

(S.B. 906)

**(No. 159)**

(Approved July 23, 1998)

**AN ACT**

To amend subsection (b) (2) of Section 8 of Act No. 139 of June 26, 1968, as amended, known as the "Temporary Disability Benefits Act", in order to provide that the outstanding debt for benefits paid to agricultural workers be paid with the resources of the Temporary Non-Occupational Disability Insurance Program of the Department of Labor and Human Resources; and to establish that this payment be subsequently defrayed from the Special Commonwealth Funds of the Department of Labor and Human Resources.

**STATEMENT OF MOTIVES**

Act No. 139 of June 26, 1968, as amended, known as the "Temporary Disability Benefits Act", was approved in order to establish insurance benefits for temporary disability which would protect workers against the loss of salaries caused by disability brought about by illnesses or injuries unrelated to work-related or automobile accidents.

Section 8 of this Act establishes that the benefits paid to workers for services included in the same shall be paid from public funds. However, it does not specify which public funds shall be used to pay said benefit; whether from special or Commonwealth funds, or from the resources of the selfsame agencies which participate in said program.

The outcome of the omission is that the Temporary Non-Occupational Disability Benefits Program (SINOT, Spanish acronym) claims the amount of \$6,263,017.33 to cover the debt accrued on account of the benefits paid to

agricultural workers, as established in subsection (b) (2) of Section 8 of the aforementioned Act No. 139.

To such effect said Act is hereby amended, in order to clarify that the outstanding debt for benefits paid to agricultural workers shall be paid with the resources of the Temporary Non-Occupational Disability Insurance Program of the Department of Labor and Human Resources; and to provide that subsequently this payment shall be defrayed from the Special Commonwealth Funds of the Department of Labor and Human Resources.

The SINOT Program enjoys a solid financial foundation and can assume the responsibility for the payments to the agricultural claimants. As of June 30, 1996, the Fund has investments in Puerto Rico and abroad amounting to \$44.1 million, and has received interest in a period of nine years amounting to \$23.8 million. This Fund also has a capital of \$83.4 million.

***BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:***

Section 1.- Subsection (b) (2) of Section 8 of Act No. 139 of June 26, 1968, as amended, is hereby amended to read as follows:

"Section 8.- CONTRIBUTIONS AND REPORTS

(a) Payment of contributions by employers.-

(1) ...

(b) Payment of contributions by workers.-

(1) ...

(2) Financing of the benefits paid to agricultural workers.

As of fiscal year 1997-98 the funds needed to cover the cost of the benefits paid to workers for services included in Section 2(j) (1) (C) shall be paid from the Special Commonwealth Funds of the Department of Labor and Human Resources to the Disability Fund created by Section 10 of this Act. The payment shall be in an amount equal to the benefits paid, plus twenty- five

percent (25%) for administrative expenses. Any of the government departments, agencies or instrumentalities may contribute funds to carry out all or part of the purposes sought by this Act.

(c) ..."

Section 2.- The outstanding debt as of the date of approval of this Act until June 30, 1997, for benefits paid to agricultural workers, plus twenty-five percent (25%) for administrative expenses as established in subsection (b) (2) of Section 8 of Act No. 139 of June 26, 1968, as amended, shall be paid from the resources of the Temporary Non-Occupational Disability Insurance Program of the Department of Labor and Human Resources.

Section 3.- This Act shall take effect immediately after its approval.

August 18, 1999

Luis G. Hidalgo, Director of the Office of Legislative Services of the Legislature of Puerto Rico, hereby certifies to the Secretary of State that he has duly compared the English and Spanish texts of Act No. 159 (S.B. 906) of the 3rd Session of the 13th Legislature of Puerto Rico, entitled:

**AN ACT** to amend subsection (b) (2) of Section 8 of Act No. 139 of June 26, 1968, as amended, known as the "Temporary Disability Benefits Act", in order to provide that the outstanding debt for benefits paid to agricultural workers be paid with the resources of the Temporary Non-Occupational Disability Insurance Program of the Department of Labor and Human Resources; and to establish that this payment be subsequently defrayed from the Special Commonwealth Funds of the Department of Labor and Human Resources,

and finds the same are complete, true and correct versions of each other.

Luis G. Hidalgo