

Government of Puerto Rico Implements Curfew and Closure of Businesses to Combat COVID-19

On March 15, 2020, Governor Wanda Vázquez Garced issued Administrative Bulletin No. OE-2020-23 (Executive Order) to implement a governmental and private sector operations closure in order to combat the effects of coronavirus (COVID-19) and to control the risk of infection in Puerto Rico. In view of the state of emergency declared under Administrative Bulletin No. OE-2020-020 of March 12, 2020, the Governor ordered a curfew commencing on March 15, 2020 at 9:00 pm whereby all citizens must remain quarantined in their homes until March 30, 2020.

Among the measures implemented by the Executive Order is the closure of governmental operations, except those engaged in the provision of essential services, and commercial businesses, except those engaged in the retail sale of food items, medications or medical equipment, pharmacies, supermarkets, gas stations, banks and financial institutions, among others covered by the Executive Order.

The curfew established by the Executive Order allows citizens to access public roads between 5:00 a.m. to 9:00 p.m. only when the circumstances listed in the Executive Order are met. These include purchasing food, visiting hospitals and banks, going or coming from an exempted workplace, among others. The curfew does not apply to certain individuals, such as health professionals, personnel working at utilities, call centers providing services to exempted businesses, airports, hospitals, pharmacies and companies engaged in wholesale food and product manufacturing, among others listed in the Executive Order.

Any person violating the Executive Order may be subject to 6 months in prison and/or a fine not to exceed \$5,000, at the Court's discretion.



On March 16, 2020, the Governor issued another Administrative Bulletin No. OE-2020-24 to make viable the acquisition of goods and services necessary to combat COVID-19 in the Island, such as products to disinfect and protect personal health, as well as the engagement of professional services, further detailed in such Administrative Bulletin.

On March 17, 2020, the Government of Puerto Rico clarified the scope of the Executive Order through Circular Letter 2020-02 issued by the Secretary of the Department of Economic Development and Commerce, in which it provides additional guidance to the industrial, commercial and business sectors regarding the extent and applicability of the Executive Order. Specifically, the Circular Letter 2020-02 includes a detailed list of exempt businesses and activities within the following areas: health, food, critical infrastructure, fuel, security, national security, goods and services, and the supply chain.

The Executive Order gave rise to a number of Press Releases and/or Informative Bulletins issued by other governmental agencies addressing the measures implemented by the Executive Order. Below is a list and brief summary of the main Informative Bulletins published:

1) Press Release issued by the Transportation and Other Public Services Bureau on March 17, 2020 – detailing the transportation operations permitted during the COVID-19 emergency period.

2) Informative Bulletin of Internal Revenue No. 20-09 (“BI RI 20-09”) of the Puerto Rico Department of the Treasury – informing the continuance of operations of the SURI online platform and authorizing importers who engage in the manufacture or wholesale distribution of goods and food to unload merchandise received in the ports and transport such goods to their warehouses.

3) IRS Notice 2020-17 – providing a relief for taxpayers by extending deadlines for the payment of federal income tax from April 15 to July 15, 2020.

4) Administrative Determination No. 20-05 (“AD 20-05”) – extending deadline to file tax return from April 15 to May 15, 2020.

5) Circular Letter of Internal Revenue No. 20-20 (“CC RE 20-20”) of the Puerto Rico Department of the Treasury – moratorium of payment for individuals with payment plans.

6) The Puerto Rico Aqueducts and Sewage Authority has also issued a moratorium on the payment of water bills and will not suspend service for lack of payment.

7) The Puerto Rico Electric Power Authority announced that it will not suspend service for lack of payment.

8) Administrative Determination No. 20-08 (“AD 20-08”) – extending the payment of the sales and use tax of prepared foods.

The following legislative bills are also undergoing the legislative scrutiny, among others:

1) PS 1538 - To establish the “Special Act on Emergency Measures for a Coronavirus Pandemic (COVID-19)”, in order to adopt and mandate emergency measures in Puerto Rico, in the public and private spectrum, due to the state of emergency due to the pandemic coronavirus; establish the insurance coverages for tests to detect coronavirus free of charge for the patient; have free, current or at the time available treatment, medication and vaccine coverage for people diagnosed with coronavirus; establish measures to preserve the health and safety of the elderly in elderly homes or in state-subsidized housing projects; provide automatic moratoriums on loans, according to the provisions, terms and exclusions established by the Law; establish protections for tenants and moratoriums against eviction and collection actions by lessors, according to the terms and provisions of the Law; among other purposes.

2) PS 1539 - To provide that no electricity, water or telecommunications services will be disconnected, ceased, or canceled, without the consent of the client, until thirty (30) days after the termination of an emergency situation in the area that covers the corresponding emergency declaration issued by the Governor.

Vidal, Nieves & Bauzá, LLC and its attorneys continue to operate business as usual on a remote basis. Should your company have any questions or interest with respect to the Executive Order OE 2020-23, Informative Bulletins, Administrative Determinations, Circular Letters and legislative bills, you may contact the attorneys at Vidal, Nieves & Bauzá, LLC, a corporate law firm with a special emphasis in energy and environmental matters, corporate, tax, transactional, real estate and insurance practices.

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