

CAYMAN ISLANDS



Supplement No. 3 published with Extraordinary
Gazette No. 22 dated 1st April, 2016.

**A BILL FOR A LAW TO AMEND THE STANDARDS IN PUBLIC LIFE
LAW, 2014 (LAW 3 OF 2014) TO CLARIFY THE EXTENT TO WHICH A
PERSON IN PUBLIC LIFE IS REQUIRED TO DECLARE MATTERS
THAT RELATE TO OTHER PERSONS; AND FOR INCIDENTAL AND
CONNECTED PURPOSES**

STANDARDS IN PUBLIC LIFE (AMENDMENT) BILL, 2016

MEMORANDUM OF OBJECTS AND REASONS

The purpose of this Bill is to amend the Standards in Public Life Law, 2014 (Law 3 of 2014) so as to clarify certain details regarding the extent to which a person in public life is required to declare matters that relate to other persons.

Clause 1 provides for the short title and commencement of the legislation.

Clause 2 provides for amendment to the definition of the terms “connected person” and “immediate family”. The former term has been amended to include a member of the immediately family; whilst the latter term is defined as meaning a spouse or a dependant or such other persons as may be prescribed by Cabinet by regulations.

Clause 3 provides for the amendment of section 11 by inserting references to the word “interest” throughout the clause.

Clause 4, among other things, amends section 12(1) of the principal Law by deleting the reference to a “connected person” and substituting a reference to “immediate family”. As such, the person in public life referred to in section 12 of the principal Law, in making a declaration shall now declare, in relation to himself or herself and any member of the immediate family, the details listed in section 12(1).

The clause also repeals and substitutes section 12(2). Where the person in public life holds property on behalf of a connected person as well as where the connected person holds property on behalf of the person in public life, the person in public life is now required to so state in the declaration. There is no requirement, however, to disclose the terms under which the property is held.

The effect of section 12(1) and (2) of the principal Law, as amended is that a person in public life has to disclose property held by himself or herself; property held by the person’s immediate family; property held on the person’s behalf by a connected person and property that the person holds for any connected person.

The clause also provides for amendments to section 12(5) of the principal Law. The amendments provide that a person in public life who serves as a board member of a statutory authority, public authority or a government company, or is a member of the governing body of a government company or a member of a Commission created under the Constitution will not be required to disclose any

interests, income, assets or liabilities of immediate family or of any other connected person, as the case may be, unless, given the nature of the person's functions on the entity concerned, there is a possible or perceived conflict. Where this is so, the person has to declare only such interests, income, assets or liabilities in relation to the person in public life and any member of the immediate family and such property held on behalf of a connected person as well as such property held by a connected person on behalf of the person in public life where there is a possible or perceived conflict.

Clause 5 amends the Law by repealing and replacing section 14. The new provision states that the Commission shall permit the inspection of the Register where a member of the public so requests.

Clause 6 amends section 24 of the principal Law by removing a textual error.

Clause 7 amends section 26 of the principal Law. It excludes the public authorities that fall within the purview of the Governor's special responsibilities under section 55 of the Cayman Islands Constitution Order, 2009 from the ambit of the provision. Further it provides that the Governor shall appoint the board members of public authorities falling within the purview of the Governor's special responsibilities and shall, in place of the Cabinet, carry out the duties of appointing chairmen, ensuring that appointees have the requisite skills, knowledge and integrity and, among other things, ensure that the appointees have adequate knowledge and experience in corporate governance.

Clause 8 amends section 27 of the principal Law by removing the words "not exceeding four years".

Clause 9 amends the principal Law by repealing and substituting section 33. The new provision states that the contravention of this Law by a Member may constitute contempt of the Legislative Assembly for which the Assembly may order the Member's suspension.

THE STANDARDS IN PUBLIC LIFE (AMENDMENT) BILL, 2016

ARRANGEMENT OF CLAUSES

1. Short title and commencement
2. Amendment of section 2 of the Standards in Public Life Law, 2014 (Law 3 of 2014) - interpretation
3. Amendment of section 11 - duty to furnish declarations
4. Amendment of section 12 of the principal Law - contents of declarations
5. Repeal and substitution of section 14 - inspection of declarations
6. Amendment of section 24 - protection of information
7. Amendment of section 26 - appointment of board members
8. Amendment of section 27 - terms of appointment
9. Repeal and substitution of section 33 - contempt of Assembly

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A BILL FOR A LAW TO AMEND THE STANDARDS IN PUBLIC LIFE LAW, 2014 (LAW 3 OF 2014) TO CLARIFY THE EXTENT TO WHICH A PERSON IN PUBLIC LIFE IS REQUIRED TO DECLARE MATTERS THAT RELATE TO OTHER PERSONS; AND FOR INCIDENTAL AND CONNECTED PURPOSES

Enacted by the Legislature of the Cayman Islands.

1. (1) This Law may be cited as the Standards in Public Life (Amendment) Law, 2016.

Short title and commencement

(2) This Law shall come into force on such date as may be appointed by Order made by the Cabinet and different dates may be appointed for different provisions of this Law and in relation to different matters.

2. The Standards in Public Life Law, 2014 (Law 3 of 2014), in this Law referred to as the principal Law, is amended in section 2 as follows -

Amendment of section 2 of the Standards in Public Life Law, 2014 (Law 3 of 2014) - interpretation

- (a) in the definition of the words “connected person” -
 - (i) by inserting after the word “means” the words “a member of the immediate family of, or”; and
 - (ii) in paragraph (a), by deleting the words “or employee”; and
- (b) by inserting after the definition of the words “government company” the following definition -

“ “immediate family” means a spouse, a dependant or such other person as may be prescribed by Cabinet by regulations;”.

The Standards in Public Life (Amendment) Bill, 2016

Amendment of section
11 - duty to furnish
declarations

3. The principal Law is amended in section 11 by deleting the words “income, assets and liabilities” wherever they appear and substituting the words “interests, income, assets and liabilities”.

Amendment of section
12 - contents of
declarations

4. The principal Law is amended in section 12 as follows -

(a) in subsection (1) -

(i) by deleting the words “shall include, in relation to himself and any connected person” and substituting the words “shall, subject to subsection (5), include in relation to himself or herself and any member of the person’s immediate family”; and

(ii) by repealing paragraph (g);

(b) by repealing subsection (2) and substituting the following subsection -

“(2) Subject to subsection (5), where -

(a) a person in public life holds property or manages anything on behalf of any connected person, the person in public life shall so state in the declaration but shall not be required to disclose the terms on which the property is held; or

(b) a connected person holds property or manages anything on behalf of a person in public life, the person in public life shall so state in the declaration but shall not be required to disclose the terms on which the property is held.”; and

(c) in subsection (5), by deleting all the words after paragraph (b) beginning with the words “shall not be required” to the end of the sentence, and substituting the following words -

“shall not be required to include in a declaration any interest, income, assets and liabilities referred to in section 11(1) or any details referred to in subsections (1) or (2) of this section, unless there is a possible or perceived conflict with the person’s functions on the entity to which the person is appointed arising out of such interest, income, assets or liabilities.”.

Repeal and substitution
of section 14 - inspection
of declarations

5. The principal Law is amended by repealing section 14 and substituting the following section -

“Inspection of Register
14. The Commission shall, at the request of any member of the public, permit the inspection of the Register during

normal working hours.”.

6. The principal Law is amended in section 24(1)(a) by deleting the word “where” the second time that it appears. Amendment of section 24 - protection of information
7. The principal Law is amended in section 26 as follows - Amendment of section 26 - appointment of board members
- (a) in subsection (1), by inserting after the words “ the provisions of any other Law” the words “, except the Laws within the scope of the special responsibilities of the Governor under section 55 of the Cayman Islands Constitution Order, 2009,”
 - (b) by inserting after subsection (4) the following subsection -
 - “(4A) The Governor shall appoint the board members of a public authority that is within the scope of the special responsibilities of the Governor and, in furtherance of such appointment, carry out the duties assigned to the Cabinet in subsections (1)(b), (2), (3) and (4).”; and
 - (c) by repealing subsection (5).
8. The principal Law is amended by repealing section 27(2) and substituting the following subsection - Amendment of section 27 - terms of appointment
- “(2) A board member shall serve for such term as may be determined by Cabinet and may be reappointed for further terms as may be determined by Cabinet.”.
9. The principal Law is amended by repealing section 33 and substituting the following section - Repeal and substitution of section 33 - contempt of Assembly
- “Contempt of Assembly 33. Where a member contravenes this Law, such contravention may constitute contempt of the Legislative Assembly for which the Assembly may order the Member’s suspension from sitting and voting in the Assembly for such period as the Assembly may determine.”.

Passed by the Legislative Assembly the day of , 2016.

Speaker.

Clerk of the Legislative Assembly.