



Regulation for the Reimbursement of Cost of Automobile Accident Compensation Insurance (ACAA)

2020

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Introduction

The Institutional Trust of the Puerto Rico National Guard (FIGNA) is a public corporation of the Government of Puerto Rico, attached to the Puerto Rico National Guard, created by Law No. 23 of July 23, 1991. The Act states that FIGNA "will provide additional resources to the Puerto Rico National Guard, life and funeral insurance benefits to active members and retired Puerto Rico National Guard personnel, financial assistance for the payment of educational expenses to active members of the Puerto Rico National Guard, their spouses and descendants, and provide effective annuities to retired members of the Puerto Rico National Guard who meet certain requirements."

The Law authorizes, among others, the creation of the Fund for Capital Improvements, Operation and Maintenance and Other General Uses (Operational Fund). This fund may complement the Annual Legislative Appropriations of the General Fund for capital improvements, operation, maintenance and other general purposes that propose to strengthen the esprit de corps and well-being of members of the Puerto Rico National Guard, their spouses and children.

On July 1, 2004, the Regulation for Reimbursement of the Cost of Automobile Accident Compensation Insurance (ACAA) was created. Approval provided for the administration and operation of the economic resources allocated within the Operational Fund to cover the cost of this new benefit, granted by the Board of Directors of this Trust to the active members of the Puerto Rico National Guard.

The experience of the last four years has demonstrated the importance of this benefit. For this reason, the Chief Executive Officer and the Board of Directors of FIGNA decided to expand the benefits granted by this concept. Specifically, once approved by the FIGNA Board of Directors, an

additional benefit of twenty-five (\$25) was authorized as a refund for the corresponding payment of the vehicle license plate.

Article 1 – Title.

This regulation will be known as the *Regulation for the Reimbursement of the Cost of Automobile Accident Compensation Insurance (ACAA)* of the Institutional Trust of the Puerto Rico National Guard.

Article 2 –Legal Basis.

This Regulation is established under Law No. 23 of July 23, 1991, as amended, better known as the "Law of the Institutional Trust of the Puerto Rico National Guard".

Article 3 – Purpose.

This Regulation provides for the operation and administration and defines the resources for the benefit program of reimbursement of the cost of insurance known as Automobile Accident Compensation (ACAA) and reimbursement of the payment of the annual license plate fee, in addition establishes the eligibility of beneficiaries.

Article 4 – Definitions.

The following words and terms, when used or referred to, shall have the meanings set forth in the Trust's regulations and as follows:

- a. **"Automobile Accident Compensation Insurance (ACAA) Reimbursement Benefit Program Administrator"** or **"Program Administrator"** - Means the Executive Director of FIGNA, the official or official(s) who by the trust's rules are appointed to administer and implement the payment reimbursement benefit of Auto Accident Compensation Insurance that is implemented within the Operational Fund by motion of the FIGNA Board of Directors.

- b. **"Participant Contribution"** - Means the monthly financial contribution made by participating active members of the Puerto Rico National Guard to the Institutional Trust of the Puerto Rico National Guard. The original contribution instituted in Law No. 23 of July 23, 1991, as amended, can be evaluated and adjusted by the FIGNA Board of Directors.
- c. **"Fiscal Year"** - Means the period that covers the state fiscal year from July 1 to June 30.
- d. **"Unit Commander, Officer-in-Charge, or His/Her Authorized Representative"** means a commissioned or warrant officer who has been appointed commander of the federal unit to which the claimant is assigned or non-commissioned officer (NCO) occupying the military position or any authorized representative belonging to the claimant's branch. The intent will be to certify that the military member is an active member of the PRNG.
- e. **"Executive Director"** - Means the Executive Director of the Institutional Trust of the Puerto Rico National Guard.
- f. **"Puerto Rico National Guard"** - means that subdivision of the Military Forces of Puerto Rico organized, according to Section 201 of Law No. 62 of July 23, 1969, as amended, known as the Military Code of Puerto Rico and according to the corresponding federal allocations prescribed by the President of the United States from time to time in accordance with the Laws of the Federal Congress.
- g. **"Board"** - Means the Board of Directors of the Institutional Trust of the Puerto Rico National Guard created under Article 4 of the Act.
- h. **"Law"** - means Law No. 23 of July 23, 1991, as amended, known as the Law of the Institutional Trust of the Puerto Rico National Guard.

- i. **"Active Member of the Puerto Rico National Guard"** - means any member of the Puerto Rico National Guard assigned to a federal military unit (Army or Air Branch).
- j. **"Eligible Member"** - means anyone in the Puerto Rico National Guard assigned to a federal military unit and who meets the requirements defined as an active member of the Puerto Rico National Guard and who is complying with his or her contribution as a participant, as established by the Board.
- k. **"Benefits Technician"** - means staff trained by FIGNA as a resource to guide, assist, receive and process all benefit applications from eligible members, their dependents, and spouses.

Article 5 – mechanism or procedures for administering the Fund for reimbursement of the cost of Auto Accident Compensation Insurance.

- a. The mechanism or procedure are hereby established for the administration and distribution of the cost reimbursement benefit for the payment of annual rights of automobile accident compensation insurance (ACCA) of up to a maximum of thirty-five Dollars (\$35.00), from the Operational Fund of the Institutional Trust of the Puerto Rico National Guard. Similarly, the refund for the annual duty payment for license plate fee of up to a maximum refund of twenty-five (\$25.00) Dollars.
- b. The Program Administrator is responsible for establishing and maintaining the necessary and sufficient administrative and accounting controls to ensure compliance with the provisions of this Regulation.

Article 6 – Reimbursement Program Source funds.

- a. **Initial Resources.** FIGNA allocated in its Operational Budget for fiscal year 2010 the amount of two hundred and eighty-six thousand five hundred and thirty Dollars (\$286,530.00) in the expenditures for Welfare and Esprit de Corps.
- b. **Future Resources.** FIGNA will project in its annual operational budget an amount equivalent to the total multiplication of ACAA's prevailing annual duty and for the payment of the annual License Plate fee for the total of active personnel allocated to the land and air branches of the Puerto Rico National Guard. Such projection will always be kept within the heading of Welfare and Esprit de Corps of the Operational Budget and will be pending the final approval of the Board of Directors which will be worked on in accordance with the parameters of Article 9 of this regulation.

Article 7 - Limitation on Use of Benefit.

- a. The Program Administrator may not commit funds in excess of the resources budgeted annually, nor may he transfer and/or commit available resource balance sheets for purposes other than those related to these benefits.
- b. In the event that not all available funds are used for any fiscal year, the Program Administrator shall immediately notify the FIGNA Board of Directors, with its recommendation regarding the use, if any, that may be given to such funds.
- c. The Program Administrator may recommend that leftover resources be kept in contingency reserve to cover future increases in the cost of this insurance.
- d. The Board is authorized to adjust the nature and amount of this benefit from time to time.

- e. The Board is empowered to transfer unused leftovers from this benefit to any other use within the Welfare and Esprit de Corps allocation.

Article 8 – Criteria and Requirements for the Refund Request.

In the administration, operation, modification or extension of this benefit, the Program Administrator shall be guided by, and shall observe the requirements established by the Law, this Regulation and the Board. The reimbursement benefit will be available, within the provisions set forth in this regulation, only to those eligible members of the Puerto Rico National Guard who meet the requirements outlined below:

- a. **Participant Contribution** – An eligible member is one who is up-to-date on the monthly financial contribution made by active members of the Puerto Rico National Guard participating in FIGNA.
- b. **Satisfactory Participation** – An eligible member is one who satisfactorily participates in his/her duties and responsibilities in the Puerto Rico National Guard and for this purpose is certified by his or her commander or officer in charge on the benefit application form.
- c. **Vehicle License** – The permit or license of the motor vehicle must be registered in the claimant's name. If the claimant is under the age of 21 and for this reason alone the license of the vehicle is not in his name, he/she will file with his request an affidavit detailing and giving faith in the particular circumstances of his/her case and that the vehicle is for the exclusive use of his/her person.
- d. **Personal Vehicle** - This benefit will apply to the vehicle purchased by the applicant through purchase or lease. Company vehicles do not qualify for this benefit. The benefit will only be awarded for one (1) motor vehicle per fiscal year per eligible member.

- e. **Request Term** - The claimant has up to thirty (30) calendar days, from the day on which the payment of the permit (marbete) was made, to deliver or submit the completed benefit application with the required documents.
1. In the case of regular mailing, the date of the postmark must be within the thirty (30) calendar days that the claimant has to apply for this benefit.
 2. The benefit request with the required documents may be sent by email, regular mail or delivered in person or by authorized representative to a benefits technician at any of the FIGNA Customer Service Centers.
 3. The applicant must ensure that the documents required for the Auto Accident Compensation Insurance payment reimbursement benefit claim are sent and or delivered to the FIGNA Benefits Technician.
 4. The fiscal year that will apply to the application is based on the day you made the payment of the vehicle permit (marbete).

Article 9 – Budget Allocation.

- a. The Board will evaluate, approve and establish an annual budget for each fiscal year, no later than May 15 of each year. During the evaluation process for this particular benefit, once the Board assessed the needs, priorities and available capital, they may choose one of these three alternatives:
1. Approval of total profit as established.
 2. Partial approval of the total established benefit (50%).
 3. No disbursement of benefits for that fiscal year due to limited funds.

- b. The funds allocated and available will be projected by the Program Administrator in accordance with Article 5 of this Regulation once the Board approves these and the necessary internal measures shall be taken for the healthy administration of that established.
- c. FIGNA shall keep a record of all obligations incurred and, at the same time, a daily balance of the available amount of funds allocated for the reimbursement of this benefit.

Article 10 - Revocation of Benefit.

- a. Any person who is shown to have provided false information or documents for the purpose of obtaining the benefits contemplated herein shall be subject to the revocation thereof and shall be obliged to return any amount of money given to him/her.
- b. Any person who is determined to have or there is reason to believe that he/she has provided false information or documents for the purpose of obtaining the benefits herein established may be referred, by complaint against him, to the relevant legal authorities.

Article 11 - Resource Investment.

- a. The management of the economic resources allocated to this Fund will be defined and outlined in the Internal Plan of Administration of the Funds of the Institutional Trust of the Puerto Rico National Guard.
- b. The Program Administrator will maintain a separate allocation within the Welfare and Esprit de Corps item line of the Operational Fund to cover the costs of this benefit. It shall also ensure that each and every provision of the Articles of this Regulation is complied with.

Article 12 – Liquidation (Settlement).

In the event that this benefit is eliminated, the funds devoted to this benefit will be deemed to assume any other expenses and/or benefits within the Welfare and Esprit de Corps allocation.

Article 13 – Reports.

The Executive Director shall submit to the Board, after the close of each fiscal year, but prior to the end of the calendar year, the following reports:

- a. A financial statement that fully reflects the use of the annual budget designated for that fiscal year and its impact on participants of the program.
- b. A report or financial analysis of the situation, benefit development and percent of participants of the total FIGNA membership.
- c. An analysis that covers in detail, aspects of the use of funds and/or future projections for the improvement of the benefit, in such a way that the Board is at all times in the knowledge and position of acting in the best interests of the active members of the Puerto Rico National Guard.

Article 14 – Repeal and Previous Provisions.

The "*Regulation for the Reimbursement of the Cost of Automobile Accident Compensation Insurance (ACAA)*" of March 16, 2016, is hereby repealed. Any prior communication, verbal or written or part thereof that conflicts with this Regulation, is void after it enters into force.

Article 15 - Amendments.

The provisions of this Regulation may be amended at any time, as required by the Trust's operations and in accordance with the provisions of Law No. 38 of 2017, as amended, known as the "Law on Uniform Administrative Procedures of the Government of Puerto Rico."

Article 16 - Separability Clause.

If any part of this Regulation is annulled or declared unconstitutional, the decision, opinion or judgment for that purpose delivered shall not affect, prejudice or invalidate the remainder of this Regulation. The effect of that judgment shall be limited to the part thereof which has thus been annulled or declared unconstitutional. If the application to a person or a circumstance of any part of this Regulation is invalidated or declared unconstitutional, the decision, opinion or judgment for that effect given shall not affect or invalidate the application of the remnant of this Regulation to persons or circumstances in which it can be validly applied.

Article 17 – Effective Date.

Upon approval by the Board of Directors, this Regulation will take effect immediately upon completion of the State Department filing process, in accordance with the provisions of Law No. 38 of 2017, as amended, known as the "Law on Uniform Administrative Procedures of the Government of Puerto Rico".

APPROVED:



José J. Reyes Peredo
President
Board of Directors
Institutional Trust of the
Puerto Rico National Guard

I, Andrés Ruíz, Secretary of the Board of Directors of the Institutional Trust of the Puerto Rico National Guard (FIGNA), **certify** that this Regulation for the Reimbursement of Cost of Automobile Accident Compensation Insurance (ACAA) was duly approved by the Board of Directors of FIGNA

at the meeting held on December 9, 2020. As provided by the State Department, it shall enter into effect immediately after its proper filing in the State Department, in accordance with the provisions of Law No. 38 of 2017, as amended, known as the "Law of Uniform Administrative Procedures of the Government of Puerto Rico".

A handwritten signature in blue ink, appearing to read "ARi", is positioned above the typed name and title.

Andrés Ruíz
Secretary
Board of Directors
Institutional Trust of the
Puerto Rico National Guard