

[Act 1999 No 14]



New South Wales

Technical Education Trust Funds Amendment Bill 1999

Explanatory note

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

Overview of Bill

The objects of this Bill are as follows:

- (a) to amend the *Technical Education Trust Funds Act 1967*:
 - (i) to provide for the Governor to appoint a statutory corporation as a Statutory Trustee of a Fund administered under the Act, and
 - (ii) to exempt a Statutory Trustee, and any agent of the Statutory Trustee, from personal liability for decisions made in good faith for the purpose of executing the Act, and
 - (iii) to clarify and simplify the scheme governing the administration of Funds under the Act, and
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- (b) to amend the *Annual Reports (Departments) Act 1985* and the *Annual Reports (Statutory Bodies) Act 1984* to simplify the obligation of a Statutory Trustee to report annually on a Fund administered by the Trustee under that Act, and
- (c) to make consequential amendments to the *Public Finance and Audit Act 1983*.

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 a day or days appointed by proclamation.

Clause 3 is a formal provision giving effect to the amendments to the *Technical Education Trust Funds Act 1967* set out in Schedule 1.

Clause 4 is a formal provision giving effect to the amendments to the *Annual Reports (Departments) Act 1985* set out in Schedule 2.

Clause 5 is a formal provision giving effect to the amendments to the *Annual Reports (Statutory Bodies) Act 1984* set out in Schedule 3.

Clause 6 is a formal provision giving effect to the amendments to the *Public Finance and Audit Act 1983* set out in Schedule 4.

Amendments

Appointment of statutory corporation as Statutory Trustee

Currently, the *Technical Education Trust Funds Act 1967* provides that the Governor may provide, by way of an order, that the individuals holding the offices specified in the order are the Statutory Trustees of a Fund administered under the Act. **Schedule 1 [5]** substitutes sections 3–6 of the *Technical Education Trust Funds Act 1967* with proposed sections 3–6E to allow the Governor to appoint either a statutory corporation to be the Statutory Trustee of such a Fund, or two or more individuals to be the Statutory Trustees of the Fund. Proposed sections 3–6E also clarify and simplify the scheme by which a trust fund may be brought within the provisions of the Act to vest in the Statutory Trustee or Trustees appointed in relation to that fund.

Personal liability of Statutory Trustees

Schedule 1 [7] inserts proposed section 11 into the *Technical Education Trust Funds Act 1967* to protect a Statutory Trustee, or any agent of the Statutory Trustee, from personal liability for decisions made in good faith for the purpose of executing the Act.

Savings and transitional and consequential amendments

Schedule 1 [8] and **[10]** insert proposed section 15 and Schedule 2 into the *Technical Education Trust Funds Act 1967*, to give effect to savings and transitional provisions relating to existing Statutory Trustees and Funds currently being administered under the Act. Proposed Schedule 2 also provides for a savings and transitional regulation-making power.

Schedule 1 [1], [2], [3], [4], [6] and **[9]** make consequential amendments to the *Technical Education Trust Funds Act 1967*.

Schedule 4 [1] and **[2]** make consequential amendments to the *Public Finance and Audit Act 1983*.

Simplifying annual reports

Schedule 2 and **Schedule 3** amend the *Annual Reports (Departments) Act 1985* and the *Annual Reports (Statutory Bodies) Act 1984*, respectively, to provide that a Statutory Trustee that is a statutory corporation already under an obligation to prepare an annual report in relation to its own functions (under one of those Acts) may include in that report the annual report relating to its function as a Statutory Trustee (required under the *Annual Reports (Statutory Bodies) Act 1984*).