to the operations thereof be made in coordination with the Department of the Treasury.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- The first paragraph of Section 2.06 of Act No. 149 of July 15, 1999, is hereby amended to read as follows:

“Section 2.06.-

The schools attached to the agricultural education program, or programs specialized in agriculture shall retain sixty (60) percent of the total proceeds of their sales in their bank accounts and may use them to improve the agricultural projects conducted in the school farms and for other purposes consonant with this Act, with the prior authorization of the School Council.

...”

Section 2.- Section 1 of Act No. 341 of April 17, 1946, as amended is hereby amended to read as follows:

“Section 1.-

A “Loan and Award Fund for the Future Farmers of America Association, Puerto Rico Chapter,” attached to the Department of Education, is hereby created, which shall be nourished from forty (40) percent of the proceeds of the sale of agricultural products and animals of the Second Rural Units, high schools where courses in vocational agriculture are taught and of other similar schools heretofore or hereafter established, as well as any other receipts and donations from other sources as these are collected by the receiving officer of these schools. Furthermore, the Secretary of the Treasury is hereby directed to credit to said Fund the proceeds of the sale or lease by the Secretary of Transportation and Public Works of such lands and accessions acquired for said schools as, according to resolution approved by

the Commonwealth Board of Vocational Education, are no longer necessary or useful for the Agricultural Education Program.”

Section 3.- Section 2 of Act No. 341 of April 17, 1946, as amended is hereby amended to read as follows:

“Section 2.-

Such receipts shall be deposited in a bank by the receiving officer of such schools in accordance with the regulations established by the Department of Education in coordination with the Department of the Treasury of Puerto Rico.”

Section 4.- Section 3 of Act No. 341 of April 17, 1946, as amended is hereby amended to read as follows:

“Section 3.-

This Fund shall be allocated annually to a board which shall be known as the “Loan and Award Administrative Board of the Future Farmers of America, Puerto Rico Chapter,” which shall be composed of the Assistant Secretary of Vocational and Technical Education of the Department of Education, the Director of the Agricultural Education Program of said Department, who in turn shall be the Commonwealth Advisor of the Future Farmers of America Association, and by the President, the Executive Secretary and the Commonwealth Treasurer of this Association. These five members shall elect four additional members who shall be a regional supervisor of vocational agriculture, a director of a high school where courses of vocational agriculture are taught, and two teachers of vocational agriculture holding office at the time of their election. The names of these four (4) members shall be submitted by the Director of the Agricultural Education Program and confirmed by said Board.”

Section 5.- Section 4 of Act No. 341 of April 17, 1946, as amended is hereby amended to read as follows:

“Section 4.-

This Board shall administer the funds collected from the sale of agricultural products and animals of the Second Rural Units, high schools where courses in vocational agriculture are taught and other similar schools heretofore or hereafter established in the Commonwealth of Puerto Rico and any other receipts or donations received; shall determine the manner in which the loans and awards shall be granted to the members of the Future Farmers of America Association, Puerto Rico Chapter, and to other students enrolled in the Vocational Agriculture Program; Provided, that if in the judgment of the Board it should be convenient, the same may enter into contracts with banking or financial institutions for the granting of loans to said students secured by the Loan and Award Fund, for which the Board shall determine the amount of the reserve which shall serve as security to these loans; shall establish the terms as to time and solvency for the loans granted by it; shall appoint, chargeable to these Funds, the administrative personnel necessary to carry out its functions, which shall be included in the Exempt Service; shall propose to the Secretary of Education of Puerto Rico the name of the person who shall act as disbursing officer, which person shall meet the qualifications and give the securities demanded by the regulations promulgated by said Secretary; Provided, that up to thirty (30) percent of the balance available as of June 30 of each fiscal year not expended for the purposes hereinbefore stated, shall be used thereafter for the purchase of fertilizers, seeds, animals, agricultural equipment, for expenses incurred in the Conventions of the Future Farmers of America, for traveling expenses of the employees and members of the Board in official

functions, and may further be used to pay the expenses incurred in the school farms and high schools where courses in vocational agriculture are taught and in other similar schools heretofore or hereafter established in the Commonwealth of Puerto Rico, in the manner also prescribed by regulations of the Department of Education of Puerto Rico, in coordination with the Department of the Treasury.”

Section 6.- Section 5 of Act No. 341 of April 17, 1946, as amended is hereby amended to read as follows:

“Section 5.-

The Loan and Award Administrative Board of the Future Farmers of America, Puerto Rico Chapter, shall prepare a regulation in which shall be determined the manner said Board shall be organized as regards the appointment of its directors and terms of office; shall establish all the conditions and requirements necessary for the granting of loans and awards. Executive and subordinate personnel positions shall be created for the administration of the Fund, and their salaries and qualifications shall be fixed. The regulations shall be written and approved within a maximum term of one hundred and twenty (120) days pursuant to the provisions of Act No. 170 of August 12, 1988, as amended, known as the Uniform Administrative Procedure Act.”

Section 7.- This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 257 (H.B. 2477) of the 4th Session of the 15th Legislature of Puerto Rico:

AN ACT to amend the first paragraph of Section 2.06 of Act No. 149 of July 15, 1999, as amended, known as the “Organic Act for the Department of Education of Puerto Rico,” and Sections 1, 2, 3, 4, and 5 of Act No. 341 of April 17, 1946, as amended, in order to provide a distribution method of the sale of agricultural products and other products generated in the schools that offer agricultural education programs or that operate school farms; to establish that the “Loan and Award Fund for the Future Farmers of America Association, Puerto Rico Chapter,” shall be attached to the Department of Education; 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 13th of July of 2007.

Francisco J. Domenech
Director