



KWAZULU-NATAL  
LEGISLATURE

AN ACTIVIST PEOPLE-CENTRED LEGISLATURE

## NEGOTIATING MANDATE

**TO:** HON E NJADU, MP  
CHAIRPERSON OF SELECT COMMITTEE ON HEALTH AND  
SOCIAL SERVICES

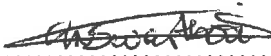
**NAME OF BILL:** FUND RAISING AMENDMENT BILL

**NUMBER OF BILL:** B29B – 2020

**DATE OF DELIBERATION:** 30 AUGUST 2023

### VOTE OF THE LEGISLATURE:

The Portfolio Committee on Social Development met on Wednesday, the 30<sup>th</sup> of August 2023 and agreed to mandate the KwaZulu-Natal delegation to **support** the **Fund Raising Amendment Bill [B29B-2020]** with the following **amendments** attached hereto in the Committee Report.

  
.....  
HON GN SWARTBOOI-NTOMBELA, MPL  
CHAIRPERSON: SOCIAL DEVELOPMENT  
PORTFOLIO COMMITTEE

31-08-2023  
.....  
DATE

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ISISHAYAMTHETHO SAKWAZULU-NATALI  
KWAZULU-NATAL LEGISLATURE  
KWAZULU-NATAL PROVINSIALE WETGEWER  
AN ACTIVIST PEOPLE-CENTRED LEGISLATURE

# **SOCIAL DEVELOPMENT PORTFOLIO COMMITTEE REPORT ON FUND-RAISING AMENDMENT BILL [B29B-2020] IN TERMS OF RULE 260 OF THE STANDING RULES**

## **INTRODUCTION**

In terms of section 42(4) of the Constitution, the National Council of Provinces represents provinces to ensure that provincial interests are considered in the national sphere of government by participating in the national legislative process. The Fund-Raising Amendment Bill [B29B-2020], which is a section 76 Bill in terms of the Constitution, was referred to the Social Development Portfolio Committee in terms of Rule 259(1). In turn, the Legislature is, in terms of section 118 of the Constitution, compelled to facilitate the public involvement in the committees process of the legislature and its Committees.

The Fund-Raising Amendment Bill [B29B-2020] before the Portfolio Committee seeks to amend the Act of 1978 with the view to bring about the dissolution of various dormant funds to streamline governance and strengthen efficient services to affected communities. The Fund-Raising Act was promulgated in 1978 to provide for control over collections of contributions from the public and to set up the following Funds:

The Disaster Relief Fund is meant to provide assistance to victims and survivors of disaster. The fund is active and provides short-term relief to victims of disaster in poor communities.

The State President Fund is meant to provide short-term relief to victims and survivors of acts of terrorism. Since 1994, the Fund was activated in 2002 to assist with the burial of the victim of a bomb blast in Soweto.

The Refugee Relief Fund is meant to provide assistance to refugees. It has remained dormant since the new dispensation.

The Social Relief Fund is meant to provide funding to organisations providing assistance to victims of violence. The Fund was last active in 2001 and has remained dormant since.

The South African Defence Force Fund is meant to provide short term relief to members and their dependents who suffer financial hardship arising from the performance of their duties that led to incapacity. The Fund is active and located at the National Department of Defence.

The Bill seeks to rationalize the Act by consolidating Disaster Relief Fund, the Refugee Relief Fund, the Social Relief Fund and the State President Fund into Disaster Relief and National Social Development Fund, so as to focus on proactive mitigation of disasters and promote the social development of communities.

## **METHOD OF WORK**

The Committee held a special meeting on 23 May 2023 to receive a briefing from the Department of Social Development in terms of Rule 260(1). The Committee then resolved to hold 03 public hearings due to the administrative and non-contentious nature of the Bill.

The Committee conducted 03 public hearings on 06 June in uMgungundlovu, at the KZN Legislature Chamber; 07 June in eThekweni, uMkhumbane Hall and 11 July 2023 in KwaMbonambi Hall, uMfolozi Municipality and the closing dates for written submission was on 08 August 2023 at 16:00. The public hearings on the Bill were widely advertised in the KwaZulu-Natal Legislature website, the print media on the Witness, Daily News, Isolezwe, Sunday Times and Ilanga

newspapers. Copies of the Bill were also distributed to all Municipal Districts and were also made available during the hearings.

## **PROPOSED AMENDMENTS TO THE BILL**

### **1. Amendment to clause 4 amending section 20**

To include the Broad Based Black Economic Empowerment Act in addition to the Public Finance Management Act.

#### **REASON FOR THE PROPOSED AMENDMENT**

To ensure that the disbursements of Funds must be in line with the BBBEE Act n additional to the PFMA.

### **2. Amendment of clause 2 amending section 17**

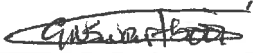
To include the youth and members of the Non-Profit Organisation as part of the Board's composition.

#### **REASON FOR THE PROPOSED AMENDMENT**

To ensure that the youth and NPOs have representatives who understand issues on the ground in the Board.

## **CONCLUSION**

The Committee, having considered the above proposals and concerns, agreed that they are valid and need to be part of the report and as such must be referred to the Select Committee. The Committee met on ..... and unanimously agreed to support the Bill subject to the proposed amendments stated above being meticulously considered by the Department of Social Development prior to the final and voting mandate being conferred by the House. The negotiating mandate is attached herein as **Annexure "A"** of the report.



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**HON. N SWARTBOOI**

**CHAIRPERSON: SOCIAL DEVELOPMENT PORTFOLIO COMMITTEE**