(S. B. 936) (Conference)

(No. 160)

(Approved December 21, 2005)

AN ACT

To authorize the Secretary of the Treasury together with the Secretary of the Department of Transportation and Public Works to establish, for a sixty (60) day term, an incentive for the speedy payment of fines for violations of Act No. 22 of January 7, 2000, known as the Puerto Rico Vehicle and Traffic Act; to grant a forty percent (40%) relief on the total amount of the fine, interest, penalties and surcharges accrued by any driver who pays the total amount of the fines that encumber his/her driver's license as well as to every owner of a motor vehicle who pays the fines that encumber the tile of his/her vehicle, and that are owed to the Government of the Commonwealth of Puerto Rico on the effective date of the Act. To empower the Secretary of the Treasury to adopt together with the Secretary of Transportation and Public Works the regulations needed for the efficient administration of this Act, among other things.

STATEMENT OF MOTIVES

Act No. 22 of January 7, 2000, as amended, known as the Puerto Rico Vehicle and Traffic Act, sets forth provisions on traffic and speeds that include guidelines to establish the corresponding fines for the different violations provided in this statute. These violations include fines that are registered against the license of the driver of a motor vehicle, since the same are violations incurred when operating the vehicular unit. They also include those fines that are registered against the title of the vehicle, such as tickets for illegal parking.

In past years, the collections for traffic fines have increased from \$37,560, 934 for fiscal year 2002-2003 to \$63,726,667 for fiscal year 2004-

2005. These collections are the product of the payment of violations of the Vehicle and Traffic Act, but it does not reflect the total of fines pending payments due to different factors that delay the collection thereof. One of these factors is the fact that the licenses of the drivers in most cases have not yet expired and the drivers allow the amount of the fines as well as the interest and penalties corresponding by law to accumulate. For many drivers who must renew their licenses, the total amount accumulated is substantial and at times makes the prompt renewal difficult.

The promotion of a mechanism that would enable drivers and owners of motor vehicles to settle their debt for traffic fines with the State would expedite the availability of the necessary resources to the treasury. The adoption of an incentive for the speedy payment of fines that promotes a forty percent (40%) reduction of the total amount owed would provide additional funds for the Government, since it would be advantageous for the driver or owner of the motor vehicle to obtain a relief for the amount pending payment. This would also entail savings to these persons in these difficult times.

This Legislature believes that at present there is a great number of drivers and owners of motor vehicles that for reasons of a financial nature are unable to meet their fiscal responsibility regarding traffic violation fines. To such effects, this Legislature deems that the incentive plan for the speedy payment of fines proposed by this measure is a prudent and necessary alternative that provides these persons with a feasible option to help them comply with their economic responsibility towards the Government.

Lastly, it should be pointed that the funds to be collected under the proposed incentive plan for the speedy payment of fines shall be covered into the General Fund of the Commonwealth of Puerto Rico so that these

additional resources would be available to tend to the needs of our people in view of the budgetary shortfall we are undergoing and that would be directed to those areas that require greater government attention in terms of its funds. Initiatives such as *Programa La Llave para tu Hogar* [lit.: The Key to Your Home Program] of the Department of Housing, the Special Education Program of the Department of Education, the *Programa La Llave para tu Negocio* [lit.: The Key to your Business Program] of the Department of Economic Development and Commerce, among others, would receive additional funds to continue providing the assistance and services that moderate income families need to purchase their homes, that our special education students require to obtain an adequate education, and that would benefit our entrepreneurs in the development of their businesses. The incentive for the speedy payment of fines proposed in the present legislation would be an important alternative for the collection of additional resources for these and other government initiatives.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- Granting of an incentive for the speedy payment of fines

All drivers whose license, without limitation to the category thereof, show the existence of a fine, all owners of motor vehicles whose certificate of title or permit show the existence of a fine, or any persons acting on behalf of these, who pay the fines in the Collection Offices of the Driver's Services Centers within the term established in this Act, shall be entitled to a discount in the total amount owed pursuant to the provisions of Section 2. For the purposes of this deduction, the total amount owed shall include the fine as well as the interest, surcharges and penalties imposed regarding the same that are shown in the driver's license or certificate of title or permit of

the vehicle for which the incentive for the speedy payment of fines is claimed.

Section 2.- Amount of the Deduction

The amount to be deducted from the total debt on the driver's license of the claimant or on the certificate of title or permit of the motor vehicle shall not exceed forty percent (40%).

Section 3.- Term of coverage of the incentive for the speedy payment of fines

The term of the incentive for the speedy payment of fines shall be for a consecutive term of sixty (60) days starting on the date to be established through regulations and shall apply to the fines issued from January 1, 2001 to the effective date of this Act. The Secretary of Transportation and Public Works shall implement the mechanisms needed to ensure that the terms and conditions of the incentive for the speedy payment of fines are broadly disclosed in the media of the Island, in order to adequately orient the citizenry as to the scope thereof.

Section 4.- Definitions

For the purposes of this Act, the definitions contained in Act No. 22 of January 7, 2000, known as the "Puerto Rico Vehicle and Traffic Act," shall be used for the interpretation of any of its terms.

As a means of clarification in the interpretation of the aforementioned terms, the definitions set forth in Act No. 22 of January 7, 2000, as amended, known as the Puerto Rico Vehicle and Traffic Act, shall be used as a guide.

Section 5.- Regulations

The Secretary of the Treasury, together with the Secretary of Transportation and Public Works, is hereby authorized to adopt the regulations needed to comply with the purposes of this Act within a term not to exceed ninety (90) days as of its effectiveness.

Section 6.- Exclusion

The Officers that hold elective positions and government officers whose appointments require legislative confirmation as provided by law or by the Constitution of the Commonwealth of Puerto Rico shall not be eligible to avail themselves of the benefits of this Act.

Section 7.- If any Section or part thereof is declared unconstitutional, the remaining provisions shall remain in effect.

Section 8.- Collected Funds

The funds collected by this Act shall be covered into the General Fund, excepting particular contributions provided by virtue of Act No. 22 of January 7, 2000, from fines issued, which shall be made pursuant to the requirements established in the "Puerto Rico Vehicle and Traffic Act." These shall be used by the Secretary of the Treasury to implement the Tax Reform.

Section 9.- Effectiveness

This Act shall take effect immediately after its approval and its provisions shall be in effect until May 1, 2006, by which date the term of the proposed incentive for the speedy payment of fines should have been implemented and concluded.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act $\underline{\text{No.160}}$ (S.B. 936) (Conference) of the $\underline{2}^{\text{nd}}$ Session of the $\underline{15}^{\text{th}}$ Legislature of Puerto Rico:

AN ACT to authorize the Secretary of the Treasury together with the Secretary of the Department of Transportation and Public Works to establish, for a sixty (60) day term, an incentive for the speedy payment of fines for violations of Act No. 22 of January 7, 2000, known as the Puerto Rico Vehicle and Traffic Act; to grant a forty percent (40%) relief on the total amount of the fine, interest, penalties and surcharges accrued by any driver who pays the total amount of the fines that encumber his/her driver's license as well as to every owner of a motor vehicle who pays the fines that encumber the tile of his/her vehicle, etc.,

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

In San Juan, Puerto Rico, today 16th of May of 2006.

Francisco J. Domenech Director