

● PUERTO RICO EMPLOYMENT SECURITY ACT

STATUTORY CITATION: 29 Laws P.R. Ann. §§ 701 – 717

GENERAL SUMMARY: The Puerto Rico Employment Security Act provides for the payment of weekly unemployment insurance benefits to jobless workers who have earned the requisite amount of wage credits from UI-insured employment and meet other eligibility requirements. Benefits are paid out of the unemployment fund, which is supported in large part by compulsory employer contributions computed as an annually fixed percentage of a subject employer's taxable payroll.

In general, every employer that has at least one employee during any day in the current or preceding calendar year is required to pay UI contributions.

PROVISIONS APPLICABLE TO AGRICULTURE

EMPLOYER CONTRIBUTIONS — To the same extent as employing units outside the agricultural sector, every farm operator or other agricultural establishment that employs one or more workers in agricultural labor is required to pay contributions to the unemployment fund. Employers generally pay contributions to the Puerto Rico fund in an amount equal to their annually assigned tax rate, multiplied by the amount of wages paid to each worker during the calendar year, up to a per-worker wage limit of \$10,500.

ELIGIBILITY FOR BENEFITS — Unless otherwise disqualified, an agricultural worker is generally eligible to receive unemployment insurance benefits if he or she (1) has filed a notice of unemployment, (2) has registered for work at an employment service office, (3) has been unemployed for a waiting period of one week, and (4) has, during the first four of the last five completed calendar quarters immediately preceding notice of unemployment, earned wages from UI-insured employment in at least two of those quarters.

AMOUNT OF BENEFITS — The weekly benefit amount for eligible claimants who have earnings primarily or exclusively from agricultural employment, and have earnings in only one quarter of the four-quarter base period mentioned above, may range from \$10 a week up to a maximum of \$42 a week (2016).

For agricultural workers who have earnings in more than one quarter of the base period, the benefit schedule for non-agricultural workers applies, which provides for payments ranging from \$7 to \$133 a week (\$33 to \$190 beginning July 1, 2018, \$60 to \$240 beginning July 1, 2019). For any week in which a UI recipient also has earnings from part-time employment, the worker is entitled to receive the weekly benefit amount, minus that portion of the week's part-time earnings that exceeds the weekly benefit amount.

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.

LIABILITY OF CREW LEADERS AND LABOR CONTRACTORS — For purposes of determining liability for payment of unemployment contributions, in cases where farmworkers performing agricultural labor are furnished to a farm operator by a crew leader who (1) is registered under the Migrant and Seasonal Agricultural Worker Protection Act, (2) pays members of the crew their earnings, and (3) has not entered into a written agreement with the farm operator under which the crew leader is designated as an employee of the farm operator, the crew leader is treated as the workers' employer. Under any other circumstances, crew members are considered employees of the farm operator, and wages paid to the workers by the crew leader are deemed to be wages paid by the farm operator.

ADMINISTRATION AND ENFORCEMENT

PRIMARY ENFORCEMENT AGENCY — *Unemployment Insurance Division, Bureau of Employment Security, Puerto Rico Department of Labor and Human Resources, Hato Rey, Puerto Rico 00918 (787-625-7900)*. The Department is responsible both for the enforcement of the employer's liability for payment of UI contributions, and for administration of UI claims and benefit payments. Applications for compensation may be filed by telephone, at 787-945-7900.

SECONDARY OR ASSOCIATED ENFORCEMENT AGENCY — *None*.