

**PUBLIC FINANCE MANAGEMENT (AMENDMENT) BILL, 2023**

**EXPLANATORY NOTES**

This Bill seeks to amend the Public Finance Management Act No. 17 of 2015 (the “principal Act”) to further delimit the application of the provisions of the principal Act as it pertains to statutory bodies and state-owned enterprises. This Bill contains two (2) clauses.

**Clause 1** seeks to provide for the short title of the Act for which this is the Bill.

**Clause 2** seeks to amend section 78 of the principal Act to—

- (a) allow Statutory Bodies and State-owned enterprises to include local, regional and international government securities in their options for investing excess funds;
- (b) exclude the National Insurance Scheme from the application of subsection (7);
- (c) limit the application of subsection (7) to Statutory Bodies and State-owned enterprises that receive Government subventions or guarantees; and
- (d) empower the Minister to prescribe an expenditure ceiling in respect of a Statutory Body where no such ceiling is prescribed within the Act establishing the Statutory Body.

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Sen. the Hon. Claudette Joseph  
**ATTORNEY-GENERAL**

# **PUBLIC FINANCE MANAGEMENT (AMENDMENT) BILL, 2023**

## **ARRANGEMENT OF CLAUSES**

1. Short title
2. Amendment of section 78 of the principal Act

**PUBLIC FINANCE MANAGEMENT (AMENDMENT) BILL, 2023**

**GRENADA**

**ACT NO.      OF 2023**

**AN ACT** to amend the Public Finance Management Act No. 17 of 2015.

**BE IT ENACTED** by the King’s Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Grenada, and by the authority of the same as follows—

**Short title**

1.      This Act may be cited as the

**PUBLIC FINANCE MANAGEMENT (AMENDMENT) ACT, 2023,**

and shall be read as one with the Public Finance Management Act No. 17 of 2015 hereinafter referred to as the “principal Act”.

**Amendment of section 78 of the principal Act**

2.      Section 78 of the principal Act is amended as follows—

(a)    in subsection (5), by deleting the words “provided however that a Statutory Body may not invest its money in government securities” where they appear;

(b)    by inserting after subsection (7) the following new subsection—

“(7A) Subsection (7) shall not apply to the National Insurance Scheme and shall only apply to a State-owned enterprise or a Statutory Body—

(a)    that receives transfers of any kind from the National Budget, including subventions or guarantees for any year in the five-year period immediately preceding the fiscal year;

(b)    which, for three consecutive quarters in the preceding fiscal year, has not met the quarterly reporting requirements established by the Minister; or

(c)    whose audited balance sheet has recorded a negative equity position as at the end of one of the preceding three financial years.”;

