



ANALYSIS

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1982, No. 121

An Act to amend the Local Authorities Loans Act 1956

[4 December 1982

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 and commencement—(1) This Act may be cited as the Local Authorities Loans Amendment Act 1982, and shall be read together with and deemed part of the Local Authorities Loans Act 1956 (hereinafter referred to as the principal Act).

(2) This Act shall come into force on the 1st day of January 1983.

2. Interpretation—Section 2 of the principal Act is hereby amended by omitting the definition of the term “ratepayers”, and substituting the following definition:

“‘Ratepayer’ means any person who, at any material time, is qualified as an elector under section 69 of the Local Government Act 1974 by reason of a rating qualification and would be entitled to vote on a poll of ratepayers conducted under the Local Elections and Polls Act 1976 if such a poll were held at that time:”.

3. Exemptions—The principal Act is hereby amended by inserting, after section 3, the following section:

“3A. (1) The Governor-General may from time to time, by Order in Council made on the recommendation of the Minister after consultation with the Board, exempt any local authority or class of local authority, in respect of any loan or class of loan or generally in respect of all loans, from—

“(a) The requirement of this Part of this Act to obtain—

“(i) The sanction of the Board to the raising of the loan or the class of loans or all loans; or

“(ii) The consent of the Minister to the raising of the loan or the class of loan or all loans; or

“(b) Both of the requirements specified in paragraph (a) of this subsection.

“(2) Except as provided in subsection (4) of this section, no local authority that is exempted under an Order in Council made under subsection (1) of this section from any requirement to obtain the sanction of the Board to the raising of any loan shall raise that loan in contravention of any determination of the Board under subsection (3) or subsection (5) of this section that applies to that loan.

“(3) The Board may, from time to time by notice in the *Gazette*, in respect of any loan or class of loans that may be raised by a local authority without the sanction of the Board, make determinations specifying conditions relating to—

“(a) The time at which the money may be borrowed:

“(b) The term for which it may be borrowed:

“(c) The rate of interest that may be paid in respect of the loan:

“(d) The rate of discount that may be allowed in respect of the loan:

“(e) Repayment of the loan:

“(f) Any other matters in connection with the borrowing or repaying of the loan.

“(4) The Board may, on application made to it by the local authority concerned, by written notice to that local authority, vary the application of any determination made under subsection (3) of this section to the raising of any particular loan by that local authority.

“(5) Subject to subsection (6) of this section, any exemption granted under subsection (1) of this section, and any determination made under subsection (3) of this section, may be amended or revoked in the same manner, and, in the case of determinations, the Board may make a general determination amending or revoking all previous determina-

tions under subsection (3) of this section, or any specified class of such determinations.

“(6) Nothing in any variation, amendment, or revocation under subsection (4) or subsection (5) of this section shall—

“(a) Apply to any money already borrowed in accordance with any exemption or determination in force at the time it was borrowed; or

“(b) Affect the security of the lenders of any money already borrowed in accordance with any exemption or determination in force at the time it was borrowed.

“(7) The Board shall not in any case determine a rate of interest or discount under any of subsections (3) to (5) of this section that is in excess of the maximum rate determined for the time being by the Minister for the purposes of section 9 of this Act.”

4. Ratepayers may demand poll—Section 34 (2) (b) of the principal Act (as substituted by section 8 (1) of the Local Authorities Loans Amendment Act 1971 and amended by section 4 (1) of the Local Authorities Loans Amendment Act 1976) is hereby amended by omitting the words “whose names are inscribed on the ratepayers roll”.

5. Lapse of authority to raise exempted loan—The principal Act is hereby amended by inserting, after section 40, the following section:

“40A. Where, by virtue of an Order in Council made under section 3A of this Act, a local authority is not required to obtain the sanction of the Board to raise a special loan, section 40 of this Act shall apply to the raising of that loan as if the references in that section to the sanction of the Board were references to—

“(a) The date of any special order made under section 34 of this Act; or

“(b) The date of publication in the *Gazette* in accordance with section 38 of this Act of the result of any poll relating to the loan; or

“(c) The date of any resolution of the local authority made for the purposes of section 42 of this Act; or

“(d) The date when the consent of a majority of ratepayers is received under section 43 of this Act,—

as the case may require.”

6. Special rate in respect of exempted loan—Section 47 of the principal Act is hereby amended by inserting, after section 47, the following section:

“47A. Where, by virtue of an Order in Council made under section 3A of this Act, a local authority is not required to obtain the consent of the Minister to raise a special loan pursuant to Part I of this Act, section 47 of this Act shall apply in respect of that loan as if the references in that section to that consent were references to the date on which money is first raised under the loan.”

7. Consequential amendments—(1) Section 3 (1) of the principal Act is hereby consequentially amended by inserting, after the words “in any Act,”, the words “and except as provided in section 3A of this Act,”.

(2) Section 27 (2) of the principal Act is hereby consequentially amended by omitting the words “comprising the names of all persons in that part entitled to vote on a roll of ratepayers”, and substituting the words “of ratepayers in that part of the district”.

(3) Section 30 (1) of the principal Act is hereby consequentially amended by inserting, after the words “local authority”, the words “is entitled to raise a loan under this Act without the authorisation of the Minister or”.

8. Transitional provision—Nothing in section 2, section 4, or section 7 (2) of this Act shall apply to the raising of a special loan where the date for the confirmation of the resolution to raise the special loan was fixed before the 1st day of January 1983; and, in relation to the raising of any such loan, the principal Act shall be read as if those provisions were not in force.

This Act is administered in the Treasury.
