

(H. B. 412)

(No. 27)

(Approved March 18, 2010)

AN ACT

To add subsection (q) to Section 3 of Act No. 22 of July 24, 1985, as amended, known as the “Economic Development Bank for Puerto Rico Act,” in order to give priority to loan applications from private businesses that wish to develop and manufacture new products using recyclable materials as raw material.

STATEMENT OF MOTIVES

This Legislative Assembly, which has an interest in supporting the recycling of solid waste, wishes to see the development of new businesses that may bring down the cost of products by using recyclable materials as raw material.

The Economic Development Bank was created under Act No. 22 of July 24, 1985, as amended, with the purpose of promoting the development of the private sector of the economy of Puerto Rico, making available to any person, firm, corporation, partnership, financial institution, cooperative or other private profit or nonprofit organization devoted to manufacturing, commerce, agriculture, tourism, and other service enterprises, such as, but not limited to those institutions devoted to education or health care, the economic activity of which has the effect of replacing imports, direct loans, loan collaterals, and funds to invest in said enterprises, giving preference to small and medium-sized Puerto Rican entrepreneurs.

The Board of Directors of the Bank has the mission of providing financing and loans to small and medium-sized business owners who qualify according to the regulations of the Bank. This legislation aims to attach special importance to loans for businesses seeking alternatives in the development of new products using recyclable materials as raw material for manufacturing.

Citizens are very much interested in recycling programs, given that solid waste management is an evident problem and most of our landfill systems have a useful life of seven (7) to eight (8) years. The U.S. Environmental Protection Agency (EPA) has recommended that many municipal landfill systems be shut down because their useful life has or is about to expire. However, few incentives and information are provided to businesses that wish to manufacture products from recyclable materials. Recycling is a method to decrease solid waste, but people are unaware of how it works and wary about investing in this market. Helping small businesses dedicated to developing new products using recyclable materials is therefore warranted.

Scholarships, cash prizes, plaques, medals, and other kind of acknowledgment should also be awarded to natural or juridical persons in order to recognize, promote, encourage, and stimulate this market within the private sector, as well as bring about the discovery of new sources of raw material, which would help solve the solid waste management situation in Puerto Rico.

By passing this Act, the Legislative Assembly seeks to offer the necessary tools to strengthen the development of recycling businesses that can help boost our economy. Moreover, this measure may serve to alleviate the problem of landfill systems in Puerto Rico.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1. – A subsection (q) is hereby added to Section 3 of Act No. 22 of July 24, 1985, as amended, to read as follows:

“Section 3. – Faculties and Powers

The Bank shall have the following faculties and powers:

(a) ...

(q) Give priority to financing applications from small businesses that wish to develop new products using recyclable materials as raw material for manufacturing, subject to the credit standards established by the Bank for such purposes.”

Section 2. – This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 27 (H. B. 412)** of the **3rd Session of the 16th Legislature** of Puerto Rico:

AN ACT to add subsection (q) to Section 3 of Act No. 22 of July 24, 1985, as amended, known as the "Economic Development Bank for Puerto Rico Act," in order to give priority to loan applications from private businesses that wish to develop and manufacture new products using recyclable materials as raw material.

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

In San Juan, Puerto Rico, on the 30th day of November, 2011.

María del Mar Ortiz Rivera, Esq.
Director