

## LegCo President's Decisions on Members' Bills



Since the last issue (March 2001), the LegCo President has made two decisions on members' bills under Rule 51(3) and (4) of the Rules of Procedure of the Legislative Council of the HKSAR. Both decisions were made on 25 May 2001.

### Bank of China (Hong Kong) Limited (Merger) Bill

The first decision was made in respect of the Bank of China (Hong Kong) Limited (Merger) Bill proposed by Dr Hon David Li Kwok Po, JP. The Bill seeks to provide for the merger of the Hong Kong branches of 8 Mainland incorporated banks including the Hong Kong branch of Bank of China; a locally incorporated bank; and the Shenzhen branches of 2 mainland incorporated banks, with Po Sang Bank Limited ("Po Sang") which is a locally incorporated bank. It also provides for the transfer of shares held by Bank of China in 2 locally incorporated banks and a locally incorporated credit card subsidiary company to Po Sang. Under the Bill, Po Sang will change its name to Bank of China (Hong Kong) Limited and, subject to the Financial Secretary's authorization (with the approval of the Chief Executive in Council), become a note-issuing bank in place of Bank of China with the power to produce, store, distribute and issue bank notes in the name of Bank of China.

The LegCo President was satisfied that the Bill relates to Government's policies on the regulation of banks, the set-off of losses against profits of corporations, and the control of tenancies, as reflected in the relevant legislation. She decided that the Bill relates to Government policy within the meaning of Rule 51(3) and (4) and requires the written consent of the CE for its introduction into the LegCo.

### The Bank of East Asia, Limited Bill

The second decision was made on the same day in respect of the Bank of East Asia, Limited Bill proposed by Hon Ng Leung Sing. The Bill seeks to provide for the merger of the Bank of East Asia, Limited with the United Chinese Bank Limited.

Like the Bank of China (Hong Kong) Limited (Merger) Bill, the LegCo President was satisfied that this Bill relates to Government's policies on the regulation of banks, the set-off of losses against profits of corporations, and the control of tenancies, as reflected in the relevant legislation. She decided that the Bill relates to Government policy within the meaning of Rule 51(3) and (4) and requires the written consent of the CE for its introduction into the LegCo.

**Note:** Written consent for the introduction of the two bills was given by the CE and they were respectively enacted by the LegCo as the Bank of China (Hong Kong) Limited (Merger) Ordinance (Ord No 25 of 2001) and the Bank of East Asia, Limited Ordinance (Ord No 26 of 2001) and gazetted on 20 July 2001.