

2019

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

*Presented and read a first time*

**Future Drought Fund (Consequential  
Amendments) Bill 2019**

**No.     , 2019**

*(Finance)*

**A Bill for an Act to deal with consequential matters  
arising from the enactment of the *Future Drought  
Fund Act 2019*, and for other purposes**



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**A Bill for an Act to deal with consequential matters arising from the enactment of the *Future Drought Fund Act 2019*, and for other purposes**

The Parliament of Australia enacts:

**1 Short title**

This Act is the *Future Drought Fund (Consequential Amendments) Act 2019*.

**2 Commencement**

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

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<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	
2. Schedules 1 and 2	At the same time as the <i>Future Drought Fund Act 2019</i> commences. However, the provisions do not commence at all if that Act does not commence.	
3. Schedule 3	The day after this Act receives the Royal Assent.	

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

### 3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

## **Schedule 1—General amendments**

### ***Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018***

#### **1 At the end of paragraph 16(a)**

Add:

or (vi) paragraph 16(e) of the *Future Drought Fund Act 2019*;

#### **2 At the end of paragraph 16(b)**

Add:

or (vi) paragraph 16(f) of the *Future Drought Fund Act 2019*;

#### **3 At the end of paragraph 16(c)**

Add:

or (vi) a paragraph of section 16 of the *Future Drought Fund Act 2019*;

### ***COAG Reform Fund Act 2008***

#### **4 Subsection 5(2) (after note 2AA)**

Insert:

Note 2AB: An amount originating in the Future Drought Fund may be transferred to the COAG Reform Fund—see the *Future Drought Fund Act 2019*.

#### **5 After paragraph 7(1)(baa)**

Insert:

(bab) the grant is not covered by section 36AB of the *Future Drought Fund Act 2019*; and

#### **6 Subsection 7(3) (after note 1AA)**

Insert:

Note 1AB: The provision referred to in paragraph (1)(bab) deals with the channelling, through the COAG Reform Fund, of State/Territory grants payments from the Future Drought Fund established by the *Future Drought Fund Act 2019*. For terms and conditions of those grants, see the *Future Drought Fund Act 2019*.

### ***DisabilityCare Australia Fund Act 2013***

#### **7 After subparagraph 16(a)(ii)**

Insert:

- (ia) paragraph 16(e) of the *Future Drought Fund Act 2019*;  
or

#### **8 After subparagraph 16(b)(ii)**

Insert:

- (ia) paragraph 16(f) of the *Future Drought Fund Act 2019*;  
or

#### **9 After subparagraph 16(c)(ii)**

Insert:

- (ia) a paragraph of section 16 of the *Future Drought Fund Act 2019*; or

### ***Future Fund Act 2006***

#### **10 Section 4 (note)**

After “functions under”, insert “the *Future Drought Fund Act 2019*,”.

#### **11 Section 5**

Insert:

***Drought Minister*** has the same meaning as in the *Future Drought Fund Act 2019*.

***Future Drought Fund*** means the Future Drought Fund established by section 10 of the *Future Drought Fund Act 2019*.

***Future Drought Fund Special Account*** means the Future Drought Fund Special Account established by section 13 of the *Future Drought Fund Act 2019*.

#### **12 Section 13 (note 2A)**

After “Fund to”, insert “the Future Drought Fund,”.



**13 After paragraph 28(5)(a)**

Insert:

(aa) the *Future Drought Fund Act 2019*;

**14 After paragraph 28(5)(c)**

Insert:

(ca) subsection 52(1) of the *Future Drought Fund Act 2019*;

**15 Section 33 (note)**

After “functions under”, insert “the *Future Drought Fund Act 2019*,”.

**16 After subparagraph 35(b)(i)**

Insert:

(ia) the *Future Drought Fund Act 2019*; or

**17 Before paragraph 55(3)(a)**

Insert:

(aa) the *Future Drought Fund Act 2019*; and

**18 After paragraph 63(1)(a)**

Insert:

(aa) the *Future Drought Fund Act 2019*; or

**19 After paragraph 63(2)(a)**

Insert:

(aaa) the *Future Drought Fund Act 2019*; or

**20 After subsection 81(1)**

Insert:

*Future Drought Fund*

(1AA) A report under subsection (1) for a period must include a report of the following during the period:

(a) the performance of the investments of the Future Drought Fund;

- (b) the total amount debited from the Future Drought Fund Special Account for the purpose mentioned in paragraph 16(d) of the *Future Drought Fund Act 2019*;
- (c) the total amount debited from the Future Drought Fund Special Account for the purpose mentioned in paragraph 17(d) of the *Future Drought Fund Act 2019*;
- (d) the total amount debited from the Future Drought Fund Special Account for the purpose mentioned in paragraph 17(e) of the *Future Drought Fund Act 2019*;
- (e) the total amount debited from the Future Drought Fund Special Account for the purpose mentioned in paragraph 17(f) of the *Future Drought Fund Act 2019*.

**21 After subsection 81(2)**

Insert:

- (2AA) A report under this section must include a benchmark in relation to the amounts referred to in paragraphs (1AA)(b) to (e).

**22 Before paragraph 81(4)(b)**

Insert:

- (aa) the Drought Minister;

**23 After paragraph 83B(1)(a)**

Insert:

- (aa) subsection 52(1) of the *Future Drought Fund Act 2019*; or

**24 After subparagraph 84(1)(b)(i)**

Insert:

- (ia) a provision of the *Future Drought Fund Act 2019*;

**25 After subparagraph 84(1)(b)(iii)**

Insert:

- (iiia) the Future Drought Fund Special Account; or

**26 After subsection 84(1)**

Insert:

*Transfer of amounts to the Future Drought Fund Special Account*

- (1A) If an amount is credited to the Fund Account under subsection (1), the nominated Minister may, by writing, direct that a specified amount is to be:
- (a) debited from the Fund Account; and
  - (b) credited to the Future Drought Fund Special Account; on a specified day.

**27 Paragraph 84(5)(b)**

After “subsections”, insert “(1A)”.

**28 Subsection 84(6)**

After “subsection”, insert “(1A)”.

**29 After subparagraph 2(2)(a)(i) of Schedule 2**

Insert:

- (ia) paragraph 16(e) of the *Future Drought Fund Act 2019*;  
or

**30 After subparagraph 2(2)(b)(i) of Schedule 2**

Insert:

- (ia) paragraph 16(f) of the *Future Drought Fund Act 2019*;  
or

**31 After subparagraph 2(2)(c)(i) of Schedule 2**

Insert:

- (ia) a paragraph of section 16 of the *Future Drought Fund Act 2019*; or

**32 Clause 1 of Schedule 2A**

After “Fund to”, insert “the Future Drought Fund”.

**33 After clause 1 of Schedule 2A**

Insert:

### **1A Transfers from the Future Fund to the Future Drought Fund**

- (1) If an amount is debited from the Future Drought Fund Special Account for a purpose mentioned in section 17 of the *Future Drought Fund Act 2019*, the nominated Minister may, by writing, direct that a specified amount is to be:
  - (a) debited from the Fund Account; and
  - (b) credited to the Future Drought Fund Special Account;on a specified day.
- (2) The specified amount must not exceed the amount debited from the Future Drought Fund Special Account as mentioned in subclause (1).
- (3) A direction under subclause (1) is not a legislative instrument.

### ***Medical Research Future Fund Act 2015***

#### **34 At the end of paragraph 19(a)**

Add:

or (v) paragraph 16(e) of the *Future Drought Fund Act 2019*;

#### **35 At the end of paragraph 19(b)**

Add:

or (v) paragraph 16(f) of the *Future Drought Fund Act 2019*;

#### **36 At the end of paragraph 19(c)**

Add:

or (v) a paragraph of section 16 of the *Future Drought Fund Act 2019*;

### ***Nation-building Funds Act 2008***

#### **37 After subparagraph 138(a)(v)**

Insert:

(va) paragraph 16(e) of the *Future Drought Fund Act 2019*;  
or

**38 After subparagraph 138(b)(v)**

Insert:

(va) paragraph 16(f) of the *Future Drought Fund Act 2019*;  
or

**39 After subparagraph 138(c)(v)**

Insert:

(va) a paragraph of section 16 of the *Future Drought Fund Act 2019*; or

***Regional Investment Corporation Act 2018***

**40 Section 4**

Insert:

*drought resilience* has the same meaning as in the *Future Drought Fund Act 2019*.

**41 Paragraph 15(1)(e)**

Omit “or the rules”, substitute “, the rules or the *Future Drought Fund Act 2019*”.

**42 Subparagraph 17(2)(a)(viii)**

Omit “or”.

**43 At the end of paragraph 17(2)(a)**

Add:

(ix) drought resilience; or

**44 Subsection 26(2) (note)**

Omit “Note”, substitute “Note 1”.

**45 At the end of subsection 26(2)**

Add:

Note 2: The appointment of a Board member may also be terminated under section 30 of the *Future Drought Fund Act 2019* (which deals with terminating the appointment of a Board member for failing to comply with disclosure of interest obligations).

## **Schedule 2—Abolition of the Building Australia Fund**

### **Part 1—Amendments**

#### *Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018*

**1 Subparagraph 16(a)(iv)**

Omit “18(1)(j),”.

**2 Subparagraph 16(b)(iv)**

Omit “18(1)(k),”.

**3 Subparagraph 16(c)(iv)**

Omit “18(1) or”.

#### *COAG Reform Fund Act 2008*

**4 Subsection 5(2) (note 2)**

Repeal the note.

**5 Paragraph 7(1)(b)**

Repeal the paragraph, substitute:

(b) the grant is not covered by subsection 197(2) of the  
*Nation-building Funds Act 2008*; and

**6 Subsection 7(3) (note 1)**

Omit “The provisions referred to in paragraph (1)(b) deal with”,  
substitute “The provision referred to in paragraph (1)(b) deals with”.

**7 Subsection 7(3) (note 1)**

Omit “the Building Australia Fund or”.

***DisabilityCare Australia Fund Act 2013***

**8 Subparagraph 16(a)(iii)**

Omit “18(1)(j),”.

**9 Subparagraph 16(b)(iii)**

Omit “18(1)(k),”.

**10 Subparagraph 16(c)(iii)**

Omit “18(1) or”.

***Future Fund Act 2006***

**11 Section 5**

Repeal the following definitions:

- (a) the definition of ***Building Australia Fund***;
- (b) the definition of ***Building Australia Fund Special Account***;
- (c) the definition of ***Communications Minister***;
- (d) the definition of ***Energy Minister***;
- (e) the definition of ***Infrastructure Minister***;
- (f) the definition of ***Water Minister***.

**12 Section 13 (note 2A)**

Omit “the Building Australia Fund,”.

**13 Paragraph 28(5)(d)**

Repeal the paragraph.

**14 Subsections 81(1A) and (2A)**

Repeal the subsections.

**15 Paragraphs 81(4)(a), (c) and (e)**

Repeal the paragraphs.

**16 Paragraph 81(4)(f)**

Omit “Minister;”, substitute “Minister.”.

**17 Paragraph 81(4)(g)**

Repeal the paragraph.

**18 Paragraph 83B(1)(b)**

Repeal the paragraph.

**19 Subparagraph 84(1)(b)(iv)**

Repeal the subparagraph.

**20 Subsection 84(2)**

Repeal the subsection.

**21 Paragraph 84(5)(b)**

Omit “(2),”.

**22 Subsection 84(6)**

Omit “(2),”.

**23 Subparagraphs 2(2)(a)(ii), (b)(ii) and (c)(ii) of Schedule 2**

Repeal the subparagraphs.

**24 Clause 1 of Schedule 2A**

Omit “the Building Australia Fund,”.

**25 Clause 2 of Schedule 2A**

Repeal the clause.

***Medical Research Future Fund Act 2015***

**26 Subparagraph 19(a)(iii)**

Omit “18(1)(j),”.

**27 Subparagraph 19(b)(iii)**

Omit “18(1)(k),”.

**28 Subparagraph 19(c)(iii)**

Omit “18(1) or”.



## ***Nation-building Funds Act 2008***

### **29 Title**

Omit “**the Building Australia Fund and**”.

### **30 Section 3**

Omit:

- Chapter 2 sets up the Building Australia Fund, which will enhance the Commonwealth’s ability:
  - (a) to make payments in relation to the creation or development of transport infrastructure; and
  - (b) to make payments in relation to the creation or development of communications infrastructure; and
  - (c) to make payments in relation to eligible national broadband network matters; and
  - (d) to make payments in relation to the creation or development of energy infrastructure; and
  - (e) to make payments in relation to the creation or development of water infrastructure.

### **31 Section 4**

Repeat the following definitions:

- (a) the definition of ***BAF Communications Portfolio Special Account***;
- (b) the definition of ***BAF Energy Portfolio Special Account***;
- (c) the definition of ***BAF evaluation criteria***;
- (d) the definition of ***BAF Infrastructure Portfolio Special Account***;
- (e) the definition of ***BAF Water Portfolio Special Account***;
- (f) the definition of ***balance of the Building Australia Fund***;
- (g) the definition of ***Building Australia Fund***;
- (h) the definition of ***Building Australia Fund investment function***;
- (i) the definition of ***Building Australia Fund Investment Mandate***;
- (j) the definition of ***Building Australia Fund Special Account***;

- (k) the definition of *Communications Department*;
- (l) the definition of *Communications Minister*;
- (m) the definition of *eligible national broadband network matter*;
- (n) the definition of *Energy Department*;
- (o) the definition of *Energy Minister*;
- (p) the definition of *Infrastructure Department*;
- (q) the definition of *Infrastructure Minister*;
- (r) the definition of *investment of the Building Australia Fund*;
- (s) the definition of *national broadband network*;
- (t) the definition of *payment in relation to the creation or development of communications infrastructure*;
- (u) the definition of *payment in relation to the creation or development of energy infrastructure*;
- (v) the definition of *payment in relation to the creation or development of transport infrastructure*;
- (w) the definition of *payment in relation to the creation or development of water infrastructure*.

**32 Section 4 (definition of value)**

Repeal the definition, substitute:

*value* of an investment of the Education Investment Fund means the market value of the investment. For this purpose, disregard anything that would prevent or restrict conversion of a financial asset to money.

**33 Section 4 (definitions of *Water Department* and *Water Minister*)**

Repeal the definitions.

**34 Subsection 7(1)**

Omit “(1)”.

**35 Subsection 7(2)**

Repeal the subsection.

**36 Chapter 2**

Repeal the Chapter.

**37 Subparagraphs 138(a)(i), (b)(i) and (c)(i)**

Repeal the subparagraphs.

**38 Section 147**

Repeal the section.

**39 Subsection 207(1)**

Omit “147,”.

**40 Subsection 207(3)**

Omit “, 147”.

## Part 2—Transitional provisions

### 41 Transitional—reporting obligations of the Future Fund Board of Guardians

Despite the repeal of sections 113 and 114 (reporting obligations) of the *Nation-building Funds Act 2008* by this Schedule, those sections continue to apply, after the commencement of this item, in relation to:

- (a) the performance of the Future Fund Board of Guardians' functions; and
- (b) the operation of the Board;

in respect of the repealed Building Australia Fund, as if the repeal of those sections had not happened.

### 42 Transitional—reports

Despite the amendments of section 81 of the *Future Fund Act 2006* made by this Schedule, that section continues to apply, in relation to the annual report for the period in which this item commences, as if those amendments had not been made.

### 43 Transitional rules

- (1) The Minister may, by legislative instrument, make rules prescribing matters of a transitional nature (including prescribing any saving or application provisions) relating to the amendments or repeals made by this Schedule.
- (2) However, to avoid doubt, the rules may not do the following:
  - (a) create an offence or civil penalty;
  - (b) provide powers of:
    - (i) arrest or detention; or
    - (ii) entry, search or seizure;
  - (c) impose a tax;
  - (d) set an amount to be appropriated from the Consolidated Revenue Fund under an appropriation in this Act;
  - (e) directly amend the text of this Act.

## **Schedule 3—Technical corrections**

### *DisabilityCare Australia Fund Act 2013*

**1 Subparagraph 16(a)(iv)**

Omit “19(a)”, substitute “18(e)”.

**2 Subparagraph 16(a)(v)**

Omit “16(a)”, substitute “15(e)”.

**3 Subparagraph 16(b)(iv)**

Omit “19(b)”, substitute “18(f)”.

**4 Subparagraph 16(b)(v)**

Omit “16(b)”, substitute “15(f)”.

**5 Subparagraph 16(c)(iv)**

Omit “paragraph 19(c)”, substitute “a paragraph of section 18”.

**6 Subparagraph 16(c)(v)**

Omit “paragraph 16(c)”, substitute “a paragraph of section 15”.