



New South Wales

Community Improvement Districts Bill 2025

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are as follows—

- (a) to provide for the establishment and operation of community improvement districts,
- (b) to provide for the recognition and functions of community improvement district entities to stimulate economic growth and community development,
- (c) for other purposes.

Outline of provisions

Part 1 Preliminary

Clause 1 sets out the name, also called the short title, of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Clause 3 provides that the proposed Act does not apply to land within a local government area until the Minister declares, by order published in the Gazette, that the area is subject to the proposed Act.

Clause 4 sets out the objects of the proposed Act.

Clause 5 empowers proposed Schedule 4 to define certain words and expressions used in the proposed Act.

Clause 6 sets out the relationship of the proposed Act to the *Local Government Act 1993*, *Environmental Planning and Assessment Act 1979* and *Retail Leases Act 1994*.

Part 2 Administration

Clause 7 sets out the functions of the Authority (the *Authority*), being Transport for NSW, under the proposed Act.

Part 3 Preparation and approval of CID proposals

Division 1 provides for the making of community improvement district proposals (a *CID proposal*) to impose levies on certain business land owners within a community improvement district (a *CID*) to fund specified services, activities or projects in the CID. An incorporated or unincorporated association (a *CID proponent*) must engage in community consultation before a CID proposal can be accepted by the Authority.

Division 2 requires the Authority to accept a CID proposal if satisfied the proposal has been properly made or reject it in the circumstances prescribed by the regulations. For every CID proposal a CID proposal ballot must be conducted to ascertain whether the CID proposal is supported.

The proposed division also provides for the voters in a CID proposal ballot, how votes may be cast, what constitutes support for a CID proposal and the conduct of a CID proposal ballot.

Division 3 requires the Authority to send a copy of a CID proposal that has acquired the required support in a CID proposal ballot to the relevant local council with a request that the local council notify the Authority within 30 days whether the local council supports the proposal or not.

The proposed division further requires the Authority to approve or reject a CID proposal if the CID proposal achieves the required support in a CID proposal ballot and to reject it if it does not. An approval expires after 5 years.

The proposed Act applies to certain variations of an approved CID proposal in the same way it applies to the making of a CID proposal.

Division 4 provides for certain requirements relating to the structure and membership of an incorporated association specified in an approved CID proposal as the CID entity for a CID (a *CID entity*).

The proposed division also specifies the matters relating to CID entities that may be dealt with by the regulations.

Division 5 provides that the regulations may specify what services, activities or projects a CID entity must not undertake in a CID.

The proposed division also deals with the making and approval of another CID proposal by a CID proponent, before or after a CID proposal expires, in accordance with the requirements of proposed Part 3.

The proposed division also provides the circumstances in which the Authority may terminate a CID proposal.

Part 4 Finance

Division 1 authorises the Authority to impose a levy on land within a CID to fund an approved CID proposal. A levy must be made by order published in the Gazette.

The proposed division also provides for the requirements of how a levy may be imposed on a landowner by giving notice. The Authority may charge interest on levies they have imposed that are due and unpaid.

Division 2 allows the regulations to deal with the recovery of unpaid levies.

Division 3 establishes the CID Levies Fund, with the Authority as its administrator, to hold money received by the Authority on trust for CID entities.

The proposed division also sets out what is payable into the CID Levies Fund, how the Authority must keep records of the amounts paid into it and what is payable from the CID Levies Fund.

The proposed division also provides for how the Authority may invest its funds. It allows the regulations to deal with circumstances where CID entities have ceased to operate before the relevant funds have been expended.

Part 5 Miscellaneous

Clause 31 provides that the proposed Act does not apply to government land.

Clause 32 defines *government land* for the proposed Act.

Clause 33 deals with the delegation of functions by the Minister and the Authority under the proposed Act.

Clause 34 authorises the Authority to collect the information and documents it requires from local councils and government sector agencies by written notice.

Clause 35 authorises the Authority to collect the information and documents it requires from a CID entity or employee of a CID entity by written notice. The clause makes it an offence for a person without reasonable excuse to fail to comply with the notice.

Clause 36 sets out what constitutes service of a document.

Clause 37 provides that proceedings for an offence under the proposed Act or regulations may be dealt with summarily before the Local Court.

Clause 38 makes it an offence for a person to disclose any information obtained in connection with the administration of the proposed Act conferring or imposing functions on the Authority except in specified circumstances.

Clause 39 allows the regulations to prescribe decisions under the proposed Act or regulations that are administratively reviewable by the Civil and Administrative Tribunal.

Clause 40 provides that the ability to apply for internal review under *Administrative Decisions Review Act 1997*, section 53 applies to decisions under clauses 10(2), 14(1), 14(2), 21(8), 22(4) or 28(4) or as prescribed by the regulations.

Clause 41 provides for the review of the proposed Act.

Clause 42 enables the Governor to make regulations for the purposes of the proposed Act.

Schedule 1 Savings, transitional and other provisions

Schedule 1, clause 1 provides that the regulations may contain savings, transitional and other provisions consequent on the enactment of a provision of, or amending, the proposed Act.

Schedule 1, clause 2 provides that the regulations may declare an existing CID or person is a CID or CID entity, respectively, under the proposed Act.

Schedule 1, clause 3 provides that pilot agreements entered into between a pilot CID and a person or body within the Department of Transport are taken to have instead been entered into between a pilot CID and the Authority.

Schedule 1, clause 4 provides that proposed Schedule 3 is taken to be and has effect as a regulation made by the Governor under the proposed Act. The *Subordinate Legislation Act 1989*, Part 2 and *Interpretation Act 1987*, sections 39–41 do not apply to the deemed regulation in proposed Schedule 3 but apply to an amendment or repeal of the regulation.

Schedule 2 Amendment of State Debt Recovery Act 2018 No 11

Schedule 2 inserts levies, fees and interest on unpaid levies under the proposed Act as a referable debt which may be referred by the head of the Authority for debt recovery under that Act.

Schedule 3 Community Improvement Districts Regulation 2025

Schedule 3 sets out the provisions to become the *Community Improvement Districts Regulation 2025*, including instructions on how a CID levy must be calculated.

Schedule 4 Dictionary

Schedule 4 contains the dictionary that defines certain terms used in the proposed Act.