

Hon. Mr. Seddon.

GOVERNMENT LOANS TO LOCAL BODIES ACT AMENDMENT.

<p>Title.</p> <p>1. Short Title.</p> <p>2. Definition of district extended.</p> <p>3. Principal Act to apply to acquisition of a public work.</p> <p>4. Special rating district to be a continuous area.</p> <p>5. Restriction as to loans secured on special rates.</p>	<p>ANALYSIS.</p>	<p>6. Repayment of whole or part of a loan.</p> <p>7. Additional remedies when default made in payment of interest.</p> <p>8. Merger of special rating district.</p> <p>9. Further, as to moneys for opening up blocks of land for settlement.</p> <p>10. Section 37 of principal Act amended.</p>
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A BILL INTITULED

AN ACT to amend the Law relating to Government Loans to Local Bodies. Title.

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

1. The Short Title of this Act is "The Government Loans to Local Bodies Act Amendment Act, 1896"; and it shall form part of and be read together with "The Government Loans to Local Bodies Act, 1886" (hereinafter called "the principal Act.") Short Title.
2. The definition of "district" in section two of the principal Act is hereby extended to include a water-supply district, and also such other local-governing areas as the Governor, by notice in the *Gazette* from time to time, declares to be districts within the meaning of that section. Definition of district extended.
3. All the provisions of the principal Act relative to the construction of a public work shall extend and apply to the acquisition of a public work by purchase or otherwise. Principal Act to apply to acquisition of a public work.
4. Every special rating district shall consist of a continuous area contained within continuous boundaries, and all the rateable property within such district shall be rated for a loan under the principal Act. Special rating district to be a continuous area.
5. No loan shall be granted under the principal Act on the security of any special rate unless— Restriction as to loans secured on special rates.
 - (1.) The rateable value of so much of the rateable property as consists of Native lands or Crown lands is less than one-half of the rateable value of all the rateable property on which the rate is levied; nor unless—
 - (2.) The number of ratepayers on whose property the rate is levied exceeds one.
6. (1.) The Colonial Treasurer may from time to time, if he thinks fit, accept from any local authority the repayment, in whole or in part, of any loan raised by it under the principal Act, notwithstanding that the period for which the loan was raised has not expired, or that the public work for which it was raised has not been completed. Repayment of whole or part of loan.

(2.) In any case of repayment of principal under this section, a duly proportionate abatement of interest shall be made.

Additional remedies when default made in payment of interest.

7. If and as often as any local authority makes default in the full and punctual payment of any interest on a loan raised under the principal Act, then, in addition to all other rights and remedies exercisable for the purpose of procuring such payment, the following provisions shall apply:—

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(1.) The amount of such interest together with an additional charge at the rate of five per centum per annum on such amount for the period during which such default continues, shall be recoverable from the defaulting local authority as a debt due to the Crown.

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(2.) A certificate under the hand of the Controller and Auditor-General shall be sufficient evidence of the sums payable in respect of such interest and additional charge, and it shall be his duty to take all steps necessary in order to procure payment thereof.

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Merger of special rating district.

8. Whenever the whole or any part of a special rating district is merged in the district of a local authority other than the local authority that raised the loan to which such special rating district relates, then, with the previous consent and approval of the Controller and Auditor-General, all such entries may be made in the register prescribed by section thirty-two of the principal Act as are necessary in order to duly adjust or apportion the liability in respect of such loan amongst the respective local authorities concerned.

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Further, as to moneys for opening up blocks of land for settlement.

9. (1.) The moneys which under section two of "The Government Loans to Local Bodies Act Amendment Act, 1891," the Colonial Treasurer is empowered to issue and apply towards opening up blocks of land for settlement shall be such sums, not exceeding in the whole fifty thousand pounds in any one year, as are in such year appropriated by Parliament for that purpose, out of the moneys authorised by the principal Act to be borrowed for the purpose of making loans to local authorities.

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(2.) The aforesaid section two shall be read subject to this section.

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(3.) All sums issued and applied as aforesaid may be borrowed in manner prescribed by section six of the last-mentioned Act, and the provisions of that section shall apply accordingly.

Section 37 of principal Act amended.

10. (1.) The second paragraph of section thirty-seven of the principal Act is hereby amended by substituting the words "two hundred and fifty thousand" in lieu of the words "two hundred thousand."

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(2.) The loans authorised to be made under that paragraph may be made notwithstanding the appropriation of any sum under section nine hereof for the purpose of opening up blocks of land for settlement.

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