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PART-V
GOVERNMENT OF MEGHALAYA
MEGHALAYA LEGISLATIVE ASSEMBLY SECRETARIAT

NOTIFICATION

The 10th March, 2021.

No.LB.47/LA/2021/2. – The Meghalaya Fiscal Responsibility and Budget Management (Amendment) Bill, 2021 introduced in the Meghalaya Legislative Assembly on the 10th March, 2021 together with the Statement of Objects and Reasons is published under Rule 71 of the Rules of Procedure and Conduct of Business in the Meghalaya Legislative Assembly for general information.

**THE MEGHALAYA FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT
(AMENDMENT) BILL, 2021**

A
BILL

to amend the Meghalaya Fiscal Responsibility and Budget Management Act, 2006.

Be it enacted by the Legislature of the State of Meghalaya on the Seventy-second Year of the Republic of India as follows:-

- Short title and Commencement.**
- (1) This Act may be called the Meghalaya Fiscal Responsibility and Budget Management (Amendment) Act, 2021.
 - (2) It shall come into force at once.
- Amendment of Section 4.**
- In section 4 of the Meghalaya Fiscal Responsibility and Budget Management Act, 2006, in sub-section (1), for clause (b)(i), the following shall be substituted, namely-
"(b)(i) to maintain fiscal deficit to an annual limit of 5% of GSDP to provide additional resources to fight the COVID-19 pandemic and maintain the standards of service delivery to the public during the Fiscal Year 2020-21".
- Repeal & Savings.**
- (1) The Meghalaya Fiscal Responsibility and Budget Management (Amendment) Ordinance 2021 (Ordinance No. 2 of 2021) is hereby repealed.
 - (2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the provisions of this Act.

STATEMENT OF OBJECT AND REASONS

The unprecedented COVID-19 pandemic has had a serious negative impact on the resources of both the Central and State Governments. The States require additional resources to fight the pandemic and maintain the standards of service delivery to the public. To strengthen resources in the hands of the State Governments, the Central Government has provided additional borrowing limit up to 2 percent of Gross State Domestic Product (GSDP) for the fiscal year 2020-21, subject to implementation of specific State Level Reforms and amendment of the State's Fiscal Responsibility and Budget Management Act.

In view of circumstances stated above, an immediate legislation was necessitated. As such, the Hon'ble Governor had promulgated an Ordinance of the Meghalaya Fiscal Responsibility and Budget Management (Amendment) Ordinance, 2021 on the 22nd February, 2021 under clause (1) of Article 213 of the Constitution of India.

Therefore, now that the Assembly is in session, a Bill seeking to replace the above Ordinance, without modification is necessary to be introduced in the House by way of a Bill, namely, the Meghalaya Fiscal Responsibility and Budget Management (Amendment) Bill, 2021.

Hence, the Bill.

CONRAD K. SANGMA,
Chief Minister, *i/c* Finance

ANDREW SIMONS,
Commissioner & Secretary,
Meghalaya Legislative Assembly.

FINANCIAL MEMORANDUM

As the amendment will raise the borrowing limit of the State, there will be expenditure on payment of interest and repayment of principal to be incurred from the Consolidated Fund of the State on implementing the provisions of this Act.