



New South Wales

# Regional Development Amendment Bill 2024

## Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

## Overview of Bill

The object of this Bill is to make miscellaneous amendments to the *Regional Development Act 2004 (the Act)*, including to update the administrative arrangements for the Regional Development Trust Fund.

## Outline of provisions

**Clause 1** sets out the name, also called the short title, of the proposed Act.

**Clause 2** provides for the commencement of the proposed Act on the date of assent to the proposed Act.

## Schedule 1      **Amendment of Regional Development Act 2004** **No 58**

**Schedule 1[1]** amends section 3 to provide that the object of the Act is to provide a framework for strategic intervention in the economies of regional New South Wales for the following purposes—

- (a) to promote economic and employment growth in regions,
- (b) to support sustainable economies and communities in regions,
- (c) to support place-based solutions, targeted to the development problems of particular locations and developed in collaboration with the local community, that promote improved economic and social outcomes in regions,

- (d) to assist communities in regions to capitalise on regional strengths by supporting the diversification, adaptation and resilience of regional economies, including in relation to established and emerging primary and other industries,
- (e) to facilitate the economic and social development of Aboriginal communities and Aboriginal enterprises in regions,
- (f) to encourage cooperation in relation to the matters in paragraphs (a)–(e) among all tiers of government, including local government, the private sector and not-for-profit organisations.

**Schedule 1[2]** omits the definition of *Director-General* and provides that *Department* means the department in which the Act is administered, *Fund* means the Regional Development Trust Fund established under section 11, *GSF agency* and *accountable authority* have the same meaning as in the *Government Sector Finance Act 2018* and *Secretary* means the Secretary of the Department. **Schedule 1[4], [8], [14] and [16]** make consequential amendments.

**Schedule 1[3]** substitutes section 5(1) to provide that the Minister may, on the Minister's own initiative, grant financial assistance to a person for a purpose consistent with one or more of the purposes specified in section 3, as amended by Schedule 1[1].

**Schedule 1[5]** substitutes section 6 to provide that financial assistance granted under the Act may include loans and other assistance determined by the Minister.

**Schedule 1[6]** substitutes section 7(1) to provide that the Minister may make a grant of financial assistance subject to a security. **Schedule 1[7]** inserts proposed section 7(2)(e), which provides that the Minister may impose a condition requiring the payment of interest on a grant of financial assistance.

**Schedule 1[9]** amends section 11(1) to provide that the following may be paid into the Fund—

- (a) the proceeds of the investment of money in the Fund,
- (b) money paid as the repayment of the principal or the payment of interest for loans paid out of the Fund,
- (c) money directed by a Minister, a government agency, a GSF agency or an accountable authority for a GSF agency to be paid into the Fund,
- (d) money paid into the Fund by another person as a voluntary contribution,
- (e) other money required by the regulations to be paid into the Fund.

**Schedule 1[10]** inserts proposed section 11(2)(b1) to provide that the amounts necessary for the procurement of goods and services that support one or more of the purposes specified in section 3, as amended by Schedule 1[1], may be paid out of the Fund.

**Schedule 1[11]** inserts proposed section 11(3) to provide that the Minister may invest money in the Fund in any way the Department is permitted to invest money under the *Government Sector Finance Act 2018*, Part 6.

**Schedule 1[12]** inserts proposed sections 11A and 11B. Proposed section 11A provides that the Minister must make a governance framework and an investment strategy (the *investment strategy*) as soon as practicable after the commencement of the proposed section. The investment strategy must contain information about the following—

- (a) the key focus areas for investment,
- (b) the principles that guide investment in the focus areas,
- (c) the investment pathways relating to processes for delivering funding.

The Minister must review the investment strategy at least once every 2 years and may amend the investment strategy at any time. The Minister must also publish the governance framework and investment strategy on the Department's website.

Proposed section 11B provides that the Minister must, by 30 November after each financial year, publish an annual report on the Department's website that includes information about—

- (a) details of payments from the Fund during the financial year, and
- (b) details of the membership of the Regional Development Advisory Council during the financial year.

The annual report must not include information that, in the Minister's opinion, is commercial in confidence or inappropriate for publication. **Schedule 1[17]** provides that proposed section 11B does not apply to the financial year ending 30 June 2024, which means the first annual report must be—

- (a) prepared for the financial year ending 30 June 2025, and
- (b) published by 30 November 2025.

**Schedule 1[13]** amends section 12(1) to provide that the Minister must establish a Regional Development Advisory Council.

**Schedule 1[15]** amends section 13(3) to provide that the Secretary may, by written instrument, delegate to a member of staff of the Department or another person prescribed by the regulations a function conferred or imposed on the Secretary by or under the Act, other than the power of delegation permitted under section 13(3).

## **Schedule 2      Amendment of Regional Development Regulation 2018**

**Schedule 2** makes a consequential amendment.



New South Wales

# Regional Development Amendment Bill 2024

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*This PUBLIC BILL, originated in the LEGISLATIVE ASSEMBLY and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.*

*Legislative Assembly*

*Clerk of the Legislative Assembly*



New South Wales

## **Regional Development Amendment Bill 2024**

No. \_\_\_\_\_, 2024

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### **A Bill for**

An Act to make miscellaneous amendments to the *Regional Development Act 2004*, including to update the administrative arrangements for the Regional Development Trust Fund; and for related purposes.

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*The LEGISLATIVE COUNCIL has this day agreed to this Bill with/without amendment.*

*Legislative Council*

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*Clerk of the Parliaments*

**The Legislature of New South Wales enacts—**

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**1 Name of Act**

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This Act is the *Regional Development Amendment Act 2024*.

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**2 Commencement**

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This Act commences on the date of assent to this Act.

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<b>Schedule 1</b>	<b>Amendment of Regional Development Act 2004</b>	1
	<b>No 58</b>	2
<b>[1]</b>	<b>Section 3 Object of Act</b>	3
	Omit section 3(a)–(d). Insert instead—	4
	(a) to promote economic and employment growth in regions,	5
	(b) to support sustainable economies and communities in regions,	6
	(c) to support place-based solutions, targeted to the development problems of particular locations and developed in collaboration with the local community, that promote improved economic and social outcomes in regions,	7 8 9 10
	(d) to assist communities in regions to capitalise on regional strengths by supporting the diversification, adaptation and resilience of regional economies, including in relation to established and emerging primary and other industries,	11 12 13 14
	(e) to facilitate the economic and social development of Aboriginal communities and Aboriginal enterprises in regions,	15 16
	(f) to encourage cooperation in relation to the matters in paragraphs (a)–(e) among all tiers of government, including local government, the private sector and not-for-profit organisations.	17 18 19
<b>[2]</b>	<b>Section 4 Definitions</b>	20
	Omit section 4(1), definition of <i>Director-General</i> .	21
	Insert in alphabetical order—	22
	<i>accountable authority</i> , for a GSF agency, has the same meaning as in the <i>Government Sector Finance Act 2018</i> .	23 24
	<i>Department</i> means the department in which this Act is administered.	25
	<i>Fund</i> means the Regional Development Trust Fund established under section 11.	26 27
	<i>GSF agency</i> has the same meaning as in the <i>Government Sector Finance Act 2018</i> .	28 29
	<i>Secretary</i> means the Secretary of the Department.	30
<b>[3]</b>	<b>Section 5 Grants of financial assistance</b>	31
	Omit section 5(1). Insert instead—	32
	(1) The Minister may, on application made to the Minister or on the Minister’s own initiative, grant financial assistance to a person for a purpose that is consistent with one or more of the purposes specified in section 3.	33 34 35
<b>[4]</b>	<b>Section 5(2)</b>	36
	Omit “Director-General” wherever occurring. Insert instead “Secretary”.	37
<b>[5]</b>	<b>Section 6</b>	38
	Omit the section. Insert instead—	39
	<b>6 Financial assistance that may be granted</b>	40
	Financial assistance granted under section 5 may include the following—	41
	(a) grants,	42

(b) subsidies,	1
(c) loans,	2
(d) payroll tax rebates,	3
(e) other assistance determined by the Minister.	4
<b>[6] Section 7 Conditions of grants of financial assistance</b>	5
Omit section 7(1). Insert instead—	6
(1) The Minister may, when granting financial assistance under this Act—	7
(a) make the assistance subject to a security, or	8
(b) impose conditions on the assistance.	9
<b>[7] Section 7(2)(e)</b>	10
Insert after section 7(2)(d)—	11
(e) the payment of interest on the assistance.	12
<b>[8] Section 9 Repayment of financial assistance</b>	13
Omit “Director-General” from section 9(2). Insert instead “Secretary”.	14
<b>[9] Section 11 Regional Development Trust Fund</b>	15
Insert after section 11(1)(d)—	16
(d1) the proceeds of the investment of money in the Fund, and	17
(d2) money paid as the repayment of the principal or the payment of interest for loans paid out of the Fund, and	18
(d3) money directed by 1 of the following to be paid into the Fund—	20
(i) a Minister,	21
(ii) a government agency,	22
(iii) a GSF agency,	23
(iv) an accountable authority for a GSF agency, and	24
(d4) money paid into the Fund by another person as a voluntary contribution, and	25
(d5) other money required by the regulations to be paid into the Fund, and	27
<b>[10] Section 11(2)(b1)</b>	28
Insert after section 11(2)(b)—	29
(b1) the amounts necessary for the procurement of goods and services that support one or more of the purposes specified in section 3, and	30
	31
<b>[11] Section 11(3)</b>	32
Insert after section 11(2)—	33
(3) The Minister may invest money in the Fund in any way the Department is permitted to invest money under the <i>Government Sector Finance Act 2018</i> , Part 6.	34
	35
	36
<b>[12] Sections 11A and 11B</b>	37
Insert after section 11—	38



<b>11A Governance framework and investment strategy</b>	1
(1) The Minister must make the following as soon as practicable after the commencement of this section—	2
(a) a governance framework to guide the effective and transparent administration of this Act,	3
(b) an investment strategy to guide grants of financial assistance from the Fund and other payments out of the Fund (the <i>investment strategy</i> ).	4
(2) The investment strategy must contain information about the following—	5
(a) the key focus areas for investment,	6
(b) the principles that guide investment in the focus areas,	7
(c) the investment pathways relating to processes for delivering funding.	8
(3) The Minister—	9
(a) must review the investment strategy at least once every 2 years, and	10
(b) may amend the investment strategy at any time.	11
(4) The Minister must publish the governance framework and investment strategy on the Department’s website.	12
<b>11B Annual report for Fund</b>	13
(1) The Minister must, by 30 November after the end of each financial year—	14
(a) prepare an annual report on the Fund that includes the following information—	15
(i) details of payments from the Fund during the financial year,	16
(ii) details of the membership of the Regional Development Advisory Council during the financial year, and	17
(b) publish a copy of the report on the Department’s website.	18
(2) Despite subsection (1), the annual report must not include information that, in the Minister’s opinion, is—	19
(a) commercial in confidence, or	20
(b) inappropriate for publication, including personal information within the meaning of the <i>Privacy and Personal Information Protection Act 1998</i> .	21
(3) In this section—	22
<i>financial year</i> means a period of 12 months commencing on 1 July.	23
<b>[13] Section 12 Regional Development Advisory Council</b>	24
Omit “may, subject to and in accordance with the regulations,” from section 12(1).	25
Insert instead “must”.	26
<b>[14] Section 13</b>	27
Omit “Director-General” wherever occurring.	28
Insert instead “Secretary”.	29
<b>[15] Section 13(3)</b>	30
Omit “authorised officer”. Insert instead “authorised person”.	31

<b>[16] Section 13(4)</b>	1
Omit the subsection. Insert instead—	2
(4) In this section—	3
<i>authorised person</i> means—	4
(a) a member of staff of the Department, or	5
(b) another person prescribed by the regulations.	6
<b>[17] Schedule 1 Savings and transitional provisions</b>	7
Insert after Part 2—	8
<b>Part 3 Provision consequent on enactment of Regional Development Amendment Act 2024</b>	9
	10
<b>3 Annual report for Fund</b>	11
Section 11B does not apply to the financial year ending 30 June 2024.	12
<b>Note—</b> The effect of this provision is that the first annual report prepared by the Minister under section 11B(1) must be—	13
(a) prepared for the financial year ending 30 June 2025, and	14
(b) published by 30 November 2025.	15
	16

**Schedule 2      Amendment of Regional Development Regulation  
2018**

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**Section 4A Regional Development Advisory Council—the Act, s 12**

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Omit “may” from section 4A(1). Insert instead “must”.

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