

CLAUSE NOTES

Tasmanian Public Finance Corporation Amendment Bill 2023

Part 1 - Preliminary

- Clause 1 This Act may be cited as the *Tasmanian Public Finance Corporation Amendment Act 2023*.
- Clause 2 This Act commences on 1 July 2023 but, if this Act does not receive the Royal Assent by 1 July 2023, this Act is taken to have commenced on 1 July 2023.
- Clause 3 This Act is repealed on 1 July 2024.

Part 2 - Tasmanian Public Finance Corporation Act 1985 Amended

- Clause 4 In this Part, the *Tasmanian Public Finance Corporation Act 1985* is referred to as the Principal Act.
- Clause 5 Inserts section 15A into the Principal Act to provide a Government guarantee of borrowings from the Tasmanian Public Finance Corporation (Tascorp) by relevant organisations.
- Subsection (1) provides that relevant organisations are those listed in Schedule 1.
- Subsection (2) provides the guarantee of borrowings for each relevant organisation as well as providing that the Treasurer is to determine the maximum amount of borrowings that will be subject to the guarantee for each relevant organisation.
- Subsection (3) outlines that the guarantee applies to the amount borrowed, any interest payable on that amount and any charges payable to or expenses incurred by Tascorp in respect of the amount borrowed.
- Subsection (4) provides that the guarantee may only be called upon by Tascorp after Tascorp has exercised all other options in relation to security held in respect of the guaranteed borrowings.
- Subsection (5) provides that, in the event the guarantee is called upon and the State is required to make payment to Tascorp, the payment is payable out of the Public Account without further appropriation than this section.
- Subsection (6) provides that, in the event the guarantee is called upon, any payment becomes a debt owed to the State and the Treasurer has the discretion to determine that any payment made in respect of the guarantee is repayable to the State into the Public Account on such terms and conditions as may be determined by the Treasurer.

Clause 6 Inserts section 24 and Schedule 1 into the Principal Act.

Schedule 1 lists the relevant organisations whose borrowings from Tascorp will be guaranteed under the Principal Act. These organisations include Government Business Enterprises, State-owned Companies, any wholly-owned subsidiary of these entities (as defined by the *Corporations Act 2001*), as well as other Government entities with the current power to borrow from Tascorp.

Section 24 provides that a relevant organisation may be inserted, omitted or substituted by Ministerial Order and that such an Order is a disallowable instrument by Parliament.

Part 3 - Electricity Companies Act 1997 Amended

Clause 7 In this Part, the *Electricity Companies Act 1997* is referred to as the Principal Act.

Clause 8 Amends section 11(2) of the Principal Act to provide that the Crown is liable for a guarantee provided to a company or a subsidiary of a company under the *Tasmanian Public Finance Corporation Act 1985* in respect of borrowings from Tascorp.

Clause 9 Amends section 12 of the Principal Act to remove the Treasurer's power to guarantee under the provisions of this section the repayment of any money lent, or agreed to be lent, to a company or a subsidiary of a company.

Part 4 - Fire Services Act 1979 Amended

Clause 10 In this Part, the *Fire Service Act 1979* is referred to as the Principal Act.

Clause 11 Amends section 102 of the Principal Act to remove subsection (8) that provides a guarantee by the State of borrowings by the State Fire Commission under that Act.

Part 5 - Forest Practices Act 1985 Amended

Clause 12 In this part, the *Forest Practices Act 1985* is referred to as the Principal Act.

Clause 13 Omits subsections (4), (5), (6) and (7) of section 4S of the Principal Act to remove the Treasurer's power to guarantee the repayment of borrowings by the Forest Practices Authority under that Act.

Part 6 - Government Business Enterprises Act 1995 Amended

Clause 14 In this Part, the *Government Business Enterprises Act 1995* is referred to as the Principal Act.

Clause 15 Omits subsections (3), (4), (5), (6) and (7) of section 47 of the Principal Act to remove the Treasurer's power to guarantee the repayment of borrowings by a Government Business Enterprise under that Act.

Clause 16 Amends section 118(2) of the Principal Act in relation to a delegation by a Portfolio Minister or the Treasurer to remove reference to a guarantee provided under section 47 of the Principal Act.

Part 7 - Homes Tasmania 2022 Amended

- Clause 17 In this Part, the *Homes Tasmania Act 2022* is referred to as the Principal Act.
- Clause 18 Omits subsections (4), (5) and (6) of section 30 of the Principal Act to remove the Treasurer's power to guarantee the repayment of borrowings by Homes Tasmania under that Act.

Part 8 - Irrigation Company Act 2011 Amended

- Clause 19 In this Part, the *Irrigation Company Act 2011* is referred to as the Principal Act.
- Clause 20 Amends section 12(2) of the Principal Act to provide that the Crown is liable for a guarantee provided to the Company or a subsidiary of the Company under the *Tasmanian Public Finance Corporation Act 1985* in respect of borrowings from Tascorp.
- Clause 21 Amends section 16 of the Principal Act to remove the Treasurer's power to guarantee under the provisions of this section the repayment of any money lent, or agreed to be lent, to the Company or a subsidiary of the Company.

Part 9 - Macquarie Point Development Corporation Act 2012 Amended

- Clause 22 In this Part, the *Macquarie Point Development Corporation Act 2012* is referred to as the Principal Act.
- Clause 23 Omits subsections (4), (5), (6) and (7) of section 47 of the Principal Act to remove the Treasurer's power to guarantee the repayment of borrowings by Macquarie Point Development Corporation under that Act.

Part 10 - Metro Tasmania Act 1997 Amended

- Clause 24 In this Part, the *Metro Tasmania Act 1997* is referred to as the Principal Act.
- Clause 25 Amends section 10(2) of the Principal Act to provide that the Crown is liable for a guarantee provided to the Company under the *Tasmanian Public Finance Corporation Act 1985* in respect of borrowings from Tascorp.
- Clause 26 Amends section 13 of the Principal Act to remove the Treasurer's power to guarantee under the provisions of this section the repayment of any money lent, or agreed to be lent, to the Company.

Part 11 - Private Forests Act 1994 Amended

- Clause 27 In this Part, the *Private Forests Act 1994* is referred to as the Principal Act.
- Clause 28 Omits subsections (4), (5), (6) and (7) of section 25 of the Principal Act to remove the Treasurer's power to guarantee the repayment of borrowings by Private Forests Tasmania under that Act.

Part 12 - Racing (Tasracing Pty Ltd) Act 2009 Amended

- Clause 29 In this Part, the *Racing (Tasracing Pty Ltd) Act 2009* is referred to as the Principal Act.
- Clause 30 Amends section 7(2) of the Principal Act to provide that the Crown is liable for a guarantee provided to the Company under the *Tasmanian Public Finance Corporation Act 1985* in respect of borrowings from Tascorp.

Clause 31 Amends section 17 of the Principal Act to remove the Treasurer's power to guarantee under the provisions of this section the repayment of any money lent, or agreed to be lent, to the Company.

Part 13 - Rail Company Act 2009 Amended

Clause 32 In this Part, the *Rail Company Act 2009* is referred to as the Principal Act.

Clause 33 Amends section 11(2) of the Principal Act to provide that the Crown is liable for a guarantee provided to the Company or a subsidiary of the Company under the *Tasmanian Public Finance Corporation Act 1985* in respect of borrowings from Tascorp.

Clause 34 Amends section 14 of the Principal Act to remove the Treasurer's power to guarantee under the provisions of this section the repayment of any money lent, or agreed to be lent, to the Company or a subsidiary of the Company.

Part 14 - Stadiums Tasmania Act 2022 Amended

Clause 35 In this Part, the *Stadiums Tasmania Act 2022* is referred to as the Principal Act.

Clause 36 Omits subsection (4), (5), (6) and (7) of section 30 of the Principal Act to remove the Treasurer's power to guarantee the repayment of borrowings by Stadiums Tasmania under that Act.

Part 15 - TT-Line Arrangements Act 1993 Amended

Clause 37 In this Part, the *TT-Line Arrangements Act 1993* is referred to as the Principal Act.

Clause 38 Amends section 17 of the Principal Act to remove the Treasurer's power to guarantee under the provisions of this section the repayment of any money lent, or agreed to be lent, to the Company.

Clause 39 Repeals section 20 of the Principal Act that provides for the Treasurer to provide a guarantee or indemnity to persons other than the Company.

Part 16 - Tasmanian Development Act 1983 Amended

Clause 40 In this Part, the *Tasmanian Development Act 1983* is referred to as the Principal Act.

Clause 41 Repeals section 25 of the Principal Act that provides a guarantee by the State of borrowings by Tasmania Development and Resources.

Part 17 - Tasmanian Ports Corporation Act 2005 Amended

Clause 42 In this Part, the *Tasmanian Ports Corporation Act 2005* is referred to as the Principal Act.

Clause 43 Amends section 13(2) of the Principal Act to provide that the Crown is liable for a guarantee provided to the Corporation or a subsidiary of the Corporation under the *Tasmanian Public Finance Corporation Act 1985* in respect of borrowings from Tascorp.

Clause 44

Amends section 16 of the Principal Act to remove the Treasurer's power to guarantee under the provisions of this section the repayment of any money lent, or agreed to be lent, to the Corporation or a subsidiary of the Corporation.