



Australian Capital Territory

Financial Management Amendment Act 2019

A2019-8

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Australian Capital Territory

Financial Management Amendment Act 2019

A2019-8

An Act to amend the *Financial Management Act 1996*, and for other purposes

The Legislative Assembly for the Australian Capital Territory enacts as follows:

1 Name of Act

This Act is the *Financial Management Amendment Act 2019*.

2 Commencement

This Act commences on the day after its notification day.

Note The naming and commencement provisions automatically commence on the notification day (see [Legislation Act](#), s 75 (1)).

3 Legislation amended

This Act amends the [Financial Management Act 1996](#).

Note This Act also amends the [Administrative Decisions \(Judicial Review\) Act 1989](#) (see s 9).

4 New subdivision 2.1.1 heading

insert

Subdivision 2.1.1 Appropriations and budgets—generally

5 New subdivision 2.1.2 heading

after section 17A, insert

Subdivision 2.1.2 Treasurer’s advances

6 New subdivision 2.1.3 etc

after section 18C, insert

Subdivision 2.1.3 Capital works reserve

18D Capital works reserve—appropriation

- (1) An Appropriation Act may make an appropriation for a capital works reserve.

- (2) The amount appropriated for the capital works reserve for a financial year must not exceed 20% of the total amount appropriated for the capital works program by all Appropriation Acts for the financial year.
- (3) If an amount is appropriated for a capital works reserve for a financial year and the amount is not fully disbursed by the end of the financial year, the undisbursed amount lapses and is not available to be disbursed in the following financial year.

18E Capital works reserve—authorising payments from reserve

- (1) This section applies if an amount has been appropriated under an Appropriation Act for a capital works reserve for a financial year.
- (2) The Treasurer may, in writing, authorise a payment for an entity's approved capital works project (a *capital works advance*) to be made from the capital works reserve to the entity if—
 - (a) the Treasurer is satisfied that—
 - (i) there is an immediate requirement for the capital works advance to be made to the entity; and
 - (ii) the capital works advance is not provided for, or is insufficiently provided for, by the appropriation to the entity for the capital works program for the financial year; and
 - (b) the capital works advance would not result in the total amount for the project exceeding the total amount budgeted for the project; and
 - (c) the total amount of capital works advances authorised in the financial year does not exceed the amount appropriated for the capital works reserve in the year.

- (3) In this section:

approved capital works project means a capital works project mentioned in the capital works program.

capital works program means the capital works program mentioned in the budget papers.

18F Capital works reserve—reducing partially unused payments

- (1) This section applies if, in a financial year—
- (a) the Treasurer has authorised a capital works advance for an entity; and
 - (b) the capital works advance has not been fully disbursed to the entity; and
 - (c) the Treasurer is satisfied that the undisbursed amount is no longer required by the entity.
- (2) The Treasurer may, in writing, authorise a reduction of the amount of the capital works advance to the entity to the amount actually disbursed to the entity.
- (3) If the Treasurer authorises a reduction, the capital works reserve for the financial year is taken to be restored by the amount of the reduction.

18G Capital works reserve—Treasurer must notify Assembly

- (1) This section applies if the Treasurer authorises a capital works advance under section 18E.
- (2) The Treasurer must attach to the next financial statement presented to the Legislative Assembly—
- (a) a copy of the authorisation; and

- (b) a reconciliation stating the following:
- (i) the total amount appropriated for the capital works reserve for the financial year under section 18D;
 - (ii) the total amount of capital works advances authorised in the financial year under section 18E;
 - (iii) the total amount of reduction of capital works advances in the financial year under section 18F;
 - (iv) the amount authorised in the authorisation;
 - (v) the amount remaining in the capital works reserve for the financial year.

Note 1 For the presentation of financial statements, see s 26.

Note 2 The Treasurer must also prepare a capital works report at least every 6 months (see s 30F).

Subdivision 2.1.4 Appropriations and budgets—other matters

7 Periodic financial statements Section 26 (2) (b), note

after

s 18C

insert

, s 18G

8 Dictionary, new definition of *capital works advance*

insert

capital works advance—see section 18E.

**9 Administrative Decisions (Judicial Review) Act 1989
Schedule 2, new section 2.3 (b) (iv) and (v)**

insert

- (iv) section 18E (Capital works reserve—authorising payments from reserve); or
- (v) section 18F (Capital works reserve—reducing partially unused payments);

Endnotes

1 Presentation speech

Presentation speech made in the Legislative Assembly on 19 March 2019.

2 Notification

Notified under the [Legislation Act](#) on 11 April 2019.

3 Republications of amended laws

For the latest republication of amended laws, see www.legislation.act.gov.au.

I certify that the above is a true copy of the Financial Management Amendment Bill 2019, which was passed by the Legislative Assembly on 2 April 2019.

Clerk of the Legislative Assembly

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