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LABOR & EMPLOYMENT LAW ALERT

Governor Signs Two Bills into Law, Significantly Affecting Employment Law in Puerto Rico

On September 19, 2014, Governor Alejandro García Padilla signed House Bill 1521 into law, creating Act No. 160 of September 19, 2014 ("Act 160"). Act No. 160 of 2014, which became effective immediately, creates civil penalties for employers in violation of the Puerto Rico Minimum Wage, Vacation and Sick Leave.

Act 160 amends Act No. 180 of July 27, 1998 ("Act 180"), known as the Puerto Rico Minimum Wage, Vacation and Sick Leave Act, to include a civil penalty for any violation of the Act's provisions in addition to the existing criminal penalties. The Legislature reasoned that Act 180 did not include a civil penalty for violations of the statute that were non-pecuniary in nature, such as violations to its provisions governing the proper use of vacation leave.

Act 180, as amended, provides for a civil penalty equal to twice the amount of the damages sustained by the employee; or for a sum between \$500 and \$3,000, if the Court is unable to assess pecuniary damages. The employer's agents and administrators are exposed to this penalty in their individual capacity.

Act 160 also amends Act No. 13 of April 14, 1931 to enable the Office of Mediation and Adjudication ("OMA") of the Puerto Rico Department of Labor and Human Resources to mediate and adjudicate any violations of Act 180, as amended, and impose the above-mentioned civil penalties on employers, as warranted.

On September 29, 2014, Governor García Padilla signed House Bill 1467 into law, creating Act No. 169 of September 29, 2014 ("Act 169"), which amends the local anti-retaliation in the workplace statute. Act 169 amends Act No. 115 of December 20, 1991 ("Act 115"), Puerto Rico's Local Anti-Retaliation in the Workplace Statute. The new law amends Article 1 of the statute to broaden the definition of employer to include both public and private employers without exclusion, as well as both for-profit and non-profit entities.

More significantly, however, Act 169 amends Act 115 to protect employees from retaliation for offering testimony, providing or attempting to provide information, or otherwise participating in an internal investigation in the workplace, or offering this information to any company employee or representative in a position of authority, provided these expressions are not defamatory nor constitute disclosure of privileged information, as established by law. This addition significantly extends the protection of the statute, which was previously limited to testimony offered before the legislative, judicial, and administrative forae. Act 169 also became effective immediately.

If you have any questions or comments, or wish additional information regarding the above matters, please contact any of the following attorneys:

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