

**Lodged au Greffe on 12th February 2002
by the Finance and Economics Committee**



STATES OF JERSEY

STATES GREFFE

Report

The States passed the Public Finances Administration (Amendment No. 10) (Jersey) Law 2002 on 15th January 2002 (P.181/2001).

The effect of the Law would have been to allow the Finance and Economics Committee to appoint investment managers with power to invest all public monies in a manner approved by the Committee. At present the power of investment manager is limited to money in the Strategic Reserve.

After the Law was passed it was noticed that the limited power of investment managers to invest money in the Strategic Reserve had not been repealed. Therefore to avoid confusion the draft Law is returned to the States with the repeal of the relevant provisions included.

This draft Law has no implications for the financial or manpower resources of the States.

Explanatory Note

This draft Law, if passed, will amend the Public Finances (Administration) (Jersey) Law 1967 to enable investment managers to invest public money generally, and not just public money in the strategic reserve as at present.

Article 1 defines the meaning of “principal Law” when used in the Law.

Article 2 amends the interpretation Article of the principal Law to provide a revised definition of “investment manager”.

Article 3 amends Article 7 of the principal Law to allow public monies to be invested by investment managers with the approval of the Finance and Economics Committee.

Article 4 repeals the provisions that presently apply to the appointment of investment managers to manage money in the strategic reserve.

Article 5 makes some necessary consequential amendments to the principal Law.

Article 6 provides for the short title and commencement of the Law.

PUBLIC FINANCES (ADMINISTRATION) (AMENDMENT No. 10) (JERSEY) LAW 200-

A LAW to amend further the Public Finances (Administration) (Jersey) Law 1967; sanctioned by Order of Her Majesty in Council of the

(Registered on the _____ day of _____ 200-)

STATES OF JERSEY

The _____ day of _____ 200-

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law -

ARTICLE 1

In this Law “principal Law” means the Public Finances (Administration) (Jersey) Law 1967, ^[1] as amended. ^[2]

ARTICLE 2

In Article 1 of the principal Law ^[3] for the definition “investment manager” there shall be substituted the following definition -

“ ‘investment manager’ means a person appointed pursuant to paragraph (4) of Article 7 of this Law to place or invest public monies in a manner approved by the Finance and Economics Committee;”.

ARTICLE 3

In Article 7 of the principal Law ^[4] -

- (a) after the words “as may be prescribed” in paragraph (1)(c) there shall be added the words “or by investment managers”;
- (b) at the end of the Article there shall be added the following paragraphs -

“(4) The Finance and Economics Committee may, subject to any Regulations made under Article 26A of this Law, appoint investment managers.

(5) An investment manager may invest public monies to the extent and in a manner approved by the Finance and Economics Committee.”.

ARTICLE 4

In Article 13A of the principal Law, ^[5] paragraphs (3), (4) and (5) shall be repealed.

ARTICLE 5

In Article 26(2) of the principal Law ^[6] -

- (a) in sub-paragraph (a) for the words “the value of the portion of the strategic reserve” there shall be substituted

the words “the amount of public monies”; and

- (b) in sub-paragraph (b)(ii) for the words “the funds of the strategic reserve” there shall be substituted the words “investments of public monies”.

ARTICLE 6

This Law may be cited as Public Finances (Administration) (Amendment No. 10) (Jersey) Law 200- and shall come into force on the seventh day following its registration.

[1]

Volume 1966-1967, page 589.

[2]

Volume 1975-1978, page 9, Volume 1979-1981, page 329, Volume 1986-1987, page 167, Volume 1988-1989, page 507, Volume 1990-1991, pages 401 and 547, Volume 1992-1993, page 445, Volume 1996-1997, page 291, Volume 2000, page 137 and R & O 5140.

[3]

Volume 1966-1967, page 589 and Volume 1992-1993, page 445.

[4]

Volume 1966-1967, page 592.

[5]

Volume 1966-1967, page 599, Volume 1986-1987, page 167 and Volume 1992-1993, page 447.

[6]

Volume 1966-1967, page 609.