

FACT SHEET

Tasmanian Public Finance Corporation Amendment Bill 2023

- The Tasmanian Public Finance Corporation Amendment Bill 2023:
 - amends the *Tasmanian Public Finance Corporation Act 1985* to provide an enduring guarantee by the Government of borrowings from Tascorp by relevant organisations that include:
 - Government Business Enterprises;
 - State-owned Companies; and
 - other Government entities with the current power to borrow.
- The Bill provides that the guarantee provided to a relevant organisation:
 - is subject to individual entity limits established by the Treasurer;
 - only applies to borrowings sourced from Tascorp;
 - will only be called upon after all other options in relation to security held in respect of guaranteed borrowings have been exhausted; and
 - commences from 1 July 2023 and applies to all borrowings from Tascorp already in place and all future borrowings from Tascorp.
- The Bill provides that in the event the guarantee to a relevant organisation is called upon:
 - any payment made to Tascorp under the guarantee is Reserved by Law and is automatically appropriated from the Public Account; and
 - the Treasurer has the discretion to determine that any payment made under the guarantee in respect of a relevant organisation's borrowings from Tascorp are repayable by the relevant organisation to the Public Account subject to terms and conditions to be determined by the Treasurer.
- The Bill includes consequential amendments to remove borrowing guarantee provisions for the relevant organisations currently within their enabling legislation as these are no longer required.