



ANALYSIS

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1959, No. 17

An Act to amend the Local Authorities Loans Act 1956

[24 September 1959]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. Short Title—This Act may be cited as the Local Authorities Loans Amendment Act 1959, and shall be read together with and deemed part of the Local Authorities Loans Act 1956 (hereinafter referred to as the principal Act).

2. Notification of result of poll or consent of ratepayers—

(1) Section thirteen of the principal Act is hereby amended by inserting, after subsection two, the following subsection:

“(2A) Except where by any enactment the loan may be raised without the prior consent of the ratepayers, the Board, in any case where the consent of the ratepayers is not required or demanded or resolved to be obtained in accordance with subsection one of section thirty-four of this Act, on receipt of a notification in the form prescribed by regulations signed by the Chairman of the local authority and stating that the

special order to raise the loan has been duly made, shall forthwith notify the Minister thereof, who shall in due course submit a recommendation to the Governor-General in Council for his consent to the raising of the loan.”

(2) Section thirteen of the principal Act is hereby further amended by omitting from subsection three the words “statutory declaration”, and substituting the word “notification”.

(3) Section thirteen of the principal Act is hereby further amended by repealing subsection four, and substituting the following subsection:

“(4) If the Chairman knowingly inserts, or causes or allows to be inserted,—

“(a) In any notification under subsection two of this section, any false statement as to the number of votes recorded for and against the proposal to which the notification relates; or

“(b) In any notification under subsection two^A of this section, any false statement as to any matter specified in that subsection; or

“(c) In any notification under subsection three of this section, any false statement as to the number of the ratepayers of the district or of the part of the district affected, or as to the proportion of those ratepayers who have consented to the raising of the loan,—

he is liable on summary conviction before a Magistrate to a fine not exceeding five hundred pounds.”

3. Consent of Local Authorities Loans Board not required in certain cases—Section eighteen of the principal Act is hereby amended by inserting, after paragraph (c), the following paragraphs:

“(cc) Money to be paid by a local authority as provided in subsection four of section thirty-three of the Finance Act 1938:

“(ccc) Money to be paid by a local authority as provided in subsection three of section sixty-two of the Government Railways Act 1949:”.

4. Loan for benefit of part of district—Section twenty-seven of the principal Act is hereby amended by adding to subsection two the following proviso:

“Provided that, in the case of a special loan raised by a Catchment Board, nothing in this subsection shall apply where the Board is authorised, pursuant to subsection three of section

one hundred and one of the Soil Conservation and Rivers Control Act 1941, to levy a special rate for the purposes of the loan in accordance with the consent of the ratepayers instead of in accordance with a graduated scale based on a classification of lands made for the purposes of the rate."

5. Raising loan by special order—Section thirty-four of the principal Act is hereby amended as follows:

(a) By omitting from subsection one the words "by special order"; and substituting the words "pursuant to a special order":

(b) By omitting from subsection two the words "Except where the consent of the ratepayers is to be obtained pursuant to paragraph (a) or paragraph (c) or paragraph (d) of subsection one", and substituting the words "Except where by any provision of this Act or by any other enactment the consent of the ratepayers is not required to be obtained, and except where the consent of the ratepayers is to be obtained pursuant to paragraph (a) or paragraph (c) or paragraph (d) of the proviso to subsection one".

REP. 19.
No. 2.

6. Lapse of authority to raise loan—Section forty of the principal Act is hereby amended as from its commencement by inserting, after subsection two, the following subsection:

"(2A) The provisions of subsection one of this section shall apply with respect to every sanction to the raising of a special loan given by the Local Government Loans Board before the commencement of this Act as if that sanction had been given by the Local Authorities Loans Board, and as if for the words 'three years' in that subsection there were substituted the words 'five years'."

7. Special rate—Section forty-seven of the principal Act is hereby amended by inserting in subsection one, after the words "raise a special loan", the words "and the local authority is empowered by any other enactment to make and levy any rate".

REP. 19.
No. 2.

8. Replacing lost or destroyed or mutilated debentures—Section sixty-four of the principal Act is hereby amended by omitting from subsection one the words "subsection three", and substituting the words "subsection two".

9. Hypothecation of debentures—Section sixty-five of the principal Act is hereby amended as follows:

- (a) By inserting in subsection one, before the words “Pending the raising of any special loan”, the words “Notwithstanding anything in section fifteen of this Act”:
- (b) By omitting from subsection one the words “by the issue of debentures”.

10. Investment of money in sinking fund—Section eighty-six of the principal Act is hereby amended by adding to subsection two the following additional proviso:

“Provided further that, where the National Provident Fund Board is appointed as the Commissioner of a sinking fund, the Board shall invest all money in the sinking fund, together with all interest and profits accruing therefrom, in the National Provident Fund, or in such other manner as may be specially authorised in that behalf by the Governor-General in Council.”

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