



New South Wales

Public Authorities (Financial Arrangements) Amendment Act 1998 No 30

Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Amendment of Public Authorities (Financial Arrangements) Act 1987 No 33	2
Schedule 1 Amendment	3



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Public Authorities (Financial Arrangements) Amendment Act 1998 No 30

Act No 30, 1998

An Act to amend the *Public Authorities (Financial Arrangements) Act 1987* in relation to guarantees concerning the performance of obligations incurred by public authorities under certain financing arrangements and transactions.
[Assented to 15 June 1998]

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Public Authorities (Financial Arrangements) Amendment Act 1998*.

2 Commencement

This Act commences on a day to be appointed by proclamation.

3 Amendment of Public Authorities (Financial Arrangements) Act 1987 No 33

The *Public Authorities (Financial Arrangements) Act 1987* is amended as set out in Schedule 1.

Schedule 1 Amendment

(Section 3)

Section 22AA

Insert after section 22A:

22AA Statutory guarantee of performance

- (1) The Treasurer may, by instrument in writing, declare that the performance of all or any specified obligations incurred by an authority as a result of or in connection with its entering into, or participating in, any specified arrangement or transaction as authorised by this Act, is guaranteed by the Government. A declaration may be made subject to terms and conditions (specified in the instrument) that restrict the scope or operation of the guarantee and that specify the time when or the circumstances in which the guarantee ceases to be in force.
- (2) The effect of the declaration concerning such an obligation is (subject to those terms and conditions) that the due performance of the obligation is guaranteed by the Government, notwithstanding that the authority:
 - (a) ceases to exist, or
 - (b) ceases to be responsible for the exercise of the functions constituting the obligation, or
 - (c) ceases to be responsible for the exercise of functions relevant to the performance of the obligation,and that in such a case as is referred to in any of those paragraphs, and without affecting the guarantee, the obligation is (by force of this section) taken to be binding on the successor to the authority or, in the absence of a successor, the Government.
- (3) Such a guarantee continues until the obligation is performed, ceases to be required to be performed, or is varied without the prior consent of the Treasurer, or until the guarantee ceases to be in force in accordance with the terms and conditions of the instrument under this section (whichever first occurs).

- (4) An obligation varied without the prior consent of the Treasurer may however be the subject of a further declaration under this section.
- (5) In the case of a joint financing arrangement, a declaration under this section may, without limitation, be included in the Treasurer's instrument of approval under section 20.
- (6) This section extends to arrangements and transactions entered into, and obligations incurred, before the commencement of this section.
- (7) In this section:

successor to an authority includes a person or body that assumes the relevant functions or liabilities of the authority.

[Minister's second reading speech made in—
Legislative Assembly on 8 April 1998
Legislative Council on 21 May 1998]