

● **WAGE PAYMENT LAWS (*DISCHARGE WITHOUT GOOD CAUSE*)**

STATUTORY CITATION: 29 Laws P.R. Ann. §§ 185a – 185m

GENERAL SUMMARY: Chapter 9 of the labor statutes, which applies to virtually all classes of employment in Puerto Rico, contains prohibitions against unjustified dismissal of employees.

SPECIFIC TERMS AND CONDITIONS: In addition to any wages due, an employee who is fired or dismissed from the job without good cause is entitled to receive from the employer (1) an additional 3 months' pay as indemnity, provided the employee has completed the applicable probationary period, and (2) additional compensation equivalent to 2 weeks' pay for each accrued year of service. In no case may the additional compensation exceed 9 months' pay.

Discharge generally may not be deemed for good cause unless it is predicated on (1) a pattern of improper or disorderly conduct by the worker, (2) inefficient, negligent, tardy or poor job performance by the worker, (3) the worker's repeated violation of written work rules, (4) full, temporary or partial closure of the employer's establishment, (5) technological changes or reorganization of the establishment, (6) changes in the product produced, or (7) a general workforce reduction.

It is generally up to the employee to prove that termination was without just cause.

SPECIAL NOTES OR ADVISORIES

RECENT AMENDMENTS — The summary above reflects significant amendments enacted in the Puerto Rico Labor Transformation and Flexibility Act, a measure intended to address chronic troubles plaguing the economy of Puerto Rico. Some provisions of the Labor Transformation and Flexibility Act apply only to workers hired after the law went into effect, on January 26, 2017. In general, however, employees hired before that date are entitled to the same rights and benefits that applied to them before.

ADMINISTRATION AND ENFORCEMENT

PRIMARY ENFORCEMENT AGENCY — To recover the indemnity authorized for a worker discharged without good cause, the worker must file suit against the employer involved, using a private attorney or public legal service provider. Civil court action must be instituted no later than one year after the effective date of discharge.

SECONDARY OR ASSOCIATED ENFORCEMENT AGENCY — *None.*