

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE PUBLIC AUTHORITIES LAW,
2017; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Public Authorities Law, 2017, (“the principal Law”), in order to provide that a board, board member or employee of a public authority shall not be liable in negligence where that board, board member or employee is exercising a regulatory, monetary, co-operative or advisory function or duty.

The Bill also makes a minor correction to section 42(7) of the principal Law.

Clause 1 provides the short title.

Clause 2 inserts new definitions in the principal Law.

Clause 3 amends section 23 of the principal Law by repealing and replacing subsection (2). The subsection would now include the words “monetary, co-operative or advisory” after the word “regulatory”.

Clause 4 amends section 42 of the principal Law by replacing the words “chief officer” with “chief executive officer”.

Clause 5 amends section 54(2) of the principal Law by repealing and replacing subsection (2). The subsection would now include the words “monetary, co-operative or advisory” after the word “regulatory”.

THE PUBLIC AUTHORITIES (AMENDMENT) BILL, 2018

ARRANGEMENT OF CLAUSES

1. Short title
2. Amendment of section 2 of the Public Authorities Law, 2017- interpretation
3. Amendment of section 23 - no personal liability except for negligence or bad faith
4. Amendment of section 42 - recruitment and appointment of staff of a public authority
5. Amendment of section 54 - liability of employees

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**A BILL FOR A LAW TO AMEND THE PUBLIC AUTHORITIES LAW,
2017; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Public Authorities (Amendment) Law, 2018.

Short title

2. The Public Authorities Law, 2017, in this Law referred to as the “principal Law”, is amended in section 2 by inserting the following definitions in the appropriate alphabetical sequence -

Amendment of section 2
of the Public Authorities
Law, 2017 -
interpretation

“ “advisory function” includes the function to give advice, in accordance with the Law which governs the authority, to the government and to such other persons to whom the authority is required to give advice by that Law;

“Cayman Islands Monetary Authority” means the Cayman Islands Monetary Authority established under section 5 of the Monetary Authority Law (2018 Revision);

“co-operative function” means the function of an authority to provide assistance to overseas regulatory authorities in accordance with the Law which governs the authority;

“Currency Reserve” means the reserve established under section 32 of the Monetary Authority Law (2016 Revision);

“monetary functions”, in relation to the Cayman Islands Monetary Authority, mean the functions -

- (a) to issue and redeem currency notes and coins; and
- (b) to manage the Currency Reserve; and

“regulatory function”-

- (a) includes the function to regulate and supervise persons in accordance with the Law which governs the authority; or
- (b) has the meaning assigned by the Law which governs the authority.”.

Amendment of section
23 - no personal liability
except for negligence or
bad faith

3. The principal Law is amended in section 23 by repealing subsection (2) and substituting the following subsection -

“(2) Notwithstanding subsection (1), where the function or duty exercised is, where applicable, regulatory, monetary, co-operative or advisory, the provision relating to negligence shall not apply.”.

Amendment of section
42 - recruitment and
appointment of staff of a
public authority

4. The principal Law is amended in section 42(7) by deleting the words “chief officer” and by substituting the words “chief executive officer”.

Amendment of section
54 - liability of
employees

5. The principal Law is amended in section 54 by repealing subsection (2) and substituting the following subsection -

“(2) Notwithstanding subsection (1), where the function or duty exercised is, where applicable, regulatory, monetary, co-operative or advisory, the provision relating to negligence shall not apply.”.

Passed by the Legislative Assembly the day of , 2018.

Speaker.

Clerk of the Legislative Assembly.