

## LEGAL UPDATE NEWSLETTER

August 2022

This newsletter provides information about the laws published during the period, the bills currently being processed in Congress, the decrees and regulations issued by the government and autonomous agencies, as well as important jurisprudence on matters that may impact foreign investment in Chile.

**The information provided herein is strictly for guidance purposes only, and under no circumstances should be regarded as replacing an official interpretation by the competent authorities regarding the matters presented.**

## CONSTITUTIONAL CONVENTION

August

**After the Constitutional Convention Plenary delivered the proposed new Constitution to the Chilean President, the entity's work was deemed completed, and thus, as stipulated in Transitory Article II of its general regulations, the Convention was dissolved in July 2022.**

As reported in the previous newsletter, the proposed final text of the new constitution was made available in July 4, 2022, at [this link](#), and its approval is subject to the result of the exit referendum, scheduled for September 4 of this year.

## PUBLISHED LAWS

Law 21.481, Amending Quorums to Reform the Constitution of the Republic

<b>Subject</b>	Constitution
<b>Subcategory</b>	Constitutional Process
<b>Number</b>	<a href="#">21,481</a>
<b>Publication date</b>	August 23, 2022
<b>Effective date</b>	August 23, 2022.

In light of the current political situation in the country, the parliamentary motion contained in Bulletin 15.062-07 proposed to lower the quorums required to pass reforms to the current Constitution. Law 21.481 amends the current Constitution of Chile by lowering the quorum of serving congressional deputies and senators required to approve certain legislative bills from 3/5 to 4/7.

As a result, the following articles are amended and the quorums for the following matters are thereby lowered: 1) Article 66, regarding the approval of laws interpreting the Constitution; 2) Article 127 on constitutional reform; 3) Article 128 regarding the approval of observations made by the President of Chile regarding an approved legislative bill; and lastly, 4) Clause 2 of Transitory Provision 13, regarding amendments to the Organic Constitutional Law on Public Elections and Vote Counts, in regard to the number of senators and deputies, existing electoral districts and constituencies, and the current electoral system.

Law 21.476, which amends the Labor Code to ensure adequate public transit during public elections, referendums and statutory holidays.

<b>Subject</b>	Labor and Social Security
<b>Subcategory</b>	Public Elections and Public Transit
<b>Number</b>	<a href="#">21,476</a>
<b>Publication date</b>	Tuesday, August 2, 2022
<b>Effective date</b>	August 2, 2022.

It is worth recalling that paragraph 4 of the Labor Code governs workers' weekly days off, providing as a general rule that Sundays and holidays are days off, except for work activities legally authorized on those days.

In this context, Law 21.476 amends Article 38 of the Labor Code - which sets out the activities that are exempt from the above-mentioned general rule-, to read that, during the months of public elections or referendums, contracted urban or rural public transit workers will not be subject to the compensatory Sunday rest period. Therefore, that rest must be authorized on one or more Sundays in the calendar month immediately preceding or following that in which the above-mentioned elections or referendums are held, in order to ensure the supply of public transit during those elections or referendums.

Law 21.470, to amend the Labor Code in regard to contracts of workers hired by digital platform service companies.

**Subject** Labor and Social Security

**Subcategory** Digital platforms

**Number** [21,431](#)

**Publication date** March 11, 2022

**Effective date** September 1, 2022.

On September 1, 2022, Law 21.431 entered into force, introducing a new set of labor regulations for individuals providing services to digital platform companies. With that aim, Chapter X was introduced into the Chilean Labor Code Book I, Title II, "On Special Contracts". This legal text defines "digital platform service company" and "digital platform worker," sets out some requirements for the work contracts of individuals hired by digital platform companies and addresses aspects of their employment such as work hours, remuneration, and the employer's duty to protect. The amendment also establishes "service contracts for independent digital platform workers," mandating the minimum requirements they must contain, as well as setting out the basic rights of independent workers and the responsibilities of the digital platform company to safeguard its workers' minimum time off. The Law's final provisions include common norms applicable to both contract and independent workers of digital platform companies.

Resolution 144 of May 25, 2022 issued by the Chilean Foreign Investment Promotion Agency, which sets out information that must accompany an interested party wishing to obtain a Chilean residency permit.

**Subject** Foreign Investment

<b>Subcategory</b>	Immigration permits
<b>Number</b>	<a href="#">144</a>
<b>Publication date</b>	August 16, 2022
<b>Effective date</b>	August 16, 2022
<p>In accordance with the provisions of paragraph 14 of Decree 177 (2022) of the Interior and Public Security Ministry, which establishes subcategories for Temporary Residency Permits - including permits for investors and associated staff - the Foreign Investment Promotion Agency enacted Resolution 144 (2022). In it, the Agency sets out information that must be presented to obtain the InvestChile letter of sponsorship that this provision requires in order to obtain a temporary residency permit from the National immigration Service, under the above-mentioned immigration subcategory.</p>	

Decree-Law 4 (2022), Establishing the Rewritten, Coordinated and Systematized Text of Law 19.039 on Intellectual Property.

<b>Subject</b>	Intellectual Property
<b>Subcategory</b>	Systematization
<b>Number</b>	<a href="#">4</a>
<b>Publication date</b>	Saturday, August 6, 2022
<b>Effective date</b>	August 6, 2022
<p>As per the Decree-Law referred to above, issued by the Economy, Development and Tourism Ministry, the President of Chile, by virtue of his authority under Article 64 of the Constitution, has set the rewritten, coordinated and systematized text of Law 19.039, on Intellectual Property, in order to facilitate its dissemination and thereby improve its application.</p>	

Decree 83 of October 29, 2021, issued by the Economy, Development and Tourism Ministry, approves new regulations for Law 20.659, which simplifies the Processes for the Incorporation, Modification and Dissolution of Commercial Corporations.

<b>Subject</b>	<u>Economy</u>
<b>Subcategory</b>	<u>Society</u>
<b>Number</b>	<u>83</u>
<b>Publication date</b>	August 25, 2022
<b>Effective date</b>	August 25, 2022
<p>Ten years after the enactment of Law 20.659, better known as the “express companies act” - amended in 2021 by Law 21.366, which modernized and enhanced the Companies and Corporations Registry-, the Economy, Development and Tourism Ministry has updated and approved a new set of rules for the above-mentioned Law 20.659. This new text governs such as aspects as: Registering Legal Representatives and electronic forms for authorizing legal representatives; providing the option of signing or entering into a shares contract directly, by signing electronic forms created especially for that purpose, or registering the acquisition of shares obtained outside of the Registry site; the creation, within the Registry of Companies and Corporations, of an electronic Registry of Shareholders in companies listed in the Registry, in accordance with applicable laws; providing the option of annulling certain acts by signing an electronic form; among other procedures.</p>	