TASMANIA

HOUSING INDEMNITY AMENDMENT BILL 2003

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A BILL FOR

An Act to amend the Housing Indemnity Act 1992

Be it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:

Short title

1. This Act may be cited as the Housing Indemnity Amendment Act 2003.

Commencement

2. This Act commences on the day on which this Act receives the Royal Assent.

Principal Act

3. In this Act, the Housing Indemnity Act 1992* is referred to as the Principal Act.

*No. 49 of 1992
Section 3 amended (Interpretation)

4. Section 3 of the Principal Act is amended by omitting “$50 000” from the definition of “the prescribed insurance cover” and substituting “$200 000”.

Section 5 amended (Exclusion of certain building work)

5. Section 5(1)(a) of the Principal Act is amended by omitting “$5 000” and substituting “$12 000”.

Section 12 amended (Requirements of insurance policies)

6. Section 12 of the Principal Act is amended as follows:

   (a) by inserting “(1)” before “A policy”;

   (b) by omitting paragraph (c) of subsection (1) (as renumbered);

   (c) by inserting the following subsection:

       (2) If the builder has failed to complete the building work and after due search and enquiry cannot be found, the amount of insurance cover is not to exceed one-fifth of the contract price.

Section 20 amended (Restrictions on payment under building work contracts)

7. Section 20 of the Principal Act is amended by omitting paragraph (b) and substituting the following paragraphs:
(b) in the case of a payment made before the commencement of building work having a value of less than $20,000 or such other amount as may be prescribed, is not more than 10% of the contract price; or

(c) in the case of a payment made before the commencement of building work having a value of $20,000 or more or such other amount as may be prescribed, is not more than 3% of the contract price.