

ACDET'S Executive Summary

2019

Our mission is to maintain a favorable economic climate for retailers and their suppliers to grow and prosper. We advocate effective public policy and exercise collective influence on behalf of the retail industry before legislative, regulatory and judicial bodies to promote advancement of the retail industry in Puerto Rico.

Our main efforts have been dedicated to:

- Elimination of Property Taxes (inventories)
- Lead the Recycling Committee to avoid excessive green legislations
- To avoid Protection for Digital Privacy legislations
- E-fairness
- Elimination of Closing Laws restrictions
- Pharmacy transparency and to avoid pricing regulations
- Change from NAP to SNAP - USA Congress
- Government Relations (Congress, Legislative, Executive, Municipalities and Fiscal Oversight Board
- Academia del Retail

ACDET targets its members' needs and is widely recognized as one of the strongest and more effective organizations advocating its industry position, with tangible results. We proudly share some memories of our efforts and achievements.

Although Puerto Rico's retail sales registered a 14% increase in 2018, it has seen a 4% drop so far this year, compared with the same period in 2018. Retail sales in Puerto Rico for 2019 (as of August 2019) totaled \$21.8 billion, according to the Trade & Export Co. (CCE by its Spanish initials). The delayed in federal funds and insurance payments, for recovery investments after Hurricanes Irma and María, has been critical for this scenario.

2018 Sales (YTD) = \$22.7

2019 Sales (YTD) = \$21.8

Change (YTD) = -3.9%

as of August - in billions

Categories with increase or stable

4%

Drug Stores & Pharmacy

5%

Lawn & Garden

37%

Electronic products

2019 Retail Forum and Academia del Retail's launching





Una emergencia puede estallar otra vez en cualquier momento y el Impuesto al Inventario nos mantiene en peligro. En caso de un terremoto, por ejemplo, volverían a escasear los suministros. Ya vivimos los estragos de un huracán, no se puede permitir que revivamos la escasez. Y a un año y medio... no han resuelto nada.

**Únete al Movimiento
"NO IMPUESTOS AL INVENTARIO"**



#noimpuestosalinventario - Public Campaign



"Equidad de Género" - Public Campaign In alliance with 12 Associations



Collaboration Agreement with Emergency Professionals PR - AMEPS



\$600 millions assigned to NAP's fund and other Congressional efforts



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Collaboration Agreement with Consumer Affairs (DACO) and Government Agencies - Black Friday

Legislative Activity between 2017-2019:

3,503 Bills

2,611 Resolutions

919 Joint Resolutions

180 Concurrent Resolutions

5th Session SNAPSHOT

Consumer Affairs - 26 Bills

- Commercial Anti Discrimination Law, requiring national retailers to extend to PR the same offers and prices of the mainland and website.
- Consumer's Rights Act
- Increase fines that Consumer Affairs Department can impose.
- Prohibition of foam, plastic bags, plastic cups and plastic straws.

100%
deterred

Pharmacy and Wellness - 12 Bills

- Transparency on drug pricing
- Disclosing to patient any information concerning the cost of medicines
- Drug labeling, technology practices in drug dispensing
- PBM's regulation
- Ban on Pharma companies' incentives.

100%
deterred

Labor Regulations - 15 Bills

- New leave licenses (domestic violence, school activities, military)
- Working Women's Bill of Rights
- Anti Bullying & Anti discrimination protections in the work area and hiring process
- Amendments to the controlled substance screening tests Act
- Employee credit information protection
- Base Salary for Commission Compensated Employees

94%
deterred

Taxes & Finance - 2 Bills

- New Incentives Code Act
- Puerto Rico Tax Code Amendments
- Elimination of property taxes (inventories) - submitted
- Increase taxes from 4% to 5% on foreign companies revenues
- HB 1635(Incentives Code) was signed by the Governor on July 1st, 2019.

100%
negative bills
deterred

Economic Development - 3 Bills

- New Incentives Code Act
- Amendments to the Puerto Rico Tax Code
- Opportunity Zones Act
- Elimination of property taxes (inventories) - submitted

100%
positive

Local Industry & Operations - 11 Bills

- Protection of Digital Privacy
- Prohibition of reusable plastic bags, plastic straws and single-use plastics.
- Require that all merchants who sell food to provide disinfectant for carts and shopping baskets.
- New regulations requiring commercial establishments and restaurants for additional signs.

100%
deterred