



Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020

No. 29, 2020

Compilation No. 1

Compilation date:	9 April 2020
Includes amendments up to:	Act No. 38, 2020
Registered:	29 April 2020

Prepared by the Office of Parliamentary Counsel, Canberra

About this compilation

This compilation

This is a compilation of the *Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020* that shows the text of the law as amended and in force on 9 April 2020 (the **compilation date**).

The notes at the end of this compilation (the **endnotes**) include information about amending laws and the amendment history of provisions of the compiled law.

Uncommenced amendments

The effect of uncommenced amendments is not shown in the text of the compiled law. Any uncommenced amendments affecting the law are accessible on the Legislation Register (www.legislation.gov.au). The details of amendments made up to, but not commenced at, the compilation date are underlined in the endnotes. For more information on any uncommenced amendments, see the series page on the Legislation Register for the compiled law.

Application, saving and transitional provisions for provisions and amendments

If the operation of a provision or amendment of the compiled law is affected by an application, saving or transitional provision that is not included in this compilation, details are included in the endnotes.

Editorial changes

For more information about any editorial changes made in this compilation, see the endnotes.

Modifications

If the compiled law is modified by another law, the compiled law operates as modified but the modification does not amend the text of the law. Accordingly, this compilation does not show the text of the compiled law as modified. For more information on any modifications, see the series page on the Legislation Register for the compiled law.

Self-repealing provisions

If a provision of the compiled law has been repealed in accordance with a provision of the law, details are included in the endnotes.

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An Act about loan guarantees, and for related purposes

1 Short title

This Act is the *Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020*.

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.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	25 March 2020

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 Simplified outline of this Act

- The Minister may, on behalf of the Commonwealth, grant a guarantee to a financial institution in connection with loans made, or to be made, by the financial institution to SME entities if granting the guarantee is likely to assist in dealing

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with the economic impacts of the Coronavirus known as COVID-19.

- The Consolidated Revenue Fund is appropriated for the purposes of meeting any liabilities that the Commonwealth incurs under those guarantees.

4 Definitions

In this Act:

constitutional corporation means a corporation to which paragraph 51(xx) of the Constitution applies.

financial institution means:

- a body corporate that is an ADI for the purposes of the *Banking Act 1959*; or
- a non-ADI lender (within the meaning of the *Banking Act 1959*).

legislative rules means rules made under section 8.

SME entity has the meaning given by the legislative rules.

4A Non-ADI lender

For the purposes of paragraph (b) of the definition of **financial institution** in section 4, disregard paragraphs 7(2)(i), (ia) and (j) of the *Financial Sector (Collection of Data) Act 2001*.

5 Loan guarantees by the Commonwealth

- (1) The Minister may, on behalf of the Commonwealth, grant a guarantee to a financial institution in connection with loans made, or to be made, by the financial institution to SME entities.
- (2) The Minister must not grant a guarantee unless:

- (a) the Minister is satisfied that granting the guarantee is likely to assist in dealing with the economic impacts of the Coronavirus known as COVID-19; and
 - (b) the guarantee is in connection with loans made, or to be made, by a financial institution that is a constitutional corporation.
- (3) The grant of a guarantee must be in accordance with any requirements prescribed by the legislative rules.
- (4) For the purposes of the application of this section to a loan made by a financial institution, it is immaterial whether the loan was made before, at or after the commencement of this section.

6 Appropriation for the purposes of loan guarantee liabilities

- (1) The Consolidated Revenue Fund is appropriated for the purposes of meeting any liabilities that the Commonwealth incurs under guarantees granted under section 5.
- (2) The total amount appropriated under subsection (1) must not exceed \$20 billion.

7 Delegation by the Minister

- (1) The Minister may, by writing, delegate any or all of the Minister's powers under section 5 to:
 - (a) the Secretary of the Department; or
 - (b) an SES employee, or acting SES employee, in the Department.

Note: The expressions **SES employee** and **acting SES employee** are defined in section 2B of the *Acts Interpretation Act 1901*.

- (2) In exercising powers under a delegation under subsection (1), the delegate must comply with any directions of the Minister.

8 Legislative rules

The Minister may, by legislative instrument, make rules
(*legislative rules*) prescribing matters required or permitted by this
Act to be prescribed by the legislative rules.

Endnotes

Endnote 1—About the endnotes

The endnotes provide information about this compilation and the compiled law.

The following endnotes are included in every compilation:

Endnote 1—About the endnotes

Endnote 2—Abbreviation key

Endnote 3—Legislation history

Endnote 4—Amendment history

Abbreviation key—Endnote 2

The abbreviation key sets out abbreviations that may be used in the endnotes.

Legislation history and amendment history—Endnotes 3 and 4

Amending laws are annotated in the legislation history and amendment history.

The legislation history in endnote 3 provides information about each law that has amended (or will amend) the compiled law. The information includes commencement details for amending laws and details of any application, saving or transitional provisions that are not included in this compilation.

The amendment history in endnote 4 provides information about amendments at the provision (generally section or equivalent) level. It also includes information about any provision of the compiled law that has been repealed in accordance with a provision of the law.

Editorial changes

The *Legislation Act 2003* authorises First Parliamentary Counsel to make editorial and presentational changes to a compiled law in preparing a compilation of the law for registration. The changes must not change the effect of the law. Editorial changes take effect from the compilation registration date.

If the compilation includes editorial changes, the endnotes include a brief outline of the changes in general terms. Full details of any changes can be obtained from the Office of Parliamentary Counsel.

Endnotes

Endnote 1—About the endnotes

Misdescribed amendments

A misdescribed amendment is an amendment that does not accurately describe the amendment to be made. If, despite the misdescription, the amendment can be given effect as intended, the amendment is incorporated into the compiled law and the abbreviation “(md)” added to the details of the amendment included in the amendment history.

If a misdescribed amendment cannot be given effect as intended, the abbreviation “(md not incorp)” is added to the details of the amendment included in the amendment history.

Endnote 2—Abbreviation key

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ad = added or inserted	o = order(s)
am = amended	Ord = Ordinance
amdt = amendment	orig = original
c = clause(s)	par = paragraph(s)/subparagraph(s) /sub-subparagraph(s)
C[x] = Compilation No. x	pres = present
Ch = Chapter(s)	prev = previous
def = definition(s)	(prev...) = previously
Dict = Dictionary	Pt = Part(s)
disallowed = disallowed by Parliament	r = regulation(s)/rule(s)
Div = Division(s)	reloc = relocated
ed = editorial change	renum = renumbered
exp = expires/expired or ceases/ceased to have effect	rep = repealed
F = Federal Register of Legislation	rs = repealed and substituted
gaz = gazette	s = section(s)/subsection(s)
LA = <i>Legislation Act 2003</i>	Sch = Schedule(s)
LIA = <i>Legislative Instruments Act 2003</i>	Sdiv = Subdivision(s)
(md) = misdescribed amendment can be given effect	SLI = Select Legislative Instrument
(md not incorp) = misdescribed amendment cannot be given effect	SR = Statutory Rules
mod = modified/modification	Sub-Ch = Sub-Chapter(s)
No. = Number(s)	SubPt = Subpart(s)
	<u>underlining</u> = whole or part not commenced or to be commenced

Endnotes

Endnote 3—Legislation history

Endnote 3—Legislation history

Act	Number and year	Assent	Commencement	Application, saving and transitional provisions
Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020	29, 2020	24 Mar 2020	25 Mar 2020 (s 2(1) item 1)	
Coronavirus Economic Response Package Omnibus (Measures No. 2) Act 2020	38, 2020	9 Apr 2020	Sch 3: 9 Apr 2020 (s 2(1) item 7)	—

Endnote 4—Amendment history

Endnote 4—Amendment history

Provision affected	How affected
s 4A	ad No 38, 2020