

Passed by both Houses



New South Wales

Government Sector Finance Amendment (Integrity Agencies) Bill 2024

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I certify that this PUBLIC BILL, which originated in the LEGISLATIVE COUNCIL, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.

*Legislative Council
2024*

Clerk of the Parliaments



New South Wales

Government Sector Finance Amendment (Integrity Agencies) Bill 2024

Act No , 2024

An Act to amend the *Government Sector Finance Act 2018* to make provision about the funding of integrity agencies; to make consequential amendments to other Acts; and for other purposes.

The Legislature of New South Wales enacts—

1 Name of Act

This Act is the *Government Sector Finance Amendment (Integrity Agencies) Act 2024*.

2 Commencement

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

Schedule 1 **Amendment of Government Sector Finance Act 2018 No 55**

[1] Section 2.4 GSF agencies

Omit section 2.4(1)(e).

[2] Section 2.5 Separate GSF agency

Insert after section 2.5(1)(c)—

(c1) the Law Enforcement Conduct Commission,

[3] Part 4, Division 4.2A

Insert after Division 4.2—

Division 4.2A Appropriations for integrity agencies

4.14A Definitions

In this division—

integrity agency means the following—

- (a) the Audit Office,
- (b) the Independent Commission Against Corruption,
- (c) the Law Enforcement Conduct Commission,
- (d) the New South Wales Electoral Commission,
- (e) the Ombudsman's Office.

relevant parliamentary oversight committee means the following—

- (a) for the Audit Office—the Public Accounts Committee,
- (b) for the Independent Commission Against Corruption—the Committee on the Independent Commission Against Corruption,
- (c) for the Law Enforcement Conduct Commission or the Ombudsman's Office—the Committee on the Ombudsman, the Law Enforcement Conduct Commission and the Crime Commission,
- (d) for the New South Wales Electoral Commission—the Joint Standing Committee on Electoral Matters or a committee of Parliament designated by the Parliament for this division.

4.14B Notification of proposed budget allocation

- (1) The Treasurer must give written notice to the head of an integrity agency of the amount proposed to be appropriated for the services of the agency in the next annual Appropriation Act.
- (2) If the amount is different from the amount sought for the integrity agency in a budget proposal, the notice must include reasons for the variation.
- (3) The Treasurer must also give a copy of the notice to the relevant parliamentary oversight committee.
- (4) The Treasurer must give the notice under subsection (1) and the copy of the notice under subsection (3) within 7 days after the Bill for the Act is introduced into the Legislative Assembly.

- (5) The relevant parliamentary oversight committee must, within 3 months after receiving the notice under subsection (4), examine and report on the appropriation to—
 - (a) either—
 - (i) the Legislative Assembly, if the report is prepared by the Public Accounts Committee, or
 - (ii) both Houses of Parliament, if the report is prepared by another parliamentary oversight committee, and
 - (b) the Treasurer.
- (6) The Treasurer must respond in writing to the relevant parliamentary oversight committee within 3 months after receiving the report.

4.14C Application for contingency funding

- (1) The Treasurer must consider the following before deciding an application for funding to an integrity agency from a sum appropriated to the Treasurer for contingencies in relation to integrity agencies (the *contingency fund*)—
 - (a) the independence of the integrity agency from the direction or control of the executive government,
 - (b) whether the expenditure or reduction in revenue to which the contingency relates is urgent and unforeseen,
 - (c) whether refusing the application would cause the integrity agency to be unable to fulfil a statutory function,
 - (d) the availability of the funding from the contingency fund.
- (2) The Treasurer must decide the application as soon as reasonably practicable after receiving the application.
- (3) The Treasurer must give written notice of the decision on the application to—
 - (a) the head of an integrity agency, and
 - (b) the relevant parliamentary oversight committee.

Division 4.2B Appropriations for the Legislature

4.14D Notification of proposed budget allocation

- (1) The Treasurer must give written notice to the following of the amount proposed to be appropriated for the services of the Legislature in the next annual Appropriation Act—
 - (a) the Presiding Officer of each House of Parliament,
 - (b) any committee of Parliament, or a House of Parliament, designated by the Parliament or the House for this section.
- (2) If the amount is different from the amount sought for the services of the Legislature in a budget proposal, the notice must include reasons for the variation.
- (3) The Treasurer must give the notice within 7 days after the Bill for the annual Appropriation Act is introduced into the Legislative Assembly.

Schedule 2 Consequential amendments of other Acts

2.1 Appropriation Act 2024 No 36

Section 37 Contingencies in relation to integrity agencies

Omit the section.

2.2 Electoral Act 2017 No 66

Section 267A

Insert after section 267—

267A Additional functions of relevant parliamentary oversight committee

The functions of the relevant parliamentary oversight committee for the Electoral Commission, within the meaning of the *Government Sector Finance Act 2018*, Part 4, Division 4.2A, include examining and reporting to both Houses of Parliament about the annual appropriation for the services of the Electoral Commission.

2.3 Government Sector Audit Act 1983 No 152

Section 57 Functions of Committee

Insert after section 57(1)(c1)—

- (c2) to examine and report to the Legislative Assembly about the annual appropriation for the services of the Auditor-General,

Note— See the *Government Sector Finance Act 2018*, section 4.14B(5) which provides for the Committee to examine and report within 3 months after receiving notice under that section of the amount proposed to be appropriated.

2.4 Independent Commission Against Corruption Act 1988 No 35

[1] Section 64 Functions

Insert after section 64(1)(a)—

- (a1) to examine and report to both Houses of Parliament about the annual appropriation for the services of the Commission,

Note— See the *Government Sector Finance Act 2018*, section 4.14B(5) which provides for the Joint Committee to examine and report within 3 months after receiving notice under that section of the amount proposed to be appropriated.

[2] Section 64(1)(b)

Insert “other” after “any”.

2.5 Law Enforcement Conduct Commission Act 2016 No 61

[1] Section 131 Functions

Insert after section 131(1)(a)—

- (a1) to examine and report to both Houses of Parliament about the annual appropriation for the services of the Commission,

Note— See the *Government Sector Finance Act 2018*, section 4.14B(5) which provides for the Joint Committee to examine and report within 3 months after receiving notice under that section of the amount proposed to be appropriated.

[2] Section 131(1)(b)

Insert “other” after “any”.

2.6 Ombudsman Act 1974 No 68

[1] Section 31B Functions

Insert after section 31B(1)(a)—

- (a1) to examine and report to both Houses of Parliament about the annual appropriation for the services of the Ombudsman,

Note— See the *Government Sector Finance Act 2018*, section 4.14B(5) which provides for the Joint Committee to examine and report within 3 months after receiving notice under that section of the amount proposed to be appropriated.

[2] Section 31B(1)(b)

Insert “other” after “any”.