

NUNATSIAVUT ASSEMBLY

IL 2011-01

Nain Health Building Act

AN INUIT LAW TO AUTHORIZE LONG-TERM BORROWING BY THE NUNATSIAVUT GOVERNMENT FOR PURPOSES OF CONSTRUCTING A BUILDING IN NAIN FOR USE BY THE DEPARTMENT OF HEALTH AND SOCIAL DEVELOPMENT, TO PROVIDE FOR REPAYMENT OF THE BORROWING, AND TO ASSIGN MINISTERIAL RESPONSIBILITY IN RESPECT OF THE BUILDING

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WHEREAS the Nunatsiavut Government wishes to enter into a long-term borrowing arrangement for purposes of constructing a building in Nain for use by the Department of Health and Social Development;

AND WHEREAS the Labrador Inuit Constitution provides in section 8.5.3 that

The Nunatsiavut Assembly may, in terms of Inuit law, and with a supporting vote of at least 60% of its members, authorize long term borrowing by the Nunatsiavut Government or an Inuit Community Government for capital purposes on condition that the Nunatsiavut Assembly receives from the government concerned a financial plan for the period required to amortize the debt that shows:

- (a) anticipated expenditures by the Inuit Government on maintenance and acquisition of capital assets;
- (b) all expenditure and revenue estimates; and

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- (c) how capital and interest will be repaid, in full, without incurring annual deficits;

AND WHEREAS the Nunatsiavut Treasurer has tabled in the Assembly the financial plan required by section 8.5.3 of the Labrador Inuit Constitution,

NOW THEREFORE BE IT ENACTED by the Nunatsiavut Assembly as follows:

Short title

- 1 This Inuit Law may be cited as the *Nain Health Building Act*.

Definitions and Interpretation

- 2 In this Inuit Law:

“capital asset” means the project after it has been substantially completed;

“Consolidated Financial Plan” has the meaning assigned to it in the *Financial Administration Act*;

“First Minister” means the First Minister of Nunatsiavut as described in section 5.1.1(b) of the *Labrador Inuit Constitution*;

“Fiscal Year” has the meaning assigned to it in the *Financial Administration Act*;

"includes" means "includes but is not limited to" and "including" means "including but not limited to";

“project” means the planning, design, site preparation, servicing, construction, and furnishing of a building in the Inuit Community of Nain to be owned and operated by the Nunatsiavut Government for purposes of the Nunatsiavut Government’s Department of Health and Social Development and includes the acquisition of land and all such real property, easements, rights-of-way, leases licenses, rights or authorities as the Nunatsiavut Executive Council may deem requisite or desirable for or in connection with the building;

“Treasurer” means the Nunatsiavut Treasurer as described in subsection 5.1.1(c) of the *Labrador Inuit Constitution* and the member of the Nunatsiavut Executive Council responsible for the Department of Finance, Human Resources and Information Technology;

Authorization to carry out the project

- 3 The Nunatsiavut Executive Council is hereby empowered and authorized to carry out the project, or cause the project to be carried out, and to do all things necessary in connection with carrying out and completing the project.

Power of Executive Council to borrow for purposes of the project

- 4 The Nunatsiavut Executive Council is hereby empowered and authorized to enter into short term and long term borrowing upon the credit of the Nunatsiavut Government for purposes of the project.

Limitation on the amount the Executive Council may borrow for the project

- 5 The Nunatsiavut Executive Council shall not borrow any amount exceeding Two Million Dollars (\$2,000,000) for purposes of the project.

Maximum term for borrowing

- 6 The maximum term, including renewals and extensions, for which money may be borrowed under the authority of this Act is ten (10) years.

Use of amounts borrowed

- 7 The Nunatsiavut Government shall use all amounts borrowed under the authority of this Act for the project and for no other purpose.

Arrangements related to repayment of amounts borrowed and operating costs

- 8 For purposes of meeting the obligations of the Nunatsiavut Government in respect of amounts borrowed under the authority of this Act and for purposes of maintaining and operating the capital asset the Nunatsiavut Executive Council shall in its annual Consolidated Financial Plans:

- (a) provide for the payment of
 - (i) all amounts of principal and interest payable in the fiscal year pursuant to the terms of any financing agreements, loan agreements, promissory notes, mortgages, pledges, assignments or other instruments or securities for borrowing by the Nunatsiavut Government for purposes of the project; and
 - (ii) all operating and maintenance costs of the capital asset;
- (b) stipulate the source or sources of revenue, financing and funding to be used for payment of the amounts described in subsection (a);

- (c) provide for raising the amounts described in subsection (a) as part of the general revenues of the Nunatsiavut Government to the extent that the amounts have not been provided for by any other available source including without limitation amounts allocated in relation to health under financing and funding agreements;
- (d) charge the amounts described in subsection (a) against annual appropriations, revenues, financing and funding allocated to or for the Department of Health and Social Development; and
- (e) both before and after substantial completion of the project treat the project as a capital asset vested in the Nunatsiavut Government and for that purpose transfer all amounts charged pursuant to subsection (d) against the Department of Health and Social Development into the capital asset fund for payment out of the capital asset fund.

Responsibility for capital asset

- 9 Despite the purpose of the project and subsection 8(d) of this Act, the minister of the Nunatsiavut Government responsible for public property shall be the minister responsible for overseeing the project and for the operation and maintenance of the capital asset.

Specific powers and authorities in respect of the project and borrowing

- 10 In exercising the powers and authorities granted in sections 3 and 4 for purposes of the project the Nunatsiavut Executive Council may, without limitation but subject to the other sections of this Act:
- (a) conclude contracts and agreements on behalf of the Nunatsiavut Government in relation to the project;
 - (b) borrow or raise or secure the payment of money needed for the project in such manner as the Executive Council thinks fit including by the issuance and sale of notes, bonds, debentures or any other security and purchase, redeem or pay off any such notes, bonds, debentures or securities;
 - (c) draw, make, accept, endorse, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments;
 - (d) give securities and collateral for borrowing authorized under this Act including without limitation mortgages, bonds, debentures, and promissory notes;
 - (e) pending the substantial completion of the project, make temporary

borrowings for purposes of the project on terms and conditions recommended by the Treasurer and the First Minister; and

- (f) authorize the Treasurer and the First Minister to negotiate and enter into, and to execute and deliver, for and on behalf of the Nunatsiavut Government financing agreements, loan agreements, promissory notes, mortgages, pledges, assignments and other instruments and securities for temporary and long term borrowing in respect of the project and the capital asset on such terms and conditions as the Executive Council may approve, such execution and delivery to be conclusive evidence of the Executive Council's approval.

Coming into effect

- 11 This Act comes into effect in accordance with section 13 of the *Nunatsiavut Laws Registration Act*.