

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE MARITIME AUTHORITY OF
THE CAYMAN ISLANDS LAW, 2005 TO PROVIDE FOR THE
APPOINTMENT OF DIRECTORS, PUBLIC OFFICERS AND OTHER
PERSONNEL; TO MAKE PROVISION FOR MEDICAL BENEFITS, FOR
THE PAYMENT OF DIVIDENDS AND FOR THE INDEMNIFICATION
OF PERSONNEL; AND FOR INCIDENTAL AND CONNECTED
PURPOSES.**

**THE MARITIME AUTHORITY OF THE CAYMAN ISLANDS
(AMENDMENT) BILL, 2007.**

MEMORANDUM OF OBJECTS AND REASONS

The Bill seeks to make miscellaneous amendments to the Maritime Authority of the Cayman Islands Law, 2005 in order to clarify and enhance several provisions relating to, among other things, appointments, borrowing powers and terms and conditions of the Authority's personnel.

Clause 1 provides the short title.

Clause 2 redefines "Governor".

Clause 3 amends the principal Law by inserting a new section 9A to provide for the appointment of the Registrar of Shipping, Deputy and Assistant Registrars, Shipping Master and Deputy and Assistant Shipping Masters and sets out in general terms their functions and duties by reference to the Merchant Shipping Law (2005 Revision) (MSL 2005).

Clause 4 repeals section 10(1) of the principal Law and replaces it with an amended subsection which would clarify matters with respect to the functions and duties of the Chief Executive Officer and empower him to recruit and appoint staff in general and the statutory officers in particular, under such terms and conditions as he deems appropriate.

Clause 5 repeals section 12 of the principal Law and replaces it with a provision that would enable the Authority to provide optional medical benefits in lieu of or in addition to coverage under the Health Insurance Law (2005 Revision) to ensure that such benefits are no less than those under an employee's pre-Authority terms and conditions and at least equivalent to those under the Health Insurance Law (2005 Revision).

Clause 6 effects a purely technical amendment to section 13(1) replacing "Cabinet" with "Governor in Cabinet".

Clause 7 amends section 15(3) of the principal Law by increasing the level of borrowing the Authority is permitted to engage in before requiring the approval of the Governor.

Clause 8 amends section 18 of the principal Law by specifying that dividends payable under this section are to be paid to the Government and that moneys borrowed by the Authority are not taken into account when determining the amount of dividend to be so paid.

Clause 9 repeals and replaces section 19(2) of the principal Law by extending, to directors and employees of the Authority, indemnification against liability for anything done in good faith on behalf of the Authority and by empowering the Authority to purchase insurance with respect to such indemnification.

Clause 10 amends paragraph 1 of Schedule 1 of the principal Law by making provision to exclude members of the Legislative Assembly and Official Members of Cabinet from eligibility for appointment to the Board of the Authority.

**THE MARITIME AUTHORITY OF THE CAYMAN ISLANDS
(AMENDMENT) LAW, 2007.**

ARRANGEMENT OF CLAUSES

1. Short title.
2. Amendment of section 2 – Definitions.
3. Insertion of new section 9A – Appointment of officers.
4. Amendment of section 10 – Responsibilities of the Chief Executive Officer.
5. Repeal and substitution of section 12 – Applicability of the Health Insurance Law (2005 Revision).
6. Amendment of section 13 – Funds available to the Authority.
7. Amendment of section 15 – Capital and borrowing powers of the Authority.
8. Amendment of section 18 – Payment of dividends by the Authority.
9. Amendment of section 19 – Immunity and indemnity.
10. Amendment of Schedule 1 – Appointment and constitution of the Board.

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ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Maritime Authority of the Cayman Islands (Amendment) Law, 2007. Short title

2. The Maritime Authority of the Cayman Islands Law, 2005, in this Law referred to as the “principal Law”, is amended in section 2 by repealing the definition of “Governor” and substituting the following definition:

“Governor” means the Governor in Cabinet.”.

Amendment of section 2
- definitions

3. The principal Law is amended by inserting after section 9 the following:
Insertion of new section
9A. – appointment of
officers

Appointment
of officers

“9A. (1) There shall be appointed-

- (a) an officer known as the Registrar of Shipping who shall exercise such functions as are conferred on him by this Law and by the Merchant Shipping Law (2005 Revision) and keep such records and perform such other duties as the Chief Executive Officer may determine; and
- (b) an officer known as the Shipping Master who shall exercise the functions conferred on him by this Law and the Merchant Shipping Law (2005 Revision) and perform such other duties as the Chief Executive Officer may direct.

(2) There may be appointed-

- (a) one or more Deputy Registrars of Shipping who may, in the absence of the Registrar of Shipping, act as the Registrar of Shipping for the purposes of this Law and of the Merchant Shipping Law (2005 Revision) and who, when so acting, shall exercise such functions as are conferred on him by this Law or the Merchant Shipping Law (2005 Revision) and keep such records and perform such other duties as the Chief Executive Officer may determine;
- (b) one or more Assistant Registrars of Shipping who shall carry out, under the direction of the Registrar of Shipping or a Deputy Registrar of Shipping, as the case may be, such functions and duties as the Chief Executive Officer may determine;
- (c) one or more Deputy Shipping Masters who may, in the absence of the Shipping Master, act as the Shipping Master for the purposes of this Law and of the Merchant Shipping Law (2005 Revision) and who shall carry out such other functions and duties as the Chief Executive Officer may determine; and
- (d) one or more Assistant Shipping Masters who shall carry out, under the direction of the Shipping Master or a Deputy Shipping

Master, as the case may be, such functions and duties as the Chief Executive Officer may determine.”.

4. The principal Law is amended by repealing section 10(1) and substituting the following:

Amendment of section 10 – responsibilities of the Chief Executive Officer

“(1) The Chief Executive Officer shall be accountable to the Board for-

- (a) the day-to-day management of the affairs of the Authority;
- (b) the recruitment, appointment and management of the following personnel under such terms and conditions as the Chief Executive Officer deems appropriate in accordance with the policies authorised by the Authority and the statutory provisions related to the appointments contained in this Law and in the Merchant Shipping Law (2005 Revision), namely:
 - (i) the general staff of the Authority;
 - (ii) surveyors and inspectors under section 419 of the Merchant Shipping Law (2005 Revision); and
 - (iii) the Registrar of Shipping, Shipping Master, Deputy Registrars of Shipping, Assistant Registrars of Shipping, Deputy Shipping Masters and Assistant Shipping Masters.
- (c) the establishment and maintenance of the appropriate executive, management, technical and administrative structure of the Authority, in accordance with policies approved by the Board;
- (d) the achievement of the outputs and ownership performance of the Authority;
- (e) public relations and financial management;
- (f) the carrying out of the functions of the Authority in accordance with the decisions of the Board; and
- (g) the provision of technical advice and guidance on matters of policy, legislative development needs and strategic planning.”.

- Repeal and substitution of section 12- applicability of the Health Insurance Law (2003 Revision)
5. The principal Law is amended by repealing section 12 and substituting the following:
- “Applicability of the Health Insurance Law (2005 Revision)
12. The Health Insurance Law (2005 Revision) shall apply to the Authority except that-
- (a) the Authority may elect to provide free or subsidised medical benefits in lieu of and at least equivalent to, or in addition to, insurance coverage under that Law; and
 - (b) a person referred to in paragraph 2 of Schedule 2 shall, unless otherwise notified by the Authority, be entitled to receive from the Authority at least the same medical benefits to which he was entitled on the day preceding his transfer to the Authority.”.
- Amendment of section 13 – funds available to the Authority
6. The principal Law is amended in section 13(1)-
- (a) by deleting the word “Cabinet” wherever it appears and substituting the words “Governor in Cabinet”; and
 - (b) in paragraph (a) by deleting the words “purchased by it” and substituting the words “purchased by him”.
- Amendment of section 15-capital and borrowing powers of the Authority
7. The principal Law is amended in section 15(3) by deleting the words “one hundred” and substituting the words “two hundred and fifty”.
- Amendment of section 18-payment of dividends by the Authority
8. The principal Law is amended in section 18 as follows:
- (a) in subsection (1)(a) by inserting after the word “dividend”, the words “to Government”; and
 - (b) by inserting, after subsection (2), the following:
 - “(3) Receipts issued under section 13(1)(c) shall not be taken into account in calculating the amount of any dividend payable under this section.”.
- Amendment of section 19-immunity and indemnity
9. The principal Law is amended by repealing section 19(2) and substituting the following:
- “(2) The Authority shall indemnify every director and employee against all claims, damages, costs, charges or expenses incurred by that director or employee in the discharge of his functions, responsibilities,

powers and duties under this Law, except claims, damages, costs, charges or expenses caused by the bad faith of that director or employee; and the Authority may purchase insurance with respect to such indemnification.”.

10. The principal Law is amended in paragraph 1 of Schedule 1 by inserting after subparagraph (3) the following:

Amendment of Schedule
1-appointment and
constitution of the Board

“(4) Neither a member of the Legislative Assembly nor an official member of Cabinet shall be eligible for appointment as a director.”.

Passed by the Legislative Assembly the day of , 2007.

Speaker.

Clerk of the Legislative Assembly.