

# State Insurance Office (Amendment) Bill 1988

## EXPLANATORY MEMORANDUM

*Clause 1* states the purpose of the Act.

*Clause 2* provides for the Act to come into operation on the day it receives Royal Assent.

*Clause 3* refers to the *State Insurance Act 1984* as the Principal Act.

*Clause 4* inserts a definition of "life insurance business" and "State Insurance Fund".

*Clause 5* allows for an additional two Directors to be appointed to the State Insurance Office Board.

*Clause 6* clarifies observation by the Office of provisions of Commonwealth legislation.

*Clause 7* excludes life insurance transactions from the State Insurance Fund, and extends the *Borrowing and Investment Powers Act 1987* to that Fund.

*Clause 8* provides for the establishment of "the Life Insurance Fund" for the purpose of State Insurance Office's life insurance business and for the establishment of other separate funds, as required, for individual classes of life insurance business. The *Borrowing and Investment Powers Act 1987* is to apply to all life insurance funds.

*Clause 9* makes consequential amendments to cover the establishment of separate funds.

*Clause 10* applies the *Borrowing and Investment Powers Act 1987* to borrowings by the State Insurance Office.

*Clause 11* repeals provisions no longer required.

*Clause 12* adds the State Insurance Office to Schedules in the *Borrowing and Investment Powers Act 1987*.

*Clause 13* allows existing investments and borrowings to be continued.

