## Periodic Increase of the Pensions Paid by the Employees Retirement System of the Government of Puerto Rico

Act No. 10 of May 21, 1992

To amend Sections 1,3, 4 and 5, to add Sections 5A and 6E, amend Sections 15 and 17 of Act No. 447 of May 15, 1951 as amended; to amend Section 5.3, to repeal Subsection 4, to renumber Subsections (5) and (6) as Subsections (4) and (5), and to add Subsection (6) to Section 10.5 of Act No.5 of October 14, 1975 as amended; to amend Section 1 of Act No. 69 of June 20, 1962; to amend clause (a) of Subsection C of Section 4 of Act No. 13 of October 2, 1980 as amended; to repeal Act No. 71 of June 25, 1959, and to repeal J.R. No. 100 of June 22, 1957 as amended, in order to limit the membership of the System, to allow the crediting of uncomputed services to participants under certain requirements, to provide for the periodic increase of the pensions paid by the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities, and for other purposes.

*Be it enacted by the Legislature of Puerto Rico:* 

**Section 1.** — Section 1 of Act No. 447 of May 15, 1951 as amended [3 L.P. R.A. § 76r], is hereby amended to read as follows:

"Section 1. - Employees Retirement System-Creation: effective and operative dates; coordination with the Federal Social Security.-

There is hereby created a retirement and benefit system to be designated as the "Employees Retirement system of the. Government of Puerto Rico and its Instrumentalities" which shall be deemed as a trust. The funds of said system hereby created, shall be to keep used and applied for the benefit of the participating members of its membership and for the benefit of their dependents and beneficiaries, as provided in this Act, for the payment of retirement annuities, disability annuities, death benefits and annuities, and other benefits, upon fulfillment of conditions set forth hereinafter, thus achieving economy and efficiency in the administration of the Government of Puerto Rico.

The Systems shall be established as of the effective date of this Act, and shall begin operations on January 1, 1952, when contributions by members shall begin and benefits shall be payable as provided in this Act. The period from the effective date of the Act to January 1, 1952, shall constitute a period of organization of the system. January 1, 1952, shall be known as the 'operative date of the System. In the case of public enterprises and municipalities, the operative date shall be the date their participation in the System commences.

As of the effective date that is fixed in the modification of the Agreement between the Agency in Charge and the Secretary of Health, Education and Welfare, pursuant to the

provisions of Act No. 396 of May 12, 1952 as amended, the system shall be coordinated with the benefits of Title II of the Federal Social Security Act.

In no case shall the combined payments of Social Security and the Retirement System for annuities, be less than the annuity to which the participant of the system would be entitled pursuant to the provisions of this Act."

**Section 2.** — The tenth definition of Section 3 of Act No. 447 of May 15, 1951 as amended [3 L.P.R. A. § 763], is hereby amended to read as follows:

"Section 3.-Definitions.-

The following words and phrases as used in this Act, unless a different meaning is plainly required by the context, shall have the following meanings:

.....

'Prior services' shall mean all services as an employee rendered prior to the date [; and] for which credit as provided in section 5 of this Act. It shall also mean any services rendered by a participant at any moment which are creditable under Subsection E of Section 5 of this Act, regardless of the date of enrollment in the membership of the System.

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**Section 3.** — Section 4 of Act No. 447 of May 15, 1951, as amended [3 L.P.R.A.§ 764] is hereby amended, to read as follows:

## "Section 4.-Membership.-

- A. The membership of the system shall be constituted by every person that holds a regular position as a career or confidential employee or with a probatory personnel status in any executive department, agency, administration, board, commission, office or instrumentality of the Executive Branch; by the Judges of the peace and the regular employees and officials of the Judiciary Branch, and by the regular employees and officials of the Legislature of Puerto Rico.
- B. The regular officials and employees of those public enterprises and municipalities that are participating employers of the System, shall also be participating members of the System, subject to what is established in Section 22 of this Act. All Mayors shall be deemed to be members of the System.
- C. For purposes of membership in the System, the office of the Citizens' Investigating Official shall be deemed to be a public instrumentality, and the Puerto Rico Commonwealth Employees Association shall be deemed to be a public enterprise.
- D. Membership in the Retirement System shall be optional for the Governor of Puerto Rico, for all the Secretaries of Government, heads of public agencies and instrumentalities, the Governor's aides, the members of commissions and boards appointed by the Governor, for the members of the Legislature of Puerto Rico and for the Controller of Puerto Rico. These officials may, at any time, request to be discharged from, or reinducted into the System. The period of services rendered to the Government while separated from the System, shall be credited as creditable service, provided said officials pay the individual and employer contributions, plus interest, that correspond to the period of separation, to the System.

E. It shall be a requirement to become a member of the System, that said person shall be under the age of fifty-five (bb) years at the time they enter the service.

E The Administrator, with the approval of the Board, shall establish and put into effect the necessary regulations to establish eligibility requirements, contributions, computations of pensions, annuities and death benefits, crediting of unpaid services, and any other terms and conditions for the payment of pensions and retirement benefits for the participating members on the rolls of the System.

G. Any employee who is a member of any pension plan or fund, supersed by the System created by this Act on the day immediately preceding the operative date, shall retain all vested rights under the pension plan or fund to which he belonged, and any other vested rights under this System.

H. Any person who was employed or is employed pursuant to the provisions of Act No. 110 of June 26, 1958 as amended, shall have the right to become a participating member of the System, provided said person rendered services to the Government of Puerto Rico for the period that shall be established by the Administrator with the approval of the Board, which shall not be of less than three years."

**Section 4.** — Section 5 of Act No. 447 of May 15, 1951 as amended [3 L.P.R.A. § 765] is hereby amended to read as follows:

"Section 5.-Creditable Service.-

A. Creditable Service.-Creditable service shall be all of the time served by an individual as a regular employee participating in the System and during which he pays the corresponding contributions as provided in this Act.

B. *Prior Service*.-On and after the operative date, any service rendered by a member since he last became a member of the Service, with respect to which the corresponding contributions have been paid shall count as subsequent service. Commencing on the date of his/her first appointment, services rendered prior to the operative date by any member in any department, division, agency instrumentality or municipality of the Commonwealth of Puerto Rico, shall be credited as prior service if said member has paid or pays to the System in the manner provided by the Administrator, the contributions corresponding to the years of service rendered on and after January l, 1924, according to the rates in force provided by the laws to establish the retirement of permanent officials and employees of the Government of Puerto Rico, approved September 22, 1923, September 2,1925, and July 16, 1935, or according to the rates in force under the systems superseded as of the date said services were rendered. Employees who have received refunds of contributions paid to pension funds superseded by this system, shall not receive credit for the period of service represented by such refunded contributions, unless such employees repay amounts equal to such refunds to the System.

C. Computation of services.-For the computation of the length of services prior or subsequent to the operative date, and until April 1, 1990, as the case may be, the following schedule shall govern: nine (9) or more months of service during any fiscal year shall constitute one (1) year of service; six (6) to nine (9) months, three-quarters (3/4) of a year; three (3) to six (6) months, one-half (1/2) year of service. Less than three (3) months of service shall not be considered for the effect so f this computation, nor shall less than fifteen (15) days of service

in any one (1) month be considered as a month of service. Not more than one (1) year of service shall be creditable for all services rendered by a member during any one (1) fiscal year. Pursuant to the provisions of section 6C of this Act, services rendered by any new participant shall be computed on the basis of complete months. The Board shall prescribe in its rules, the number of hours or days constituting a month of service, and the equivalence of services rendered by public officials or employees based on compensation that is not for a monthly salary.

- D. *Non-Creditable Service*.-In no case shall credit be granted for services for the following concepts:
  - (1) for services rendered in a department, division, agency, instrumentality or municipality of the Government of Puerto Rico, that have been credited for the enjoyment of a pension in any pension fund or plan to which the Government of Puerto Rico or any of its agencies, instrumentalities or municipalities contribute in whole or in part, directly or indirectly;
  - (2) for services paid on a per diem basis;
  - (3) for services contracted to be rendered in some way other than daily and during the regular working hours;
  - (4) for any period of leave without pay, nor for any unpaid service. If a participant has a break in service due to a disability resulting from a work accident protected under Act No. 45 of April 18, 1935 as amended, whereby, because the employee has used up his vacation and sick leave, has to be discharged from service; if such participant, after totally or partially recovering his fitness for work, returns to the service, the period during which he was out of the service due to his disability, shall be included as creditable service, provided the participant:
    - (a) has not received occupational disability benefits from the Retirement System;
    - (b) has not held remunerated employment during said period;
    - (c) pays to the System, in the manner provided by the Administrator, the individual and employer contributions for the period corresponding to the break in services caused by the disability;
    - (d) returns to the public service within thirty (30) days following the date that the State Insurance Fund determines he has recovered from the disability.
- E. *Other Creditable Services*.-In addition to those provided above, the following services shall be credited to any person who is a member of the System at the time credit is requested:
  - (1) For all purposes of this Act, any member of the system shall receive credits for the period of military service rendered in the Armed Forces of the United States of America during any armed conflict, provided such member received his unconditional, other than dishonorable discharge from such military service. If the military service was rendered in peacetime, he shall receive credits up to a maximum of two (2) years as creditable service. Also creditable shall be the time in active service rendered by a member of the Reserve Corps or the Puerto Rico National Guard who has been called to active service or transferred from the Reserves to active service in the Armed Forces of the United States during any period of armed conflict or during peacetime, from the date of the call or transfer, and until the date that the call or transfer order ceases or is rendered ineffective. To be credited for these services, the participant shall pay the corresponding

contributions to the System, based on the salaries received during his service in the Armed Forces or on the salaries received on entering or returning to government service if the services were rendered in peacetime. The participant shall also pay the corresponding employer contribution as determined by the Administrator of the Retirement System.

- (2) The time invested in studies for veterans attended under a state or federal plan for veterans, shall also be creditable, provided it does not constitute a double credit, if the participant served in the Army of the United States of America and received his unconditional, other than dishonorable discharge. If the participant was a member of the System and availed himself of leave without pay in order to study, he shall only pay the corresponding individual contribution based on the salary he received at the time he availed himself of leave without pay, or on his initial salary upon returning to the public service, whichever is higher. The government employer who granted leave without pay to attend studies shall pay the contribution determined by the Administrator, plus the corresponding interest. If the participant was not a member of the system, he shall pay the corresponding individual and employee contributions based on the salary received upon entering the system or on the salary received at the time he requests the credit, whichever is higher.
- (3) Services rendered as Mayor to a municipality shall also be computed as creditable service for all purposes of this Act. The participant shall pay to the System the corresponding individual and employer contributions based on the salary received as a Mayor at the time of rendering services. If at the time the participant requests credit he is serving as a Mayor and has procedures pending against him which might entail removal from office, no credit shall be granted until the charges or procedures pending against him are elucidated finally and in his favor.
- (4) Any service rendered in Puerto Rico by a participant in agencies of the Government of the United State of America shall be creditable up to a maximum of ten (10) years, if the participant pays to the system the corresponding contributions based on the salary he received in the federal agency, plus the corresponding employer contribution that is determined by the Administrator of the System.
- (5) Any service rendered by a participant who avails himself of leave without pay in order to direct a government workers' union shall be creditable. The participant shall pay to the System the corresponding individual and employer contributions, based on the salary received at the time of the temporary separation from service to direct the government workers' union, or the salary earned upon his return to the government agency, whichever is higher.
- (6) Any service rendered by a participant who avails himself of leave without pay in order to render services to a main political party in Puerto Rico shall be creditable, if the salary received in such service was paid by the Electoral Fund and the participant did not avail himself of the benefits of Act No 69 of June 20, 1962. The participant shall pay to the system the corresponding individual and employer contributions based on the salary received on the date of temporary separation from service to serve the political party, or on the salary he began to earn upon his return to the government agency, whichever is higher.

- (7) Any service rendered as a regular employee in the Teachers Association of Puerto Rico; Legal services Corporation of Puerto Rico; the Society for Legal Assistance; the Corporation Pro-Bono, Inc., and the Puerto Rico Police Members Association, shall be creditable. The participant shall pay to the system the individual contribution based on the salary he received plus the corresponding employer contribution determined by the Administrator. In these cases, the Administrator may receive full or partial payment of the corresponding employer contribution from any of the employers mentioned in this clause.
- (8) Any service rendered in a child day-care center under the 'Head Start' program shall be creditable, provided no fee has been charged for the care of, and services rendered to the children. The participant shall pay the individual contribution based on the salary received, plus the corresponding employer contribution determined by the Administrator.
- (9) The services rendered by a participant outside of the territorial limits of Puerto Rico shall be creditable, provided the services are rendered:
  - (a) in any agency, division, office or branch of the Commonwealth of Puerto Rico established outside of Puerto Rico:
  - (b) in any technical aid program sponsored by the Government of the United States of America in benefit of countries abroad by virtue of the agreement established in Act No. 63 of June 20, 1962 as amended, between the Government of the Commonwealth of Puerto Rico and the Government of the United States of America. In any of these cases, the participant shall pay the corresponding individual and employer contributions based on the salary he received during the rendering of services, plus the corresponding employer contribution determined by the Administrator.
  - (10) Any time served under contract in any department, division, agency, instrumentality, public enterprise or municipality of the Commonwealth of Puerto Rico shall be creditable, if the services were rendered daily, during regular working hours, at the employer's workplace, and the pay or compensation for the services rendered was based on a fixed monthly amount or on a fixed amount per hour and, in any case, for a minimum of 120 hours per month. The head of the agency or the nominating authority, as the case may be, shall certify that the participant rendered services under contract, that the services were equivalent to those of a position, and shall specify the position classification to which the services were equivalent. The participant shall pay the individual and employer contributions determined by the Administrator, based on the salary he began to earn as a member of the System, immediately after having rendered services under contract.
  - (11) The time served by a participant as a transitory employee; the services rendered based on an hourly wage, shall be creditable, provided the time worked has been no less than 80 hours a month, and services rendered as an irregular employee in the Legislative Branch, the Judiciary Branch or in any department, division, agency, instrumentality, or municipality of the Commonwealth of Puerto Rico. The participant shall pay the corresponding individual and employer contributions based on the salary earned while he rendered the services.
  - (12) The time served as a member of the municipal assembly shall be creditable, provided the services have been rendered for a minimum of eight years and the

member of the Assembly has not been a participant of the System nor has been in government service in any department, division, agency, instrumentality, public enterprise or municipality of the Commonwealth of Puerto Rico at the time of service as a member of the Assembly. The participants shall pay the corresponding individual and employer contributions based on the salary received when becoming a member of the system or based on the salary received when credit is requested, whichever is higher.

- (13) The time served by physicians, nurses and other health professionals in hospitals or branches of the Government of the Commonwealth of Puerto Rico during an internship or residence shall be creditable, provided said period of internship or residence has been a requirement to obtain the degree or license. The participant shall pay the corresponding individual and employer contributions based on the salary earned when becoming a member of the System.
- (14) The time served as a regular employee in public enterprises, branches and instrumentalities of the Government of Puerto Rico and in municipalities, which were not participating employers of the System at the time the services were rendered, shall be creditable. If the services were rendered as a regular employee in a municipality, the cost of the corresponding individual and employer contributions, plus interest, shall be paid in equal parts by the participant and the municipality that he served, which shall be computed on the basis of the salaries received by the participant while he rendered the services. In all other cases, the participant shall pay the individual and employer contributions based on the salaries received during the period the services were rendered, or based on the salaries earned when becoming a member of the System, whichever are higher.
- (15)The time in which a participant was out of the service due to dismissal, if a competent court, administrative forum directs his reinstatement with the payment of any unpaid salaries, and recognizes the right to the fringe benefits of the office. The participant shall pay the individual contribution, and the employer to whom the reinstatement was directed shall pay the employer contribution plus interest corresponding thereto. Computation of the contributions shall be based on the salaries to which the participant would have been entitled to earn if he had not been dismissed.
- (16) Any service rendered by a participant as a member of the Legislature of Puerto Rico .shall be creditable, after payment of the corresponding individual and employer contributions. An annual salary of one-thousand (1,000) dollars shall be taken as a basis for those years in which, he only received per diems for his services as legislator.
- (17) The time invested by a participant in studies attended through a scholarship from a department, agency, division, instrumentality, public enterprise or municipality of the Commonwealth of Puerto Rico, shall be creditable, provided it does not constitute a double credit. In order to be entitled to credit, the participant must return to government service or join the service of the employer that granted the scholarship, within the term of ninety (90) days following the date the studies were concluded. If the participant was a member of the System and availed himself of leave without pay

in order to study, he shall pay only the corresponding individual contribution based on the salary earned when availing himself of leave without pay. The government employer that granted the leave without pay for him to study, shall pay the contribution determined by the Administrator plus the corresponding interest. If the participant was a member of the System and resigned his post to study, he shall pay the corresponding individual and employer contributions based on the salary earned on the date of his resignation. If the participant was not a member of the System, he shall pay the corresponding individual and employer contributions based on the salary earned upon induction into the System."

**Section 5.** — Section 5A is hereby added to Act No. 447 of May 15, 1951 as amended [3 L.P.R .A. § 765a], to read as follows:

"Section 5A.-Payment and Credit of Uncomputed Creditable Services.-

A. Any payment for uncomputed creditable services shall be made while the participant is in active service and shall include the corresponding interest at the rates determined by the Board, from the date on which the uncomputed creditable services were rendered, to the date of total payment of the same, if they are paid in cash, or to the date on which the Administrator grants a payment plan.

B. Any participant may request the Administrator to grant him a payment plan in order to cover the cost of uncomputed creditable services under this Act. These payment shall entail imposition of the corresponding interest, and may be granted for over sixty (60) months, as established by the Board through Regulations. Any payment plan shall be settled before requesting a pension for age, years of service or non-occupational disability. If a participant does not complete a payment plan, he shall receive partial credit of time equivalent to the paid services. In the event that a participant is involuntarily separated from service without having covered the total cost of the uncomputed services, he may continue making direct payments to the System until said cost is paid.

C. The Administrator may grant to any participant that so requests it, a special personal loan for the global payment of the uncomputed creditables services. This special personal loan shall not be renewable and shall include the corresponding interest. The granting of these special personal loans shall be subject to the norms and conditions established by the Board through Regulations. Credits for the uncomputed services covered by a special. personal loan shall be recognized and credited as soon as the Administrator grants the loan."

**Section 6.** —Section 6-E is hereby added to Act No. 447 of May 15, 1951, as amended [3 L.P. R.A. § 766e], to read as follows:

"Section 6E.-Periodic Increase in Pensions.-

On and after January 1, 1992, and subsequently every three (3) years, there shall be a three percent (3%) increase in all annuities paid under this Act for age, years of service or disability, that are in effect to that date and which have been received for at least three (3)

years before. In the years subsequent to 1992, the triennial increase shall be subject to a prior favorable recommendation by the actuary of the System, and that the provisions of Section 15 of this Act are complied with; regarding the financing of the increase. Once these prerequisites are met, the Board of Trustees shall submit the increase to the Legislature of Puerto Rico for its approval. The triennial increase in years subsequent to 1992, shall cover all of the annuities for age, years of service or disability, that are paid under this Act which are in effect as of January 1 of the year in which the increase is granted and which have been received for at least three (3) years before. If the System were to have reserves for only twenty-four (24) months or less in any year, no increase whatsoever can be granted."

**Section 7.** — Section 15 of Act No. 447 of May 15, 1951 as amended, is hereby amended to read as follows:

"Section 15.-Administration.-

The system created by this Act shall be considered a trust. Any change in the benefit structure of the trust, which results in an increase in the amount of annuities or other benefits. shall be sustained by prior actuarial studies to determine its cost, and the corresponding legislation shall provide for its financing.

A Board of Trustees is hereby created and established, which shall be responsible for the enforcement of the provisions of this Act. Said Board shall consist of seven (7) members, four of whom shall be ex-officio members, to wit: The Secretary of the Treasury, the Commissioner of Municipal Affairs, the President of the Government Development Bank for Puerto Rico, and the Director of the Central Personnel Administration Office. The other three (3) members shall be appointed by the Governor of Puerto Rico for terms of three (3) years each, and shall perform their duties until a successor is appointed and takes office. Two of these members shall be participants of the System created by this Act or of the Judiciary Retirement System, with at least ten (10) years of credited service on the date of their appointment. The other member shall be a pensioner of any of the two systems.

The ex-officio members may designate delegates to represent them at meetings of the Board, and in any other activities within their duties as members of the Board.

The System created hereby shall be organized as an agency of the Government of Puerto Rico, independent and separate from others. Neither the Board of Trustees nor the Administration shall be subject to provisions of Act No. 164 of July 23, 1974 as amended, known as the "General Services Administration Act", nor of Act No. 147 of June 18, 1980, known as the "Budget an Management Office Organic Act" and shall be Individual Administrators under the provisions of Act No. 5 of October 14, 1975 as amended, known as the Puerto Rico Public Service Personnel Act". "

**Section 8.** — Section 16 of Act No.447 of May 15, 1951, as amended [3 L.P.R.A. § 776(c)], is hereby amended to read as follows:

"Section 16.-Powers and Duties of the Boar.'-

To carry out the provisions of this Act, the Board shall appoint an Administrator of the System, shall fix his. salary, shall adopt bylaws for its internal organization and functioning,

and shall approve and cause to be promulgated .such regulations.as from time to time the Administrator may make for the administration of the System, according to law.

The Board shall have the following powers and duties, in addition to the duties arising out of this Act:

- (a) .....
- (c) To approve the investment of the funds of the System proposed by the Administrator.

.....

**Section 9.** — Section 17 of Act No. 447 of May 15, 1951 as amended [3 L.P.R.A. § 777], is hereby amended to read as follows:

"Section 17.-Powers and Duties of the Administrator'-

The Administrator shall direct and supervise all the administrative and technical activities of the System; he shall designate a person who, under his immediate direction, shall be in charge of, and be responsible for the proper operation of System; he shall adopt the necessary measures in order to establish a personnel system for the Administration and the Board of Trustees of the System pursuant to the provisions of Act No. 5 of October 14, 1975 as amended, for Individual Administrators; may contract the services of technicians and specialists, and shall see to the enforcement of the provisions of this Act.

**Section 10.** — Section 5.3 of Act No. 5 of October 14, 1975 as amended [3 L.P.R.A. § 1343] is, hereby amended to read as follows:

"Section 5.3.-Individual Administrators.-

The following agencies shall be Individual Administrators:

All those agencies which are at present in the exempt or noncompetitive service. The following shall likewise be Individual Administrators:

- (1) .....
- (10) The Board of Trustees and the Administration of the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities.

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**Section 11.** — Subsection (4) is hereby repealed, Subsections (5) and (6) are hereby renumbered as Subsection (4) and (5) and Subsection (6) is hereby added to Section 10.5 of Act No. 5 of October 14, 1975 as amended [3 L.P. R.A. § 1301 nt], to read as follows:

"Section 10.5.-Appropriation of Funds and Transfers.

- (1) .....
- (6) The files of participants in agencies that are Individual Administrators and which, by virtue of this Act, were transferred to the Administration of the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities and of the Judiciary Retirement System, respectively, shall be returned to the agency where the participant is rendering services or where he rendered services last. The Administration shall establish the

necessary coordination with the Central Personnel Administration Office and with the Individual Administrators, to guarantee the speedy and efficient return of said files."

**Section 12.** — Section 1 of Act No. 69 of June 20, 1962 [16 L.P.R.A. § 610], is hereby amended to read as follows:

"Section 1.-Public officials and employees who are participants of the Employees Retirement System of the Government of Puerto Rico and its Instrumentalities or of the Teachers Retirement System, who go or have gone to render services with any principal political party, without interruption, and whose salaries are paid chargeable to the Election Fund created by Act No. 4 of December 20, 1977 as amended, may continue as participants of the corresponding retirement system while rendering such services continuously and under the conditions described above."

**Section 12.** — Clause (a) of Subsection C of Section 4 of Act No. 13 of October 2, 1980 as amended [29 L.P.R.A. § 814C(a)], is hereby amended to read as follows:

"C. Rights Regarding the Government Retirement Systems.

(a) Any veteran who enters for the first time or reenters the service of the Commonwealth, its agencies or instrumentalities, public or quasi-public corporations, or the municipal governments, and becomes a participant of any of the government systems or retirement funds, shall be entitled upon request, to be credited for retirement purposes, all the time that he has been in active service in the Armed Forces, including the time he had been in active service in the Armed Forces prior to the effectiveness of this Act. For the crediting of these services, regardless of when they were rendered, the veteran shall pay the corresponding contributions on the basis of salaries earned on entering the Armed Forces, with interest, from the moment the services were rendered and pursuant to the provisions of the pertinent Retirement Act. Military services rendered at any moment in peacetime, shall be limited to two years and the veteran shall pay the individual and employer contributions plus interest to the pertinent retirement system, on the basis of salaries earned on entering government service. Interest shall be computed from the time said peacetime services were rendered."

**Section 14.** — Act No. 71 of June 25, 1959 [3 L.P.R .A. § 791a], is hereby repealed.

**Section 15.** — J.R. No. 100 of June 22, 1957, as amended [3 L.P.R.A. § 765 nt], is hereby repealed.

**Section 16.** — 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.