

***Medications Bonus for Pensioners of the Employees Retirement System of the
Government of Puerto Rico***

Act No. 155 of June 27, 2003

To grant a tax exempt Medications Bonus for pensioners of the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities and for the pensioners or beneficiaries of any other Act administered by the Administrator of the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities, with the exception of pensioners under the provisions set forth by Act No. 305 of September 24, 1999, and to provide the source of financing for the payment of said bonus.

STATEMENT OF MOTIVES

Government pensioners have dedicated most of their lives to serve the country with honesty and dedication. These employees have rendered services of quality and excellence, with high human and ethic values.

It is hereby acknowledged that with time, the increase in the cost of living entails a relative decrease in the value of the annuities received by our pensioners. This worsens when they reach more advanced ages, when our pensioners depend more upon the consumption of medications to maintain their good health. Therefore, it is the cost of medications and the increase in their use that makes pertinent the offering of a relief to our pensioners.

This measure responds to the interest of the Honorable Governor, Sila M. Calderón, in offering economic support to our pensioners by means of a tax exempt Medications Bonus of one hundred (100) dollars, destined to assist pensioners to defray the cost of their medications. Given the delicate economic situation of the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities, the cost of the Medications Bonus shall not be defrayed by said System. Therefore, the funds to defray the Medications Bonus with respect to the pensioners of the Central Government and retired judges shall be appropriated from the General Budget of Expenses of the Commonwealth of Puerto Rico. The public corporations and municipalities whose employees are covered by this Act shall provide the funds to defray the Medications Bonus set forth by this Act for the pensioners of their corporation or municipality.

Be it enacted by the Legislature of Puerto Rico:

Section 1. — [3 L.P.R.A. § 757j (a)]

Any person who is receiving a pension or benefit under the provisions of Act No. 447 of May 15, 1951, as amended, or from pension plans superseded by it, or from any other Act administered by the Employees Retirement System of the Government of Puerto Rico and its

Instrumentalities, including any person receiving a pension or benefits under Act No. 12 of October 19, 1954, as amended, shall be entitled to receive each year a Medications Bonus equivalent to one hundred (100) dollars, starting in 2003, which shall be paid no later than July 15 of each year.

Section 2. — [3 L.P.R.A. § 757j (b)]

The Medications Bonus set forth herein shall be tax exempt.

Section 3. — [3 L.P.R.A. § 757j (c)]

It is hereby set forth that pensioners under the provisions of Act No. 305 of September 24, 1999, known as the “Retirement Savings Account Program,” shall be excluded from the benefits granted by this Act.

Section 4. — [3 L.P.R.A. § 757j (d)]

The resources to defray the cost of the Medications Bonus, with respect to the pensioners of the Central Government and pensioner judges, shall be appropriated in the General Budget of Expenses of the Commonwealth of Puerto Rico. The public corporations and municipalities whose employees are covered by this Act shall provide the funds to defray the Medications Bonus set forth by this Act for the pensioners of their corporation or municipality.

Section 5. — This Act shall take effect immediately after its approval.

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