



New South Wales

# Water Management Amendment (Water Access Licence Register) Bill 2022

## Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

## Overview of Bill

The object of this Bill is to amend the *Water Management Act 2000* (the **WM Act**), the *Constitution Act 1902* and *Constitution (Disclosures by Members) Regulation 1983* as follows—

- (a) to require holders and co-holders of water access licences to hold a **UIN**, a unique identification number allocated to a person for the purposes of the WM Act,
- (b) to make amendments relating to the Water Access Licence Register (the **Access Register**),
- (c) to impose requirements relating to the holders (**WAL subsidiary holders**) of rights to exercise entitlements conferred by an access licence, or a holding in an access licence, held by an irrigation corporation,
- (d) to provide for a code of conduct for brokers,
- (e) to require annual reporting of the foreign beneficiaries of trusts that have an interest in a water access licence,
- (f) to require Members of Parliament to publicly disclose interests in water access licences held by the Member or the Member's spouse,
- (g) to make other minor or consequential amendments,
- (h) to insert provisions of a savings and transitional nature.

## Outline of provisions

**Clause 1** sets out the name, also called the short title, of the proposed Act.

**Clause 2** provides for the commencement of the proposed Act on the date of assent to the proposed Act.

## **Schedule 1      Amendment of Water Management Act 2000 No 92**

**Schedule 1[2]** inserts a requirement for holders and co-holders of access licences and WAL subsidiary holders to hold a UIN. The proposed provisions require a corporation applying for a UIN to provide information about the directors and members of the corporation. Further, a corporation to which a UIN is allocated is required to give written notice to the Minister for Lands and Water (the *Minister*) of changes relating to the directors and members of the corporation. **Schedule 1[1]** provides that the Minister must refuse an application for an access licence if it does not include the applicant's UIN.

**Schedule 1[3]–[9] and [14]–[17]** make various amendments relating to the Access Register. In particular, the proposed amendments require additional matters relating to access licences and holdings in access licences to be recorded in the Access Register, including UINs, the details of WAL subsidiary holders and the rights held by WAL subsidiary holders. The proposed provisions also insert standards for the electronic search facility for the Access Register.

**Schedule 1[10]** provides for the regulations to prescribe a code of conduct for brokers and to create offences for failing to comply with the code of conduct. A broker is a person who provides advice to another person in relation to access licences or holdings in access licences, or deals in access licences or holdings in access licences on behalf of another person. **Schedule 1[13]** makes a related amendment.

**Schedule 1[11]** requires a person who holds or co-holds an access licence in the person's capacity as a trustee of a trust to notify the Minister if a foreign person was the beneficiary of the trust.

**Schedule 1[12]** imposes various requirements on irrigation corporations in relation to WAL subsidiary holders.

**Schedule 1[18]** inserts provisions of a savings and transitional nature that impose requirements on the existing holders and co-holders of access licences and WAL subsidiary holders to obtain a UIN and provide certain information to the Minister. Failure to comply with these requirements may result in the cancellation of the licence, or the removal of relevant rights, by the Minister.

**Schedule 1[19]** inserts definitions of UIN and WAL subsidiary holder.

## **Schedule 2      Amendment of other legislation**

**Schedule 2.1[1]** amends the *Constitution Act 1902* to clarify that the regulations made under that Act may require the disclosure, by Members of either House of Parliament, of pecuniary interests or other matters held by or relating to the spouses of Members. **Schedule 2.1[2]** inserts a definition of spouse.

**Schedule 2.2[3]** amends the *Constitution (Disclosures by Members) Regulation 1983* to require a Member of Parliament to disclose, with limited exceptions, the water access licence number of each water access licence in which the Member or Member's spouse has an interest and the nature of the interest. The requirement extends to interests in access licences held by trusts. **Schedule 2.2[1], [2] and [4]–[12]** make consequential amendments.