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This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.

*House of Representatives,
5th November, 1907.*

[AS AMENDED BY THE LEGISLATIVE COUNCIL.]

Right Hon. Sir J. G. Ward.

LOCAL BODIES' LOANS ACT AMENDMENT.

ANALYSIS.

Title.	
1. Short Title.	2. Rate of interest on Government loans reduced. Repeal.
	3. Rate of interest on existing Government loans.

A BILL INTITLED

AN ACT to amend the Local Bodies' Loans Act, 1901.

Title.

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

1. This Act may be cited as the Local Bodies' Loans Act Amendment Act, 1907, and shall form part of and be read together with the Local Bodies' Loans Act, 1901 (hereinafter referred to as the principal Act).

Short Title.

2. (1.) In all loans under Part II of the principal Act granted after the passing of this Act the rate of interest and the period during which the interest is payable by the local authority shall, at the option of the local authority, be—

Rate of interest on Government loans reduced.

(a.) Four and a half per centum per annum for a period of twenty-six years; or

(b.) Four per centum per annum for a period of thirty-two years; or

(c.) Three and a half per centum per annum for a period of forty-one years.

(2.) Such option shall be exercised by the local authority on its application for the loan.

(3.) At the expiration of the period during which interest is payable the liability of the local authority shall cease without further payment.

(4.) Section eight of the Local Bodies' Loans Amendment Act, 1903, is hereby repealed.

Repeal.

3. (1.) With respect to loans heretofore granted under Part II of the principal Act, or under the Government Loans to Local Bodies Act, 1886, the rate of interest payable by the local authority shall hereafter be as follows:—

Rate of interest on existing Government loans.

(a.) Where the period during which interest is payable is twenty-six years, the rate shall be four and a half per centum per annum ;

(b.) Where such period is thirty-two years, the rate shall be four per centum per annum ; and

(c.) Where such period is forty-one years, the rate shall be three and a half per centum per annum.

(2.) The provisions of this section shall, in the case of each such loan, commence to take effect with respect to the next half-yearly payment of interest which becomes due and payable after the passing of this Act.

New clauses.

Section 5 of Act
of 1903 amended.

4. Section five of the Local Bodies' Loans Amendment Act, 1903, is hereby amended by inserting after the word "subdivision," where that word first occurs, the words "or of any defined portion," and by inserting after the word "subdivision," where it next occurs, the words "or portion."

Section 50 of
principal Act
amended.

5. Section fifty of the principal Act is hereby amended by inserting in subsection two, after paragraph (c), the following paragraph:—

"(cc.) Native land vested in a Maori Land Board, or in the Board constituted by the East Coast Native Trust Lands Act, 1902, and occupied under lease granted for a term of not less than twenty-one years with a right of renewal, and provisions for compensation for improvements ; nor in the case of"