An Bille um an gCiste Iasachta do Mhionfhiontair (Leasú), 2024

Microenterprise Loan Fund (Amendment) Bill 2024

ADMINISTRATIVE REPRINT

Bille Dála arna leasú i gCoiste ag Seanad Éireann

Dáil Bill as amended in Committee by Seanad Éireann

This administrative reprint incorporates amendments made at Committee Stage by Seanad Éireann. It has been produced for ease of reference only, given that amendments made by Seanad Éireann to a Bill initiated in Dáil Éireann cannot have legislative effect unless agreed to by Dáil Éireann.

[No. 18ax of 2024]

AN BILLE UM AN gCISTE IASACHTA DO MHIONFHIONTAIR (LEASÚ), 2024
MICROENTERPRISE LOAN FUND (AMENDMENT) BILL 2024

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Dáil Bill as amended in Committee by Seanad Éireann

Bill

entitled

An Act to amend the Microenterprise Loan Fund Act 2012 to provide for the authorised share capital of Microfinance Ireland to be transferred from the Social Finance Foundation to the Minister for Enterprise, Tourism and Employment; for a board of directors of Microfinance Ireland; for a chief executive officer of Microfinance Ireland; for arrangements for superannuation benefits for members of the staff of Microfinance Ireland; and to provide for related matters.

Be it enacted by the Oireachtas as follows:

Definition

1. In this Act, "Act of 2012" means the Microenterprise Loan Fund Act 2012.

Amendment of section 2 of Act of 2012

2. Section 2(1) of the Act of 2012 is amended—

(a) by the insertion of the following definition:

" 'Microfinance Ireland' means the company referred to in section 12(1);",

(b) in the definition of "promotional financial institution", by the deletion of ", other than the Social Finance Foundation,", and

(c) by the deletion of the definition of "subsidiary".

Amendment of section 7 of Act of 2012

3. Section 7 of the Act of 2012 is amended—

(a) in subsection (1)—

(i) by the substitution of "Microfinance Ireland" for "the subsidiary",

(ii) by the substitution, in paragraph (a), of "the Fund, or" for "the Fund", and

(iii) by the deletion of paragraph (b),

and

(b) by the substitution of the following subsection for subsection (2):

"(2) Where moneys (other than moneys standing to the credit of the Fund) for the time being standing to the credit of accounts held by Microfinance Ireland are, by reason of a default or defaults in the payment of moneys due to Microfinance Ireland pursuant to an agreement or agreements providing for the making of a loan or loans to which subsection (1) applies, insufficient to enable Microfinance Ireland to pay (in whole or in part) to a promotional financial institution any sum the payment of which falls due in accordance with terms or conditions referred to in subsection (1) of section 8A, Microfinance Ireland shall pay the sum due to the promotional financial institution concerned out of moneys for the time being standing to the credit of the Fund.".

Repeal of section 8 of Act of 2012

4. Section 8 of the Act of 2012 is repealed.

Amendment of section 8A of Act of 2012

5. Section 8A of the Act of 2012 is amended—

(a) by the substitution of "Microfinance Ireland" for "the subsidiary" in each place where it occurs,

(b) in subsection (2), by the deletion of "and subsection (4) of section 8", and

(c) by the substitution of the following subsection for subsection (3):

"(3) Moneys borrowed under this section shall be used by Microfinance Ireland to lend moneys to microenterprises under section 7.".

Amendment of section 9 of Act of 2012

6. Section 9 of the Act of 2012 is amended—

(a) by the substitution of "Microfinance Ireland" for "the subsidiary" in each place where it occurs, and

(b) in subsection (3), by the deletion of ", the Social Finance Foundation".

Amendment of section 10 of Act of 2012

7. Section 10 of the Act of 2012 is amended—

(a) in subsection (1), by the deletion of "and after consultation with the Social Finance Foundation", and

(b) in subsection (2), by the substitution of "Microfinance Ireland" for "the subsidiary" in each place where it occurs.

Amendment of section 12 of Act of 2012

8. Section 12 of the Act of 2012 is amended—

(a) by the substitution of the following subsection for subsection (1):

"(1) The name of the company formed and registered under the Companies Acts in accordance with section 11 shall continue to be Microfinance Ireland.",

(b) in subsection (2), by the substitution of "Microfinance Ireland" for "the subsidiary",

(c) by the insertion of the following subsections after subsection (3):

"(3A) The Minister shall, by order, appoint a day to be the appointed day for the purposes of this Act.

(3B) On the appointed day—

(a) the authorised share capital of Microfinance Ireland issued to the Social Finance Foundation under subsection (3) shall be transferred by the Social Finance Foundation to the Minister, and

(b) Microfinance Ireland shall cease to be a subsidiary of the Social Finance Foundation.

(3C) Subject to subsection (4), the Minister may, in respect of the share in Microfinance Ireland held by him or her, exercise all or any of the rights and powers from time to time exercisable by the holder of such a share.",

and

(d) by the substitution of the following subsection for subsection (4):

"(4) The Minister shall not transfer or alienate the share transferred to him or her under subsection (3B) without prior consultation with the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.".

Insertion of sections 13A to 13D into Act of 2012

9. The Act of 2012 is amended by the insertion of the following sections after section 13:

"Board of Microfinance Ireland

13A. (1) Microfinance Ireland shall have a board (in this Act referred to as the 'Board') which shall consist of not more than 10 directors (including its chairperson), each of whom shall be appointed by the Minister.

(2) The Minister shall appoint one of the directors of Microfinance Ireland to be its chairperson.

(3) The Minister shall, in so far as is practicable, endeavour to ensure that among the directors of Microfinance Ireland there is an equitable balance between men and women.

(4) The Board may act notwithstanding one or more vacancies among its directors, subject to having a quorum of 6.

(5) Each director, in the performance of his or her functions as member of the Board, shall be subject to such terms and conditions as are set out in the constitution of Microfinance Ireland.

(6) There may be paid to the directors of Microfinance Ireland, out of monies at the disposal of Microfinance Ireland, such allowances for expenses (if any) incurred by them as the Minister, with the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, may determine.

(7) A director of Microfinance Ireland shall hold office for such period, not exceeding 3 years from the date of his or her appointment, as the Minister shall determine.

(8) Subject to subsection (9), a director of Microfinance Ireland whose term of office expires by the passage of time shall be eligible for re-appointment to the Board.

(9) A person who is re-appointed to the Board in accordance with subsection (8) shall not hold office for more than 2 terms.

(10) A director of Microfinance Ireland may resign from office by giving notice to the Minister of his or her resignation and the resignation shall take effect on the day on which the Minister receives the notice.

(11) The Minister may at any time remove a director of the Board from office, if in the Minister's opinion, the director has become incapable through ill-health of performing his or her functions, or has committed stated misbehaviour, or his or her removal appears to the Minister to be necessary for the effective performance by Microfinance Ireland of its functions.

(12) Each person who immediately before the appointed day held office as a director of Microfinance Ireland shall on and from the appointed day, continue in office as such director until the expiration of the period for which he or she was appointed.

Chief executive officer

13B. (1) Microfinance Ireland shall have a chief executive officer (in this Act referred to as the 'chief executive officer').

(2) The chief executive officer shall—

(a) carry on, manage and control generally, the administration of Microfinance Ireland, and

(b) advise the directors of Microfinance Ireland in relation to the performance by Microfinance Ireland of its functions.

(3) The chief executive officer shall be appointed by the Board with the consent of the Minister.

(4) The person who immediately before the appointed day was the chief executive officer of Microfinance Ireland may continue in office as the chief executive officer of Microfinance Ireland in accordance with the terms and conditions of his or her appointment, subject to section 18A.

(5) The chief executive officer may, with the consent of the Minister, be removed from office by the Board for stated reasons.

(6) The chief executive officer shall hold office upon such terms and conditions (including terms and conditions relating to remuneration) as may be determined by the Board, subject to the approval of the Minister given with the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

(7) The chief executive officer shall not be a member of the Board but he or she may, in accordance with procedures specified by the Board, attend meetings of the Board and shall be entitled to speak and give advice at such meetings.

Accountability of chief executive officer to Public Accounts Committee

13C. (1) The chief executive officer shall, whenever required in writing to do so by the Committee of Dáil Éireann established under the Standing Orders of Dáil Éireann to examine and report to Dáil Éireann on the appropriation accounts and reports of the Comptroller and Auditor General, give evidence to that Committee in relation to—

(a) the regularity and propriety of the transactions recorded or required to be recorded in any book or other record of account subject to audit by the Comptroller and Auditor General that Microfinance Ireland is required by this Act to prepare,

(b) the economy and efficacy of Microfinance Ireland in the use of its resources,

(c) the systems, procedures and practices employed by Microfinance Ireland for the purpose of evaluating the effectiveness of its operations, and

(d) any matter affecting Microfinance Ireland referred to in a special report of the Comptroller and Auditor General under section 11(2) of the Comptroller and Auditor General (Amendment) Act 1993 or in any other report of the Comptroller and Auditor General (in so far as it relates to a matter specified in paragraph (a), (b) or (c) that is laid before Dáil Éireann).

(2) In the performance of his or her duties under this section, the chief executive officer shall not question or express an opinion on the merits of any policy of the Government or a Minister of the Government or on the merits of the objectives of such a policy.

Accountability of chief executive officer to other Oireachtas Committees

13D. (1) Subject to subsection (2), the chief executive officer shall, at the request in writing of an Oireachtas Committee, attend before it to give account for the general administration of Microfinance Ireland.

(2) The chief executive officer shall not be required to give account before an Oireachtas Committee for any matter which is, has been or may be at a future date, the subject of proceedings before a court or tribunal of inquiry in the State.

(3) Where the chief executive officer is of the opinion that a matter in respect of which he or she is requested to give account before an Oireachtas Committee is a matter to which subsection (2) applies, he or she shall, as soon as practicable, seek the opinion of the Board thereon.

(4) If the Board is of the opinion that the matter concerned is one to which subsection (2) applies, the chief executive officer shall inform the Oireachtas Committee of that opinion and the reasons for the opinion and, unless the information is conveyed to the Oireachtas Committee at the time the chief executive officer is before it, the information shall be conveyed to the Oireachtas Committee in writing.

(5) If the Board is of the opinion that the matter concerned is not one to which subsection (2) applies, the chief executive officer shall attend before the Oireachtas Committee to give account for the matter.

(6) Where the chief executive officer has informed an Oireachtas Committee of the opinion of the Board in accordance with subsection (4) and the Committee does not withdraw the request referred to in subsection (1) in so far as it relates to the matter the subject of that opinion—

(a) the chief executive officer may, not later than 21 days after being informed by the Oireachtas Committee of its decision not to do so, apply to the High Court in a summary manner for determination of the question of whether the matter is one to which subsection (2) applies, or

(b) the chairperson of the Oireachtas Committee may, on behalf of the Oireachtas Committee, make an application,

and the High Court shall determine the matter.

(7) Pending the determination of an application under subsection (6), the chief executive officer shall not attend before the Oireachtas Committee to give account for the matter the subject of the application.

(8) If the High Court determines that the matter concerned is one to which subsection (2) applies, the Oireachtas Committee shall withdraw the request referred to in subsection (1) but if the High Court determines that subsection (2) does not apply, the chief executive officer shall attend before the Oireachtas Committee to give account for the matter.

(9) In the performance of his or her duties under this section, the chief executive officer shall not question or express an opinion on the merits of any policy of the Government or a Minister of the Government or the merits of the objectives of such a policy.

(10) In this section, ‘Oireachtas Committee’ means—

(a) a Committee appointed by either House of the Oireachtas or jointly by both Houses of the Oireachtas (other than the Committee referred to in section 13C, the Committee on Members’ Interests of Dáil Éireann or the Committee on Members’ Interests of Seanad Éireann), or

(b) a sub-committee of a Committee falling under paragraph (a).”.

Amendment of section 14 of Act of 2012

10. Section 14(1) of the Act of 2012 is amended—

(a) by the substitution of “Microfinance Ireland” for “the subsidiary” in each place where it occurs, and

(b) by the substitution of the following paragraph for paragraph (a):

“(a) is adjudicated bankrupt and such bankruptcy has not been annulled or discharged,”.

Amendment of section 16 of Act of 2012

11. Section 16 of the Act of 2012 is amended—

(a) by the substitution of “Microfinance Ireland” for “the subsidiary” in each place where it occurs, and

(b) in subsection (5)—

(i) by the substitution of the following paragraph for paragraph (a):

“(a) Where the Minister is satisfied that a director of Microfinance Ireland has contravened subsection (1), the Minister may, if he or she thinks fit, remove that director from office.”,

and

(ii) in paragraph (b), by the deletion of “pursuant to a direction”.

Insertion of sections 16A and 16B into Act of 2012

12. The Act of 2012 is amended by the insertion of the following sections after section 16:

“Staff of Microfinance Ireland

16A. (1) Microfinance Ireland may, with the approval of the Minister and the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, appoint such and so many persons to be members of the staff of Microfinance Ireland as it from time to time considers appropriate.

(2) The grades of the staff of Microfinance Ireland and the numbers of staff in each grade shall be determined by Microfinance Ireland with the consent of the Minister and the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

(3) The staff of Microfinance Ireland shall be employed on such terms and conditions as may be determined by Microfinance Ireland from time to time subject to the approval of the Minister and the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

(4) There shall be paid by Microfinance Ireland to the members of its staff such remuneration and allowances for expenses as may be determined by Microfinance Ireland with the approval of the Minister and the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

(5) Where a member of staff of Microfinance Ireland is—

(a) nominated as a member of Seanad Éireann,

(b) elected as a member of either House of the Oireachtas or to be a member of the European Parliament,

(c) regarded pursuant to Part XIII of the Second Schedule to the European Parliament Elections Act 1997 as having been elected to the European Parliament, or

(d) elected or co-opted as a member of a local authority,

he or she shall stand seconded from employment by Microfinance Ireland and shall not be paid by, or be entitled to receive from, Microfinance Ireland any remuneration or allowances for expenses in respect of the period commencing on such nomination, election or co-option, as the case may be, and ending when such person ceases to be a member of either such House, member of such Parliament or member of a local authority.

(6) A period of secondment referred to in subsection (5) shall not, for the purposes of any superannuation benefit, be reckoned as service with Microfinance Ireland.

Existing staff of Microfinance Ireland

16B. (1) Each person who was a member of staff of Microfinance Ireland immediately before the appointed day shall, on the appointed day, be deemed to be a member of staff of Microfinance Ireland for the period remaining unexpired (if any) under the contract of employment under which he or she was employed by Microfinance Ireland as if he or she had been appointed under section 16A.

(2) A person referred to in subsection (1) shall be subject to such terms and conditions of service, including terms and conditions relating to remuneration, as are not less favourable than the terms and conditions of service, including terms and conditions relating to remuneration, to which the person was subject immediately before the appointed day.

(3) In subsection (2), the reference to terms and conditions relating to remuneration does not include terms and conditions relating to superannuation.

(4) In relation to a person referred to in subsection (1), previous service with Microfinance Ireland prior to the appointed day shall be reckonable for the purposes of, but subject to any exceptions or exclusions in, the following:

(a) the Redundancy Payments Acts 1967 to 2022;

(b) the Protection of Employees (Part-Time Work) Act 2001;

(c) the Protection of Employees (Fixed-Term Work) Act 2003;

(d) the Organisation of Working Time Act 1997;

(e) the Terms of Employment (Information) Acts 1994 to 2014;

(f) the Minimum Notice and Terms of Employment Acts 1973 to 2005;

(g) the Unfair Dismissals Acts 1977 to 2015;

(h) the Maternity Protection Acts 1994 to 2022;

(i) the Parental Leave Acts 1998 to 2023;

(j) the Adoptive Leave Acts 1995 and 2005;

(k) the Carer's Leave Act 2001;

(l) the Paternity Leave and Benefit Act 2016;

(m) the Parent's Leave and Benefit Act 2019.

(5) In this section, 'appointed day' means the day appointed by order under section 12(3A).".

Amendment of section 18 of Act of 2012

13. Section 18 of the Act of 2012 is amended—

(a) by the substitution of "Microfinance Ireland" for "the subsidiary" in each place where it occurs, and

(b) in subsection (2), by the substitution of "the Minister" for "the Social Finance Foundation".

Superannuation

14. The Act of 2012 is amended by the insertion of the following section after section 18:

"18A. (1) Subject to subsection (8), as soon as may be after the commencement of *section 14* of the *Microenterprise Loan Fund (Amendment) Act 2026*, Microfinance Ireland shall, with the approval of the Minister and the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, make a scheme or schemes for the granting of superannuation benefits to or in respect of the members of the staff of Microfinance Ireland (including the chief executive officer).

(2) Every scheme under this section shall fix the time and conditions of retirement for all persons to, or in respect of whom, superannuation benefits are payable under the scheme, and different times and conditions may be fixed in respect of different classes of persons.

(3) Microfinance Ireland may, with the approval of the Minister and the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, make a scheme amending or revoking a scheme previously made under this section.

(4) A scheme or amending scheme under this section shall be carried out by Microfinance Ireland in accordance with its terms.

(5) If any dispute arises as to the claim of any person to, or the amount of, any superannuation benefit payable in pursuance of a scheme under this section, such dispute shall be submitted to the Minister who shall, subject to the agreement of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, make a determination.

(6) A superannuation benefit shall not be granted by Microfinance Ireland to a person on ceasing to be a member of the staff of Microfinance Ireland other than in accordance with a scheme under this section or with the consent of the Minister and the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

(7) The Minister shall cause every scheme made under this section to be laid before each House of the Oireachtas as soon as may be after it is approved, and if either House within the next 21 days on which that House sits after the scheme is laid before it, passes a resolution annulling the scheme, the scheme shall be annulled accordingly, but without prejudice to anything previously done thereunder.

(8) A scheme under this section shall not provide for the granting of superannuation benefits to or in respect of any person where the Single Public Service Pension Scheme applies by virtue of Chapter 2 of Part 2 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.”.

Amendment of section 19 of Act of 2012

15. Section 19 of the Act of 2012 is amended—

(a) by the substitution of “Microfinance Ireland” for “the subsidiary” in each place where it occurs, and

(b) by the substitution of the following subsection for subsection (2):

“(2) The Minister may, with the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, make an arrangement in writing with Microfinance Ireland in relation to the expenditure of moneys (other than moneys loaned by Microfinance Ireland under section 7 or paid to a promotional financial institution in accordance with subsection (1) of section 8A) by Microfinance Ireland in the performance of its functions under this Act.”.

Amendment of section 20 of Act of 2012

16. Section 20 of the Act of 2012 is amended—

(a) by the substitution of “Microfinance Ireland” for “the subsidiary” in each place where it occurs, and

(b) by the deletion of subsections (3) and (4).

Consequential amendments to Act of 2012

17. The Act of 2012 is amended—

(a) in section 11, by the substitution of “Microfinance Ireland” for “the subsidiary”, and

(b) in sections 4, 5, 6, 13, 15, 17 and 21, by the substitution of “Microfinance Ireland” for “the subsidiary” in each place where it occurs.

Short title and commencement

18. (1) This Act may be cited as the Microenterprise Loan Fund (Amendment) Act 2026.

(2) This Act shall come into operation on such day or days as the Minister may by order or orders appoint either generally or with reference to any particular purpose or provision and different days may be so appointed for different purposes or different provisions.

An Bille um an gCiste Iasachta do Mhionfhiontair (Leasú), 2024

BILLE

dá ngairtear

Acht do leasú an Achta um an gCiste Iasachta do Mhionfhiontair, 2012 chun socrú a dhéanamh maidir le scairchaipiteal údaraithe Mhicrea-Airgeadas Éireann a aistriú ón bhFondúireacht Airgeadais Shóisialaigh chuig an Aire Fiontar, Turasóireacht agus Fostaíochta; maidir le bord stiúrthóirí de chuid Mhicrea-Airgeadas Éireann; maidir le príomh-oifigeach feidhmiúcháin de chuid Mhicrea-Airgeadas Éireann; maidir le socruithe le haghaidh sochair aoisliúntais do chomhaltaí d'fhoireann Mhicrea-Airgeadas Éireann; agus do dhéanamh socrú i dtaobh nithe gaolmhara.

ATHCHLÓ RIARACHÁIN

Bille Dála arna leasú i gCoiste ag Seanad Éireann,

21 *Aibreán,* 2026

Microenterprise Loan Fund (Amendment) Bill 2024

BILL

entitled

An Act to amend the Microenterprise Loan Fund Act 2012 to provide for the authorised share capital of Microfinance Ireland to be transferred from the Social Finance Foundation to the Minister for Enterprise, Tourism and Employment; for a board of directors of Microfinance Ireland; for a chief executive officer of Microfinance Ireland; for arrangements for superannuation benefits for members of the staff of Microfinance Ireland; and to provide for related matters.

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