

“Puerto Rico Special Communities Integral Development Act”

Act No. 1 of March 1, 2001, as amended

(Contains amendments incorporated by:

Act No. 94 August of 7, 2001

Act No. 175 of December 21, 2001

Act No. 75 of June 3, 2002

Act No. 151 of August 10, 2002

Act No. 184 of August 3, 2004

Act No. 232 of August 27, 2004

Act No. 245 of November 11, 2006)

(Amendments non-incorporated:

Act No. 7 of January 4, 2012)

To create the "Puerto Rico Special Communities Integral Development Act", in order to establish the public policy of the Commonwealth of Puerto Rico regarding the integral development of the special communities of the Island; establish the guidelines to be taken into account to identify special communities; to create the Office of the General Coordinator for Socio-Economic Financing and Self-Management, the Office of the General Coordinator, the Special Communities Socio-Economic Development Fund and the Special Communities Council; and to appropriate resources for the organization of the Office and to initiate the Program.

STATEMENT OF MOTIVES

The economic transformations that have taken place in Puerto Rico in the last decades have brought about some benefits that have not been enjoyed equally by all the sectors of the Island. Hundreds of thousands Puerto Ricans that have not had access to opportunities for development in the economic as well as in the social aspect live in conditions of poverty, basic infrastructure, unacceptable environmental conditions, deficient dwelling conditions, high incidence of delinquent conduct, domestic violence, child abuse, teen-age pregnancies, and the use and abuse of controlled substances, among others, which are totally unacceptable in a civilized society. These living conditions are present in the indigent sector, urban areas, and isolated communities in rural sectors and in many families that live in public housing projects.

Statistics present an alarming picture. According to the 1990 Census, 58% of Puerto Ricans, to wit, 2,057,377 persons of a total of 3.5 million, live below poverty levels. Regarding our youths under eighteen years of age, 66% are under the poverty level, to wit, 761,789 of a total of 1.1 million children and youths.

It should also be pointed out that in approximately 30% of the homes of Puerto Rico, the head of a family is a woman. In 7 of every 10 of these homes, the median income barely reaches 40% of the median income of those families constituted by both parents.

These objective conditions of alienation prevailing in the special communities, aggravated by the inequity caused by gender, age, social and racial conditions, have, at the same time, social, psychological and negative health effects and produce among its residents a sense of impotence and frustration that continuously undermine their faith in themselves, the Government and the institutions.

It is imperative for the Commonwealth of Puerto Rico and its municipalities to modify their view on intervention and to replace their traditional role or performance as a paternalist form of government, by a model that can incorporate the working capacity and will of the communities in the solution of their problems.

This Act recognizes that in the development of special communities they should have the main role by becoming efficient agents of change, capable of establishing and attaining their goals and objectives geared to achieving a better quality of life.

The public policy set forth herein establishes that the General Coordinator, the departments, public corporations, agencies and municipalities of the Commonwealth of Puerto Rico, have the duty and responsibility to act in an integrated manner and through a systematic and interdisciplinary outlook to promote the development of these Special Communities.

Therefore, as of the effective date of this Act, it is hereby provided that it shall be the responsibility of the Commonwealth of Puerto Rico to promote the creation of conditions that would allow the solution of the grave problem of alienation existing in these special communities, by stimulating the active involvement of its residents in order to improve their quality of life. To such ends, the organizational and economic base of the special communities shall be stimulated so that they may assume the control of their own development process.

In order to achieve those purposes, the Office of the General Coordinator for Socio-Economic Financing and Self-Management attached to the Office of the Governor is hereby created, which shall be directed by a General Coordinator. The faculties and powers needed to perform the tasks of coordinating government efforts, including those of the municipalities, with respect to the social and economic development of the special communities, and the promotion of the participation of the private sector, and of foundations and institutions of the civil society in these initiatives shall be delegated on this official. His/her Office shall be the executing arm which shall ensure compliance of the public policy established herein. Through this Act, the resources for its initial organization shall be also provided.

This Act creates the Special Communities Socio-Economic Development Fund, which upon completion of the previous actions, which are essential for the execution of the objectives of this Act, shall have the funds that shall allow it to subsidize community initiative projects.

Be it enacted by the Legislature of Puerto Rico:

Section 1. — Title. — (21 L.P.R.A. § 962 note)

This Act shall be known as the "Puerto Rico Special Communities Integral Development Act".

Section 2. — Public Policy of the Commonwealth of Puerto Rico for the Promotion of the Integral Development of the Special Communities of Puerto Rico. — (21 L.P.R.A. § 962 note)

It shall be the public policy of the Commonwealth of Puerto Rico to promote the principle of self-management and community control, to wit, the integral process through which the persons and their communities recognize and exercise their free will and control of their lives through their own efforts and power. Due to the levels of poverty, unacceptable environmental conditions and other social ills that still exist in Puerto Rico, it is a priority of the Commonwealth of Puerto Rico to identify communities that, due to their conditions, require special treatment so that their proactively development can be undertaken.

This initiative shall be addressed to promote that the residents of the special communities may acquire, through their own efforts, the living conditions, skills, attitudes and levels of organization that will enable them to become the authors of their own economic and social development process. The Government shall act as enabler, promoter, facilitator and collaborator, eliminating barriers, establishing incentives and creating the necessary conditions and mechanisms so that said communities may successfully assume their personal and community development.

On the other hand, it is required that the members of the special communities be committed, contribute and work to promote their welfare. Thus, the Government of the Commonwealth of Puerto Rico and its dependencies, as well as the municipalities shall be required to set forth well planned measures to stimulate the participation of the special communities in the decision making processes regarding matters that affect their development, from the perspective of their new role as owners and producers, radically different from the model of Benefactor or Paternalist State.

It shall likewise be the public policy of the Commonwealth of Puerto Rico to promote and enable the alliance between the communities and the public and entrepreneurial sectors, as well as with the institutions of the civil society to attain the purposes of this Act. This includes the participation of the Municipal Governments as a basic component in the identification of the special communities and their needs, in the drafting of strategic plans for community development and in the collaboration for the implementation of these plans.

Section 3. — Creation of the Office of the General Coordinator for Socio-Economic Financing and Self-Management. — (21 L.P.R.A. § 962)

The Office of the General Coordinator for Socio-Economic Financing and Self-Management is hereby created, hereinafter "the Office", which shall be attached to the Office of the Governor of the Commonwealth of Puerto Rico, and shall be considered an Individual

Administrator for purposes of the Public Service Human Resources Administration Act, and shall be directed by a coordinator, who shall be responsible for complying with the duties and functions imposed on him/her by this Act. The coordinator shall be appointed by the Governor of Puerto Rico with the advice and consent of the Senate, and shall exercise his/her functions through a relationship based on trust with the nominating authority. He/she shall be a well-reputed person of recognized moral integrity and having vast experience in the development of community work and attention to disadvantaged sectors. Said coordinator shall have the necessary and pertinent powers to ensure that the functions and objectives provided in this Act are complied with.

Section 4. — Functions and Duties of the Office. — (21 L.P.R.A. § 963)

The Office shall have the responsibility to implement the public policy set forth in this Act. To attain it, the Office shall coordinate the government efforts for the social and economic development of the special communities and to obtain the following objectives:

- (a) Socio-economic strengthening of families;
- (b) organizational strengthening of the communities;
- (c) physical and environmental rehabilitation of the communities;
- (d) foster the citizen's initiatives that are compatible with the public policy pursued in this Act;
- (e) coordination and participation of the municipal governments as a fundamental component in the identification of special communities and their needs, in the drafting of strategic plans for community development and in the collaboration geared to the implementation of these plans ensuring that the public policy established in Section 2 of this Act is complied with so that in those cases whereby said municipal plans contemplate the expropriation of land and housing within the communities acknowledged as special according to this Act, a joint resolution be required from the Legislature of Puerto Rico authorizing such an action; that this has been the object of study and consideration through public hearings held in both legislative bodies to which the concerned municipalities and municipal leaders have been invited and that said joint resolution shall certify that the Office for Socioeconomic Financing and Self-Financing has conducted a community consultation through which seventy-five percent (75%) of those who exercise their right to vote endorse the expropriations and that said consultation was also conducted according to the process established by said Office;
- (f) collaborate in coordinating the search for government or private funds to subsidize the initial establishment of an individual's own business, and
- (g) adopt, in coordination with the Special Communities Council, the norms and regulations needed for its operation.

Section 5. — Functions and Duties of the Coordinator. — (21 L.P.R.A. § 964)

The Coordinator shall have the following duties and functions:

1. To identify, in consultation with all the mayors of Puerto Rico, the Planning Board and other available resources, those communities that shall be designated as special communities

for the purposes of this Act, on the basis of criteria, objectives, among which are the following:

- a. socio-economic level;
 - b. basic infrastructure conditions;
 - c. environmental conditions; and
 - d. the condition of the dwellings and other development aspects.
2. To periodically update the inventory of the special communities designated for the purposes of this Act.
 3. To watch over the implementation and periodic review of the effectiveness of one or more special communities development models based on the following:
 - a. The principle of community self-management and control that makes the resident the central axis of the planning and renovation and development action.
 - b. The alliance between communities, the public sector and the entrepreneurial sector to assume the different responsibilities to expedite the socio-economic development.
 - c. The integral focus on the problem of poverty that rests on the conviction that it must be attacked from all fronts.
 - d. The duty to become a liaison between the government agencies, public corporations, Municipal Governments, the private sector and organizations of the civil society, and the special communities.
 - e. Promote that all assistance available in the government agencies, local as well as federal, public corporations and Municipalities that can be destined to the development of projects and activities in special communities, in such away that the initiation and conclusion dates of the projects can be established with reasonable certainty.
 - f. Supervise the execution of the selected projects so that they are carried out pursuant to what is agreed upon, to wit, within the time and terms prescribed.
 - g. Conduct directly, or through the initiative of another government or private entity, educational workshops and awareness campaigns on the scope and opportunities provided by this Act.
 - h. Perform all those acts required by the Governor of the Commonwealth of Puerto Rico, or that are inherent to the performance of the task imposed by this Act, including coordination with the Advisory Council for the Development of Special Communities, established by this Act.
 4. Submit, on or before February 28 of each year, an annual written report to the Legislature of Puerto Rico on the administration and implementation process of this Act, the resources used, goals attained, plans drafted, and areas to be reviewed.

Section 6. — Puerto Rico Special Communities Socio-Economic Development Fund. —
(21 L.P.R.A. § 965)

The "Puerto Rico Special Communities Socio-Economic Development Fund" is hereby created. The Fund shall be nourished from appropriations made by the Government of the Commonwealth of Puerto Rico, from other public funds, including, among others, for capital improvements, other Commonwealth and federal funds that are appropriated or granted, and contributions made to it by individuals and entities of the private sector. The Special

Communities Council shall administer this Fund. The money deposited into the Fund shall be used for the following purposes, among others:

(a) Community initiative projects that propitiate community development, such as: infrastructure, construction and housing rehabilitation projects, construction, rehabilitation and maintenance of community centers and community services, recreational areas, other community facilities, reforestation and environmental protection projects, and other similar projects.

(b) Support projects for the creation and strengthening of the special communities, community organizations, through the rendering of technical advice and assistance, take steps to professionalize the work teams, and the purchase of equipment, among other similar matters.

(c) Promote activities to finance economic and self-management development, loans, guarantees, investments, financial aid, training and technical support to guarantee the success of these endeavors and to promote the creation of non-traditional trades training centers for the unemployed women of the special communities.

Section 7. — Appropriation of Funds for the Establishment and Organization of the Office of the General Coordinator for Socio-Economic Financing and Self-management and for the Special Communities Socio-Economic Development Fund. — (21 L.P.R.A. § 966)

The sum of up to one (1) million dollars is hereby appropriated, chargeable to any funds under the custody of the Office of the Management and Budget, for the creation and initial operation of the Office and for the creation of an organizational network that ensures prompt access and effective communication between the special communities, the Office and government agencies, public corporations and municipalities. As of the 2001-2002 fiscal year, the Director of the Office of the Management and Budget shall consign the funds needed for the operation of this Office in the annual budget of the Government of Puerto Rico. The funds that shall nourish the Special Communities Socio-Economic Development Fund created by this Act, shall be deposited and made available effective on July 1, 2001.

Section 8. — Special Communities Development Advisory Council. — (21 L.P.R.A. § 967)

The Special Communities Development Advisory Council is hereby created, hereinafter denominated as the Council, which shall be chaired by the Governor and constituted by the Coordinator of the Office, the Municipal Affairs Commissioner, the Secretary of the Department of Housing, the Secretary of the Department of the Family, the Puerto Rico Police Superintendent, the Secretary of the Department of Health, the Secretary of the Department of Education, the Secretary of the Sports and Recreation Department, the Secretary of Economic Development and Commerce, the Secretary of the Department of Transportation and Public Works, the Secretary of Labor and Human Resources, the Administrator of the Regulations and Permit Administration, the President of the Puerto Rico Planning Board, the Executive Director of the Electric Power Authority, the Executive Director of the Aqueducts and Sewers Authority, the Executive Director of the Infrastructure

Financing Authority, a mayor who is a member of the Puerto Rico Mayors' Association, and another mayor who is a member of the Puerto Rico Mayors' Federation, a municipal legislator for each of the different political parties that have competed in past municipal elections, a professional in the environmental protection area with vast experience and education at university level in the field, and four representatives of the public interest, who shall be residents of special communities, of which two shall not be residents of the Metropolitan Area, as well as one representative of the private sector who shall be a person with broad experience and knowledge of business, commerce, and/or industrial activity. The mayors, municipal legislators and representatives of the public interest shall be designated by the Governor for a term of four (4) years. The Governor shall appoint the representatives of the mayors from a list submitted to his/her consideration by the Puerto Rico Mayors' Association and the Puerto Rico Mayors' Federation, respectively. In the case of the representatives of the municipal legislators, these shall be represented by the Organization of Associated Municipal Assembly Members Inc., the Municipal Assembly Members Federation; and the National Institute of Assembly Members Services (INSA Spanish acronym) who shall select a representative of their organization, respectively. The public officials who shall constitute the Council may delegate their participation on a subordinate duly authorized to make decisions on their behalf. The Council shall meet at least twice (2) a month and a simple majority of its members shall constitute quorum for their deliberations and determinations. The municipal legislators and the representatives of the public interest who are not public officials shall receive a remuneration of fifty (50) dollars for each meeting they attend. All the members of the Advisory Council shall render a financial report to the Office of Government Ethics, the Financial Report [sic], as provided by Act No. 12 of July 24, 1985, known as "Ethics in Government Act". The public officials who have previously rendered the financial reports as part of the appointment and confirmation procedure for the position they hold in their specific agencies shall be exempted from submitting them as a requirement to be a member of the Advisory Council.

In the case of mayors, municipal legislators and representatives of the public interest, none of [whom] may serve on the Council for more than two (2) consecutive terms, [it being] understood that although some of them began to hold office after the term has been initiated, be it for the resignation, dismissal or death of his/her predecessor, it shall be deemed that he/she has served the full term.

The Council shall be chaired by the Governor and administered by the Coordinator of the Office who shall have the responsibility of directing the works and ensuring the adequate performance of the duties and responsibilities assigned to it.

The Council shall establish through regulations, the norms that are needed for the functioning and operation of the Office of the Coordinator, as well as for the assessment of proposals and appropriations of funds to promote the best use of the Puerto Rico Special Communities Socio-Economic Development Fund. The Council shall also establish the parameters and criteria for the designation of the sectors that shall become a part of the special communities initiatives.

In the process of determining what constitutes a special community, the Council shall take into consideration, as a priority, the existence of the following situations, among other factors, such as those regarding low socio-economic levels, deficient infrastructure

conditions, unhealthy environmental conditions and deficient housing status, if individual and particularly if combined, as follows:

- (a) High percentage of illiteracy and school desertion.
- (b) High percentage of persons under poverty level.
- (c) High rate of unemployment.
- (d) Family units which have a single head of family as a provider.
- (e) Long history of environmental problems and deficient availability of basic services.

Those communities that were identified and constituted as special communities before March 1, 2001, in agreement with the Programs of the Special Communities Office created by virtue of Ordinance No. 26, 1996-97 series of the Municipality of San Juan shall be designated as special communities under this Act.

The Council shall establish a six-year plan to attend to claims and needs of these special communities. Said plan shall have specific goals, compliance schedules, as well as indicators to measure results.

Section 9. — Regulations. — (21 L.P.R.A. § 962 note)

The Council and the Office shall adopt the regulations needed for the effective implementation of its duties and responsibilities; pursuant to this Act.

Section 10. — Effectiveness. —

This Act shall take effect immediately after its approval.

Note. This compilation was prepared by the Puerto Rico OMB staff who have striven to ensure it is complete and accurate. However, this is not an official compilation and may not be completely free of error. It contains all amendments incorporated for reading purposes only. For accuracy and exactitude please refer to the act original text. Compiled by the Office of Management and Budget Library.