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Commonwealth of Puerto Rico

**Office of the Governor
La Fortaleza
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PRESS RELEASE

Governor Signs \$9,227 Million General Budget into Law

San Juan, Puerto Rico – Governor Aníbal Acevedo Vilá signed today the measures that were approved by the Legislative Assembly for the General Budget for the Commonwealth of Puerto Rico for fiscal year 2007-2008 totaling \$9,227 million.

The Governor signed the measures before departing to participate in the National Association of Latino Elected Officials (NALEO) Annual Conference.

The budget signed into law is \$262 million less than the budget for fiscal year 2007, which represents a million dollar reduction in public spending for the second year in a row. It also provides, however, for reserves in various agencies of the Executive Branch that will allow the approval of benefits for public employees.

The budget includes the funds to cover salary increases already negotiated effective July 1 for employees of the Ports Authority, Highways and Transportation Authority, Aqueduct and Sewer Authority, Puerto Rico Trade, Correctional Department and its agencies (Administration of Juvenile Institutions, the Parole Board, the Office of Pre-trial Services), Department of Health, Fire Department, and Puerto Rico Industrial Commission.

Likewise, the budget provides funds for negotiated salary increases effective on the same date for employees of the Public Service Commission, Medical Emergencies, Department of Transportation and Public Works, Institute of Forensic Sciences, 911 Service Governing Board, Telecommunications Regulatory Board, Office of the Commissioner of Municipal Affairs, Automobile Accidents Compensation Authority, Lands Administration, the Metropolitan Bus Authority, Tourism Company, State Insurance Fund (auditors and accountants), ADS, Department of Labor and Human Resources, Worker's Right Administration, AFFET and Retirement Systems Administration.

In addition, effective January 1, 2008, employees of the Department of Family and its agencies (ADFAN, ADSEF, ACUDEN, ASUME), Department of Natural and Environmental Resources, Puerto Rico Police, and Treasury Department, will receive salary increases.

Also, employees from the Lands Administration, National Parks Company, Fire Department, Puerto Rico Industrial Commission, Environmental Quality Board, and Insurance Commissioner Office will receive larger contributions from their employers to the medical plans. In addition, the budget for the Department of Education includes the necessary funds to honor the \$250 salary increase for school directors effective next July.

“The total budget is lower, but it has significant increases in funds for the University of Puerto Rico, the Judicial Branch, the State Elections Commission, and provides the funds to pay contributions to the pension plans. In case of the Controller’s Office, the Ombudsman and the Office of Ethics, the budget is similar to this year’s budget, as was the case of the budget recommended for the Legislative Assembly, but the legislators increased it by two million,” the Acevedo-Vilá said.

The Governor explained that in order to achieve the economies proposed, 34 agencies of the Executive Branch, including La Fortaleza, will have a budget lower than the previous year; 48 agencies will have a budget similar to the previous one, and only 10 agencies will have an increased budget.

The Governor signed the measures as they were amended by the Legislative Assembly, but the amendments do not require significant adjustments in the appropriations and provisions and do not adversely affect the management of the budget during next fiscal year.

Contact: Carmen Serrano, Assistant Press Secretary (787-721-9166)