

557.
February 20, 1959.

Commonwealth of Puerto Rico
DEPARTMENT OF LABOR
San Juan, P. R.

REGULATION

TO REGULATE DEDUCTIONS FROM THE SALARIES OF THE WORKERS
FOR THE PURCHASE OF SAVING BONDS ISSUED BY THE GOVERN-
MENT OF THE UNITED STATES OR THE GOVERNMENT OF THE COM-
MONWEALTH OF PUERTO RICO

Pursuant to the authority conferred on the Secretary of Labor of Puerto Rico by Act No. 17 of April 17, 1931, entitled "An Act to Regulate Labor Contract, to Warrantee the Payment of Laborers' Wages; to Fix Certain Penalties for Violations Hereof, and for Other Purposes," as amended by Act No. 6 of May 16, 1958, the following Regulation in connection with deductions from the wages of laborers for the purchase of saving bonds issued by the Government of the United States or the Government of the Commonwealth of Puerto Rico, the accounting and investment thereof in the purchase of said bonds and their delivery to the laborers, is hereby promulgated.

Section 1.- Any laborer may authorize his employer to make deductions from his wages to be invested in the purchase of saving bonds of the Government of the United States or the Government of the Commonwealth of Puerto Rico.

Section 2.- Such authorization shall be made in writing by the laborer concerned and the same shall contain the following facts:

- a) Name and business address of the employer.
- b) Authorization to the employer to deduct a fixed sum, specifying the amount thereof, from the salaries to be received on each pay day subsequent to the day of such authorization.
- c) Authorization to the employer to invest the deductions, once they have reached a certain amount, in the purchase of saving bonds of a fixed denomination, to be issued in favor of the authorizing laborer or the person whom he may designate.
- d) Statement of the payroll from which the first deduction is to be made.
- e) Statement of the term during which the authorization is to be effective, which may be:

- 1) Until revoked in writing by the authorizing laborer;
 - 2) During a fixed term; or
 - 3) Until termination of the laborer's employment.
- f) The name, signature and address of the authorizing laborer and date of the application with the name of the laborer in the same form as it appears in the payroll.
- g) If the laborer designates another person in whose favor the bonds shall be issued, the home and postal address of such person.

Section 3.- On the back of the written authorization, for which it is preferable that a card be used, the employer shall keep a detailed record of the different deductions made to the laborer for the purchase of bonds, with a statement of the sums deducted, date of such deductions, date of purchase of the bonds and their denomination and date of their delivery to the laborer.

Section 4.- If it is not possible or feasible to keep the record at the back of the written authorization as referred to in Section 3 hereinabove, the employer shall open an account in an accounting book containing all the information specified in Section 3.

Section 5.- It shall be the duty of the employer to purchase the bonds of the denomination indicated by the laborer in his written authorization as soon as he has accumulated sufficient money therefor; and the employer shall immediately deliver to the laborer the said bonds, which shall be issued in favor of the authorizing laborer or the person whom he may designate.

Section 6.- In the pay envelope delivered by the employer to the laborer, the former shall state the sum deducted for the purchase of bonds from the total salaries earned by the laborer during the period to which the payment corresponds.

Section 7.- Upon the expiration of the authorization, whether it be through written revocation by the laborer, by termination of the term of effectiveness of the authorization or by the cessation of the laborer in his employment, it shall be the duty of the employer to immediately deliver any sum of money which he may have deducted to the laborer and which has not been invested at the date of termination of the authorization.

Section 8.- The written authorizations, records, accounts, and any other evidence or documents relative to these deductions and their investment in bonds and delivery to the laborers shall be kept by the employers in a safe and accesible place and the same shall be open to inspection at any time by any duly authorized agent or representative of the Secretary of Labor.

Section 9.- For the purposes of this regulation, the term "employer" shall mean a person who uses or avails himself of the work of a laborer through the payment of wages. The term 'laborer' shall mean a person who receives a wage or salary for his work.

Section 10.- This regulation shall become effective on February 5, 1959.

Promulgated at San Juan, Puerto Rico, this 27th day of January, 1959.

Fernando Sierra Berdecia
Secretary of Labor