



ANALYSIS

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1961, No. 71

An Act to amend the Local Authorities Loans Act 1956

[24 November 1961]

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 1961, and shall be read together with and deemed part of the Local Authorities Loans Act 1956* (hereinafter referred to as the principal Act).

2. Delegation by Board of power to sanction renewal loans—The principal Act is hereby amended by inserting, after section 10, the following section:

“10A. (1) The Board may from time to time delegate to the Secretary to the Treasury its power to sanction all or any specified classes of special loans to be raised for the purpose of repaying on maturity the whole or any part of any special loan previously raised.

*1957 Reprint, Vol. 8, p. 443
Amendment: 1959, No. 17

“(2) In the exercise of any power delegated to him under this section the Secretary to the Treasury shall comply with any general or special directions given or conditions attached by the Board, and subject thereto may exercise that power in the same manner and with the same effect as if it had been conferred on him directly by this section and not by delegation.

“(3) The provisions of subsections (3) and (4) of section 10 of this Act shall apply to any delegation under this section.”

3. Loan for benefit of part of district—Section 27 of the principal Act is hereby amended by adding the following subsection:

“(4) Notwithstanding anything in subsection (2) of this section, any special roll prepared pursuant to that subsection shall continue in force for the purpose of any loan for the repayment or conversion of the whole or any part of the loan for which that roll was prepared or of any further special loan under section 44 of this Act.”

4. Poll not necessary in certain cases—(1) Section 42 of the principal Act is hereby amended by omitting the words “by special order”, and substituting the words “pursuant to a resolution of the local authority, after giving not less than fourteen days’ public notice of the purport of the resolution,”.

(2) Section 42 of the principal Act is hereby further amended by adding the following proviso:

“Provided that it shall not be necessary to give public notice of the resolution in any case where the local authority has no power to make and levy a rate as security for the loan.”

5. Power to raise supplementary loan—(1) Section 44 of the principal Act is hereby amended by omitting from subsection (1) the words “by special order”, and substituting the words “pursuant to a resolution of the local authority, after giving not less than fourteen days’ public notice of the purport of the resolution,”.

(2) Section 44 of the principal Act is hereby further amended by adding to subsection (1) the following additional proviso:

“Provided further that it shall not be necessary to give public notice of the resolution in any case where the local authority has no power to make and levy a rate as security for the loan.”

6. Special rate—(1) Section 47 of the principal Act is hereby amended—

(a) By omitting from subsection (1) the words “Where the local authority has been authorised by Order in Council”, and substituting the words “Subject to subsection (1A) of this section, where the local authority has obtained the sanction of the Board”:

(b) By repealing the proviso to subsection (1).

(2) Section 47 of the principal Act is hereby further amended by inserting, after subsection (1), the following subsections:

“(1A) A Harbour Board shall not be entitled to make any special rate as security for the repayment of a loan (other than a loan for the repayment or conversion of the whole or any part of a previous loan in respect of which the Harbour Board is authorised by a special Act to make a special rate), except under the authority of the special Act authorising the Board to raise the loan.

“(1B) Any provisions of the special Act authorising a Harbour Board to make or levy a special rate on a differential basis or to meet a deficiency in the estimated revenue of the Board shall apply, with all necessary modifications, to a special rate made by the Board pursuant to subsection (1A) of this section in respect of a repayment loan or conversion loan.

“(1C) Subject to the provisions of this Act and any other Act, where a Harbour Board makes a special rate pursuant to subsection (1A) of this section in respect of a repayment loan or a conversion loan, the amount of all special rates that may be levied in respect of all loans raised under the special Act (including for the purposes of this subsection loans for the repayment or conversion of any previous loan raised under the authority of the special Act) shall not exceed the amount of the special rate authorised to be made and levied by the special Act.”

7. Application of sinking fund—Section 89 of the principal Act is hereby amended as from the commencement of that Act by adding to subsection (1) the following additional proviso:

“Provided further that where the local authority has made any payment to the Commissioners in respect of the sinking fund which is in excess of the amount of any payment required by the Board, and has at the time of making the excess payment directed the Commissioners in writing that the excess payment is to be allocated to the repayment of a specified part

of the loan or of any issue thereof, then, on the maturity of that part the Commissioners shall, in addition to the part of the accumulated sinking fund to be applied in such repayment under the first proviso to this subsection, apply the excess payment together with any accumulations of income arising from that excess in repayment of the part of the loan or issue so specified.”

This Act is administered in the Treasury.
