



ANALYSIS

Title
1. Short Title and commencement

2. Transfer of money subject to trust

1999, No. 90

An Act to amend the Local Government Act 1974

[31 August 1999

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title and commencement—(1) This Act may be cited as the Local Government Amendment Act (No. 3) 1999, and is part of the Local Government Act 1974 (“the principal Act”).

(2) This Act comes into force on the day after the date on which it receives the Royal assent.

2. Transfer of money subject to trust—The principal Act is amended by inserting, after section 707ZZZL, the following section:

“707ZZZLA. (1) The territorial authorities within the Auckland Region that have resolved to transfer money under this section may, by notice in the *Gazette*, appoint a person to be the alternative trustee for the purposes of this section.

“(2) A territorial authority holding in trust money paid to it under section 707ZZZL (4) (b) may—

“(a) Transfer the money to the alternative trustee; or

“(b) From time to time, transfer part of the money to the alternative trustee.

“(3) A territorial authority may make a transfer of money under this section subject to such terms and conditions as it thinks fit, including (but not by way of limitation) terms and

conditions requiring the alternative trustee to complete financial statements and make reports from time to time.

“(4) A territorial authority must not transfer money under this section unless the alternative trustee agrees, in writing and before the transfer, to—

“(a) Hold the money in trust as specified in subsection (5);
and

“(b) Accept the money subject to any terms and conditions imposed under subsection (3).

“(5) On the transfer of money under this section,—

“(a) The territorial authority that transfers the money is discharged as trustee of the money transferred, and is not liable for anything done or omitted to be done in relation to the money after its transfer; and

“(b) The alternative trustee becomes the trustee of the money transferred and must hold it in trust to be applied to significant projects in the Auckland Region in the area of arts and culture.

“(6) The territorial authorities that have transferred money under this section may remove the alternative trustee from office and appoint another person to be the alternative trustee.

“(7) The powers in subsections (1) and (6) must be exercised jointly by all the territorial authorities specified in those subsections.

“(8) For the purposes of this section, the alternative trustee may—

“(a) Be an individual or a body corporate:

“(b) Comprise joint trustees.

“(9) If the alternative trustee comprises joint trustees, the power in subsection (6) is exercisable in relation to 1 or more of the joint trustees.”