



# **Social Security (Administration) Amendment (Income Management Reform) Act 2023**

**No. 47, 2023**

**An Act to amend the law relating to social security,  
and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation  
(<https://www.legislation.gov.au/>)



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**An Act to amend the law relating to social security,  
and for related purposes**

*[Assented to 3 July 2023]*

The Parliament of Australia enacts:

## **1 Short title**

This Act is the *Social Security (Administration) Amendment  
(Income Management Reform) Act 2023*.

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*No. 47, 2023*

*Social Security (Administration) Amendment (Income Management  
Reform) Act 2023*

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## 2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
1. The whole of this Act	A single day to be fixed by Proclamation. However, if the provisions do not commence within the period of 6 months beginning on the day this Act receives the Royal Assent, they commence on the day after the end of that period.	4 September 2023 (F2023N00242)

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

## 3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

## **Schedule 1—Expanding access to the enhanced income management regime**

### **Part 1—Main amendments**

#### ***Social Security (Administration) Act 1999***

##### **1 Section 123SA**

Omit:

- A person may become subject to the enhanced income management regime because the Queensland Commission requires the person to be subject to the enhanced income management regime or if the person was a program participant under the Cape York provision in Part 3D immediately before 6 March 2023.
- A person may become subject to the enhanced income management regime because:
  - (a) the person meets the criteria relating to disengaged youth and the person's usual place of residence is within the Northern Territory; or
  - (b) the person meets the criteria relating to long-term welfare payment recipients and the person's usual place of residence is within the Northern Territory.
- A person may become subject to the enhanced income management regime because the person voluntarily agrees to be subject to the enhanced income management regime.

substitute:

- A person may become subject to the enhanced income management regime because:
  - (a) the Queensland Commission requires the person to be subject to the enhanced income management regime; or

- (b) a child protection officer of a State or Territory requires the person to be subject to the enhanced income management regime; or
  - (c) the person, or the person's partner, has a child who does not meet school enrolment requirements; or
  - (d) the person, or the person's partner, has a child who has unsatisfactory school attendance; or
  - (e) an officer or employee of a recognised State/Territory authority requires the person to be subject to the enhanced income management regime; or
  - (f) the Secretary has determined that the person is a vulnerable welfare payment recipient; or
  - (g) the person meets the criteria relating to disengaged youth; or
  - (h) the person meets the criteria relating to long-term welfare payment recipients; or
  - (i) the person voluntarily agrees to be subject to the enhanced income management regime.
- A person may also become subject to the enhanced income management regime in certain circumstances where the person requests to transfer from the income management regime under Part 3B.

## **2 Section 123SB**

Insert:

*applicable school period* has the meaning given by section 123SCG.

## **3 Section 123SB (definitions of *balance of the qualified portion*)**

Repeal the definitions.

## **4 Section 123SB**

Insert:



**balance of the qualified portion**, of a category B welfare payment, a category D welfare payment or a relevant payment, means:

- (a) if a deduction is to be made from, or an amount is to be set off against, the payment under:
  - (i) section 61, 61A or 238 of this Act; or
  - (ii) section 1231 of the 1991 Act; or
  - (iii) section 84, 84A, 92, 92A, 225, 226, 227 or 228A of the Family Assistance Administration Act;the amount of the qualified portion of the payment less the amount of the deduction or the amount of the set-off; or
- (b) in any other case—the amount of the qualified portion of the payment.

## 5 Section 123SB

Insert:

**child protection officer** means an officer or employee of a State or Territory who has functions, powers or duties in relation to the care, protection or welfare of children.

**declared child protection State or Territory** has the meaning given by subsection 123SCA(7).

**declared primary school area** has the meaning given by subsection 123SCF(1).

**declared secondary school area** has the meaning given by subsection 123SCF(3).

**eligible care child** has the meaning given by section 123SCD.

**eligible care period** has the meaning given by section 123SCE.

## 6 Section 123SB

Insert:

**equivalent rate of special benefit**, in relation to a person, means a rate of special benefit equivalent to the maximum basic rate of youth allowance that the person would receive if the person were qualified for youth allowance.

**7 Section 123SB (definition of exempt welfare payment recipient)**

Repeal the definition, substitute:

*exempt welfare payment recipient* has the meaning given by section 123SDB, 123SDC or 123SDD.

**8 Section 123SB**

Insert:

*family law order* means:

- (a) a parenting order within the meaning of section 64B of the *Family Law Act 1975*; or
- (b) a family violence order within the meaning of section 4 of that Act; or
- (c) a State child order registered under section 70D of that Act; or
- (d) an overseas child order registered under section 70G of that Act.

*full-time student* has the meaning given by section 123SDE.

*parenting plan* has the same meaning as in the *Family Law Act 1975*.

**9 Section 123SB (definitions of qualified portion)**

Repeal the definitions.

**10 Section 123SB**

Insert:

*qualified portion*:

- (a) of a category B welfare payment:
  - (i) for a person who is subject to the enhanced income management regime under section 123SC—has the meaning given by section 123SJ; or
  - (ii) for a person who is subject to the enhanced income management regime under section 123SCA—has the meaning given by section 123SLA; or

- (iii) for a person who is subject to the enhanced income management regime under section 123SCB or 123SCC—has the meaning given by section 123SLD; or
- or
- (iv) for a person who is subject to the enhanced income management regime under section 123SCJ—has the meaning given by section 123SLG; or
- (v) for a person who is subject to the enhanced income management regime under section 123SE—has the meaning given by section 123SP; or
- (b) of a category D welfare payment, has the meaning given by section 123SM; or
- (c) of a relevant payment, has the meaning given by section 123SLJ.

**recognised State/Territory authority** has the meaning given by subsection 123SCK(1).

**registered parenting plan** has the same meaning as in the *Family Law Act 1975*.

**relevant payment**, for a person who is subject to the enhanced income management regime under section 123SCL, means:

- (a) if the person has been given a transfer notice referred to in paragraph 123SCL(3)(c) and the notice is in force—a category B welfare payment; or
- (b) otherwise—a category G welfare payment.

**repeal day** means the day on which Part 2 of Schedule 1 to the *Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Act 2022* commences.

**school age child** has the meaning given by section 123SDF.

**State/Territory authority** means:

- (a) department, or a part of a department, of a State or Territory; or
- or
- (b) a body of a State or Territory; or
- (c) an agency of a State or Territory.

## 11 Section 123SB (definitions of *unqualified portion*)

Repeal the definitions.

## 12 Section 123SB

Insert:

***unqualified portion:***

- (a) of a category B welfare payment:
  - (i) for a person who is subject to the enhanced income management regime under section 123SC—has the meaning given by section 123SJ; or
  - (ii) for a person who is subject to the enhanced income management regime under section 123SCA—has the meaning given by section 123SLA; or
  - (iii) for a person who is subject to the enhanced income management regime under section 123SCB or 123SCC—has the meaning given by section 123SLD; or
  - (iv) for a person who is subject to the enhanced income management regime under section 123SCJ—has the meaning given by section 123SLG; or
  - (v) for a person who is subject to the enhanced income management regime under section 123SE—has the meaning given by section 123SP; or
- (b) of a category D welfare payment, has the meaning given by section 123SM; or
- (c) of a relevant payment, has the meaning given by section 123SLJ.

***unsatisfactory school attendance situation*** has the meaning given by section 123SCH.

***voluntary enhanced income management area*** has the meaning given by subsection 123SF(5).

## 13 Before section 123SC

Insert:

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## **Subdivision A—Queensland Commission**

### **14 Subsection 123SC(1)**

Omit “on or after 6 March 2023” (first occurring).

### **15 Paragraph 123SC(1)(b)**

Repeal the paragraph, substitute:

- (b) the Queensland Commission gave the Secretary a written notice requiring that the person be subject to the enhanced income management regime under this section; and

### **16 After subsection 123SC(1)**

Insert:

- (1A) Paragraph (1)(b) is taken to be satisfied if, on or after 6 March 2023, the Queensland Commission gave the Secretary a written notice requiring that the person be subject to the income management regime under Part 3B.

### **17 After section 123SC**

Insert:

## **Subdivision B—Child protection**

### **123SCA Persons subject to the enhanced income management regime—child protection**

*Person given notice by a child protection officer*

- (1) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
  - (a) at the test time, the person, or the person’s partner, is an eligible recipient of a category A welfare payment; and
  - (b) a child protection officer of a State or Territory gave the Secretary a written notice requiring that the person be subject to the enhanced income management regime under this section; and
  - (c) the notice was given:

- (i) under a law (whether written or unwritten) in force in a State or Territory (other than a law of the Commonwealth); or
    - (ii) in the exercise of the executive power of a State or Territory; and
  - (d) at the test time, the notice is in force; and
  - (e) at the test time, the State or Territory is a declared child protection State or Territory; and
  - (f) if, at the test time, the person has a Part 3B payment nominee—that nominee is subject to the enhanced income management regime or is subject to the income management regime (within the meaning of Part 3B); and
  - (g) at the test time, the person is not subject to the enhanced income management regime under section 123SC; and
  - (h) subsection (2) or (3) of this section applies.
- (2) This subsection applies if, immediately before the test time, the person is not subject to the income management regime (within the meaning of Part 3B).
- (3) This subsection applies if:
- (a) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (b) before the test time, the Secretary gave the person a written notice (a **transfer notice**) under subsection 123SIA(2) stating that the person is eligible to transfer to the enhanced income management regime; and
  - (c) at the test time, the transfer notice is in force; and
  - (d) immediately before the transfer notice comes into force, the person was subject to the income management regime under subsection 123UC(1).
- (4) Paragraph (1)(b) is taken to be satisfied if, before, on or after the day this subsection commences, a child protection officer of a State or Territory gave the Secretary a written notice requiring that the person be subject to the income management regime under section 123UC.

*Person who has a Part 3B payment nominee subject to any income management*

- (5) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) at the test time, the person is:
    - (i) not subject to the enhanced income management regime under any other provision of this Division; and
    - (ii) not subject to the income management regime (within the meaning of Part 3B); and
  - (b) at the test time, the person has a Part 3B payment nominee; and
  - (c) at the test time, the Part 3B payment nominee is:
    - (i) subject to the enhanced income management regime under subsection (1); or
    - (ii) subject to the income management regime under subsection 123UC(1).
- (6) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (b) before the test time, the Secretary gave the person a written notice (a ***transfer notice***) under subsection 123SIA(2) stating that the person is eligible to transfer to the enhanced income management regime; and
  - (c) at the test time, the transfer notice is in force; and
  - (d) at the test time, the person has a Part 3B payment nominee who is:
    - (i) subject to the enhanced income management regime under subsection (1) of this section; or
    - (ii) subject to the income management regime under subsection 123UC(1); and
  - (e) immediately before the transfer notice comes into force, the person was subject to the income management regime under subsection 123UC(2).

*Determination*

- (7) The Minister may, by legislative instrument, determine that a specified State or Territory is a ***declared child protection State or Territory*** for the purposes of this Part.

**Subdivision C—School enrolment and attendance**

**123SCB Persons subject to the enhanced income management regime—school enrolment**

*Person who has a child who is not enrolled at school*

- (1) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) at the test time, the person, or the person’s partner, is an eligible recipient of a category A welfare payment; and
  - (b) at the test time, the person, or the person’s partner, has an eligible care child; and
  - (c) under a law of a State or Territory, the eligible care child is required to be enrolled at school; and
  - (d) the Secretary is satisfied that it is appropriate for the eligible care child to be enrolled at:
    - (i) a primary school in a declared primary school area; or
    - (ii) a secondary school in a declared secondary school area; and
  - (e) at the test time, the eligible care child is not enrolled at:
    - (i) if subparagraph (d)(i) applies—a primary school in the declared primary school area; or
    - (ii) if subparagraph (d)(ii) applies—a secondary school in the declared secondary school area; and
  - (f) if, at the test time, the person has a Part 3B payment nominee—that nominee is subject to the enhanced income management regime or is subject to the income management regime (within the meaning of Part 3B); and
  - (g) at the test time, the person is not subject to the enhanced income management regime under section 123SC or 123SCA; and



- (h) at the test time, a determination under subsection (2) is not in force in relation to the person; and
- (i) such other conditions (if any) as are specified in a determination under subsection (6) are satisfied.

*Individual determinations*

- (2) The Secretary may, by writing, determine that a person is exempt from subsection (1).
- (3) In making a determination under subsection (2), the Secretary must comply with any principles set out in a determination under subsection (4).
- (4) The Minister may, by legislative instrument, determine principles for the purposes of subsection (3).
- (5) A determination under subsection (2) is not a legislative instrument.

*Minister's determination of conditions*

- (6) The Minister may, by legislative instrument, determine conditions for the purposes of paragraph (1)(i).

*Person who has a Part 3B payment nominee subject to enhanced income management*

- (7) For the purposes of this Part, a person is **subject to the enhanced income management regime** at a particular time (the **test time**) if:
  - (a) at the test time, the person is not subject to the enhanced income management regime under any other provision of this Division; and
  - (b) at the test time, the person has a Part 3B payment nominee; and
  - (c) at the test time, the Part 3B payment nominee is subject to the enhanced income management regime under subsection (1).

*Documentary evidence*

- (8) If a person, or the person's partner, has an eligible care child, the Secretary may, by written notice given to the person, request the person to give the Secretary, within a period (the **compliance period**) specified in the notice, documentary evidence of the eligible care child's enrolment at a school during a specified applicable school period.
- (9) A notice under subsection (8) must set out the effect of subsection (12).
- (10) The compliance period specified in a notice under subsection (8) must not be shorter than 7 days.
- (11) The Secretary may extend the compliance period specified in a notice under subsection (8).
- (12) If:
  - (a) a person is given a notice under subsection (8); and
  - (b) the person does not comply with the notice;the Secretary may determine that subsection (1) has effect as if the eligible care child was not enrolled at any school at any time during the applicable school period specified in the notice.

**123SCC Persons subject to the enhanced income management regime—school attendance**

*Person who has a child with unsatisfactory school attendance*

- (1) For the purposes of this Part, a person is **subject to the enhanced income management regime** at a particular time (the **test time**) if:
  - (a) at the test time, the person, or the person's partner, is an eligible recipient of a category A welfare payment; and
  - (b) at the test time, an unsatisfactory school attendance situation exists in relation to a child; and
  - (c) throughout a period that ended before the unsatisfactory school attendance situation came into existence, the child was an eligible care child of:
    - (i) the person; or
    - (ii) the person's partner; and

- (d) at the test time, the child is enrolled at a school; and
- (e) if the school is a primary school—at the test time, the school is in a declared primary school area; and
- (f) if the school is a secondary school—at the test time, the school is in a declared secondary school area; and
- (g) before the test time, the person, or the person’s partner, had been given a formal warning under section 123SCI; and
- (h) the whole or a part of an applicable school period in relation to the child occurred in the period:
  - (i) beginning when the formal warning was given; and
  - (ii) ending at the test time; and
- (i) if, at the test time, the person has a Part 3B payment nominee—that nominee is subject to the enhanced income management regime or is subject to the income management regime (within the meaning of Part 3B); and
- (j) at the test time, the person is not subject to the enhanced income management regime under section 123SC or 123SCA; and
- (k) at the test time, a determination under subsection (2) is not in force in relation to the person; and
- (l) such other conditions (if any) as are specified in a determination under subsection (6) are satisfied.

*Individual determinations*

- (2) The Secretary may, by writing, determine that a person is exempt from subsection (1).
- (3) In making a determination under subsection (2), the Secretary must comply with any principles set out in a determination under subsection (4).
- (4) The Minister may, by legislative instrument, determine principles for the purposes of subsection (3).
- (5) A determination under subsection (2) is not a legislative instrument.

*Minister's determination of conditions*

- (6) The Minister may, by legislative instrument, determine conditions for the purposes of paragraph (1)(l).

*Person who has a Part 3B payment nominee subject to enhanced income management*

- (7) For the purposes of this Part, a person is **subject to the enhanced income management regime** at a particular time (the **test time**) if:
- (a) at the test time, the person is not subject to the enhanced income management regime under any other provision of this Division; and
  - (b) at the test time, the person has a Part 3B payment nominee; and
  - (c) at the test time, the Part 3B payment nominee is subject to the enhanced income management regime under subsection (1).

**123SCD Eligible care child**

For the purposes of this Part, a person (the **first person**) is an **eligible care child** of another person at a particular time if, and only if:

- (a) at the particular time, the first person is a child for whom the other person is the principal carer; or
- (b) all of the following conditions are satisfied:
  - (i) that time occurs during an eligible care period;
  - (ii) under a family law order, registered parenting plan or parenting plan that is in force during the eligible care period, the first person is supposed to live or spend time with the other person;
  - (iii) assuming the family law order, registered parenting plan or parenting plan were complied with during the eligible care period, the first person would have been in the other person's care for at least 14% of that period.

### **123SCE Eligible care period**

- (1) For the purposes of this Part, an *eligible care period* is a period ascertained in accordance with a determination under subsection (2).
- (2) The Minister may, by legislative instrument, make a determination for the purposes of subsection (1).
- (3) A period ascertained under subsection (1) may be a recurring period (for example, a fortnight).
- (4) For the purposes of this Part, it is immaterial whether an eligible care period begins before or after the commencement of this section.

### **123SCF Declared primary school area and declared secondary school area**

#### *Declared primary school area*

- (1) The Minister may, by legislative instrument, determine that:
  - (a) a specified State; or
  - (b) a specified Territory; or
  - (c) a specified area;is a *declared primary school area* for the purposes of this Part.
- (2) This Part does not prevent an area specified under paragraph (1)(c) from being described as the area within the boundary of premises occupied by a particular primary school.

#### *Declared secondary school area*

- (3) The Minister may, by legislative instrument, determine that:
  - (a) a specified State; or
  - (b) a specified Territory; or
  - (c) a specified area;is a *declared secondary school area* for the purposes of this Part.

- (4) This Part does not prevent an area specified under paragraph (3)(c) from being described as the area within the boundary of premises occupied by a particular secondary school.

### **123SCG Applicable school period**

- (1) For the purposes of this Part, an *applicable school period* in relation to a child is a period ascertained in accordance with a determination under subsection (2).
- (2) The Minister may, by legislative instrument, make a determination for the purposes of subsection (1).
- (3) A period ascertained under subsection (1) may be a recurring period.
- (4) A period may be ascertained under subsection (1) by reference to a term of the school attended by the child.
- (5) For the purposes of this Part, it is immaterial whether an applicable school period begins before or after the commencement of this section.

### **123SCH Unsatisfactory school attendance situation**

- (1) For the purposes of this Part, the question whether an *unsatisfactory school attendance situation* exists, or has existed, in relation to a child is to be ascertained in accordance with a determination under subsection (2).
- (2) The Minister may, by legislative instrument, make a determination for the purposes of subsection (1).
- (3) However, an *unsatisfactory school attendance situation* does not exist in relation to a child if the child is not required, under a law of a State or Territory, to attend school in a State or Territory.
- (4) For the purposes of this Part, it is immaterial whether an unsatisfactory school attendance situation exists or has existed before or after the commencement of this section.

### **123SCI Formal warning—unsatisfactory school attendance situation**

If:

- (a) a person is not subject to the enhanced income management regime under section 123SCC; and
- (b) the person, or the person's partner, has an eligible care child; and
- (c) an unsatisfactory school attendance situation exists, or has existed, in relation to the eligible care child;

the Secretary may give the person a formal warning that the person, or the person's partner, could become subject to the enhanced income management regime under section 123SCC if an unsatisfactory school attendance situation exists in relation to the eligible care child.

### **Subdivision D—Referrals by recognised State/Territory authority**

#### **123SCJ Persons subject to the enhanced income management regime—referrals by recognised State/Territory authority**

*Person given notice by a recognised State/Territory authority*

- (1) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
  - (a) at the test time, the person, or the person's partner, is an eligible recipient of a category A welfare payment; and
  - (b) an officer or employee of a State/Territory authority gave the Secretary a written notice requiring that the person be subject to the enhanced income management regime under this section; and
  - (c) the notice was given:
    - (i) under a law (whether written or unwritten) in force in a State or Territory (other than a law of the Commonwealth); or
    - (ii) in the exercise of the executive power of a State or Territory; and
  - (d) at the test time, the notice is in force; and

- (e) at the test time, the State/Territory authority is a recognised State/Territory authority; and
  - (f) if, at the test time, the person has a Part 3B payment nominee—that nominee is subject to the enhanced income management regime or is subject to the income management regime (within the meaning of Part 3B); and
  - (g) at the test time, the person is not subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB or 123SCC; and
  - (h) subsection (2) or (3) of this section applies.
- (2) This subsection applies if, immediately before the test time, the person is not subject to the income management regime (within the meaning of Part 3B).
- (3) This subsection applies if:
- (a) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (b) before the test time, the Secretary gave the person a written notice (a *transfer notice*) under subsection 123SIA(2) stating that the person is eligible to transfer to the enhanced income management regime; and
  - (c) at the test time, the transfer notice is in force; and
  - (d) immediately before the transfer notice comes into force, the person was subject to the income management regime under subsection 123UFAA(1).
- (4) Paragraph (1)(b) is taken to be satisfied if, before, on or after the day this subsection commences, an officer or employee of a State/Territory authority gave the Secretary a written notice requiring that the person be subject to the income management regime under Part 3B.

*Person who has a Part 3B payment nominee subject to any income management*

- (5) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) at the test time, the person is:



- (i) not subject to the enhanced income management regime under any other provision of this Division; and
    - (ii) not subject to the income management regime (within the meaning of Part 3B); and
  - (b) at the test time, the person has a Part 3B payment nominee; and
  - (c) at the test time, the Part 3B payment nominee is:
    - (i) subject to the enhanced income management regime under subsection (1); or
    - (ii) subject to the income management regime under subsection 123UFAA(1).
- (6) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (b) before the test time, the Secretary gave the person a written notice (a ***transfer notice***) under subsection 123SIA(2) stating that the person is eligible to transfer to the enhanced income management regime; and
  - (c) at the test time, the transfer notice is in force; and
  - (d) at the test time, the person has a Part 3B payment nominee who is:
    - (i) subject to the enhanced income management regime under subsection (1) of this section; or
    - (ii) subject to the income management regime under subsection 123UFAA(1); and
  - (e) immediately before the transfer notice comes into force, the person was subject to the income management regime under subsection 123UFAA(2).

### **123SCK Recognised State/Territory authority**

- (1) The Minister may, by legislative instrument, determine that:
- (a) a specified department, or a specified part of a department, of a State or Territory; or
  - (b) a specified body of a State or Territory; or
  - (c) a specified agency of a State or Territory;
-

is a *recognised State/Territory authority* for the purposes of this Part.

*Functions, powers or duties of officers or employees*

- (2) Before making a determination under subsection (1), the Minister must be satisfied that officers or employees of the department or part of the department, or of the body or agency, have functions, powers or duties in relation to the care, protection, welfare or safety of adults, children or families.

*Appropriate review process*

- (3) Before making a determination under subsection (1), the Minister must be satisfied that there is an appropriate process for reviewing any decisions to give notices of the kind referred to in paragraph 123SCJ(1)(b) that could be made by officers or employees of the department or part of the department or of the body or agency if the Minister were to make the determination.
- (4) In deciding whether the Minister is satisfied as mentioned in subsection (3), the Minister must have regard to the following:
- (a) the cost of the review process to applicants;
  - (b) the timeliness of the review process;
  - (c) whether the review process provides that applicants are entitled to be represented and heard;
  - (d) the degree of independence of the review process;
  - (e) whether the review process provides for the use of the services of an interpreter.

This subsection does not limit the matters to which the Minister may have regard to in deciding whether the Minister is satisfied as mentioned in subsection (3).

## **Subdivision E—Vulnerable welfare payment recipients**

### **123SCL Persons subject to the enhanced income management regime—vulnerable welfare payment recipients**

*Person who is a vulnerable welfare payment recipient*

- (1) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
  - (a) at the test time, the person's usual place of residence is within a State, a Territory or an area specified in an instrument made under subsection (5); and
  - (b) at the test time, a determination under section 123SCM that the person is a vulnerable welfare payment recipient is in force; and
  - (c) if, at the test time, the person has a Part 3B payment nominee—that nominee is subject to the enhanced income management regime or is subject to the income management regime (within the meaning of Part 3B); and
  - (d) at the test time, the person is not subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC or 123SCJ; and
  - (e) subsection (2) or (3) of this section applies.
- (2) This subsection applies if:
  - (a) at the test time, the person is an eligible recipient of a category F welfare payment; and
  - (b) immediately before the test time, the person is not subject to the income management regime (within the meaning of Part 3B).
- (3) This subsection applies if:
  - (a) at the test time, the person is an eligible recipient of a category A welfare payment; and
  - (b) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (c) before the test time, the Secretary gave the person a written notice (a ***transfer notice***) under subsection 123SIA(2) stating

that the person is eligible to transfer to the enhanced income management regime; and

- (d) at the test time, the transfer notice is in force; and
- (e) immediately before the transfer notice comes into force, the person was subject to the income management regime under section 123UCA.

(4) If:

- (a) a person is subject to the enhanced income management regime under subsection (1); and
- (b) paragraph (1)(a) ceases to apply in relation to the person; and
- (c) at the time of that cessation, paragraphs (1)(b), (c) and (d) apply in relation to the person and paragraph (2)(a) or (3)(a) applies in relation to the person;

then the person remains subject to the enhanced income management regime under subsection (1) until paragraph (1)(b), (c) or (d) or (2)(a) or (3)(a) ceases to apply in relation to the person.

*Determination*

- (5) The Minister may, by legislative instrument, make a determination specifying a State, a Territory or an area for the purposes of paragraph (1)(a).

**123SCM Determination by Secretary—vulnerable welfare payment recipient**

*Determination*

- (1) The Secretary may, by writing, determine that a person is a vulnerable welfare payment recipient for the purposes of this Part.
- (2) In deciding whether to make a determination under subsection (1), the Secretary must comply with any decision-making principles determined under subsection (12) for the purposes of this subsection.

*Duration of determination*

- (3) A determination made under subsection (1):
-

- (a) comes into force:
  - (i) on the day on which it is made; or
  - (ii) if a later day is specified in the determination—on that later day; and
- (b) remains in force (unless earlier revoked):
  - (i) for 12 months; or
  - (ii) if a shorter period is specified in the determination—for that shorter period.

*New determinations*

- (4) If a determination made under subsection (1) is, or has been, in force in relation to a person, subsection (3) does not prevent the Secretary from making a new determination under subsection (1) in relation to that person.

*Variation and revocation*

- (5) The Secretary may, by writing, vary or revoke a determination made under subsection (1):
  - (a) on the Secretary's own initiative; or
  - (b) on request made under subsection (8).
- (6) In deciding whether to vary or revoke a determination made under subsection (1), the Secretary must comply with any decision-making principles determined under subsection (12) for the purposes of this subsection.
- (7) Subsection (5) does not limit the application of subsection 33(3) of the *Acts Interpretation Act 1901* to other instruments under this Act.

*Request to reconsider circumstances*

- (8) Subject to subsection (9), if a determination made under subsection (1) is in force in relation to a person, the person may request the Secretary to:
  - (a) reconsider the person's circumstances; and
  - (b) vary, or revoke, the determination.

- (9) A person must not make a request under subsection (8) in relation to a determination if, at any time during the preceding period of 90 days, the person has made a request under that subsection in relation to the same determination.
- (10) If a person makes a request under subsection (8), the Secretary must reconsider the person's circumstances unless the request was made in contravention of subsection (9).

*Determination not a legislative instrument*

- (11) A determination made under subsection (1) is not a legislative instrument.

*Decision-making principles*

- (12) The Minister may, by legislative instrument, determine decision-making principles for the purposes of subsections (2) and (6).
- (13) Without limiting subsection (12), the decision-making principles may set out when the Secretary must make a determination under subsection (1) in relation to a person.

**18 Before section 123SD**

Insert:

**Subdivision F—Disengaged youth and long-term welfare payment recipients**

**19 Subsection 123SD(1)**

Omit “on or after 6 March 2023”.

**20 Paragraph 123SD(1)(a)**

Repeal the paragraph.

**21 At the end of subsection 123SD(1)**

Add:

- ; and (h) at the test time, the person is not subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC, 123SCJ or 123SCL; and
- (i) subsection (1A) or (1B) of this section applies.

## **22 After subsection 123SD(1)**

Insert:

- (1A) This subsection applies if, immediately before the test time, the person is not subject to the income management regime (within the meaning of Part 3B).
- (1B) This subsection applies if:
- (a) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (b) before the test time, the Secretary gave the person a written notice (a *transfer notice*) under subsection 123SIA(2) stating that the person is eligible to transfer to the enhanced income management regime; and
  - (c) at the test time, the transfer notice is in force; and
  - (d) immediately before the transfer notice comes into force, the person was subject to the income management regime under subsection 123UCB(1).

## **23 Paragraph 123SD(2)(c)**

Omit “and (f)”, substitute “, (f) and (h)”.

## **24 Paragraph 123SD(2)(d)**

Omit “or (f)”, substitute “, (f) or (h)”.

## **25 After subsection 123SD(2)**

Insert:

- (2A) For the purposes of this Part, a person is *subject to the enhanced income management regime* at a particular time (the *test time*) if:
- (a) at the test time, the person is:
    - (i) not subject to the enhanced income management regime under any other provision of this Division; and

- (ii) not subject to the income management regime (within the meaning of Part 3B); and
  - (b) at the test time, the person has a Part 3B payment nominee; and
  - (c) at the test time, the Part 3B payment nominee is:
    - (i) subject to the enhanced income management regime under subsection (1); or
    - (ii) subject to the income management regime under subsection 123UCB(1).
- (2B) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (b) before the test time, the Secretary gave the person a written notice (a ***transfer notice***) under subsection 123SIA(2) stating that the person is eligible to transfer to the enhanced income management regime; and
  - (c) at the test time, the transfer notice is in force; and
  - (d) at the test time, the person has a Part 3B payment nominee who is:
    - (i) subject to the enhanced income management regime under subsection (1) of this section; or
    - (ii) subject to the income management regime under subsection 123UCB(1); and
  - (e) immediately before the transfer notice comes into force, the person was subject to the income management regime under subsection 123UCB(2).

## **26 Subsection 123SD(3)**

Omit “on or after 6 March 2023”.

## **27 Paragraph 123SD(3)(a)**

Repeal the paragraph.

## **28 At the end of subsection 123SD(3)**

Add:

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- ; and (h) at the test time, the person is not subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC, 123SCJ or 123SCL; and
- (i) subsection (5) or (6) of this section applies.

**29 Paragraph 123SD(4)(c)**

Omit “and (f)”, substitute “, (f) and (h)”.

**30 Paragraph 123SD(4)(d)**

Omit “or (f)”, substitute “, (f) or (h)”.

**31 At the end of section 123SD**

Add:

- (5) This subsection applies if, immediately before the test time, the person is not subject to the income management regime (within the meaning of Part 3B).
- (6) This subsection applies if:
- (a) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (b) before the test time, the Secretary gave the person a written notice (a *transfer notice*) under subsection 123SIA(2) stating that the person is eligible to transfer to the enhanced income management regime; and
  - (c) at the test time, the transfer notice is in force; and
  - (d) immediately before the transfer notice comes into force, the person was subject to the income management regime under subsection 123UCC(1).
- (7) For the purposes of this Part, a person is *subject to the enhanced income management regime* at a particular time (the *test time*) if:
- (a) at the test time, the person is:
    - (i) not subject to the enhanced income management regime under any other provision of this Division; and
    - (ii) not subject to the income management regime (within the meaning of Part 3B); and

- (b) at the test time, the person has a Part 3B payment nominee;  
and
  - (c) at the test time, the Part 3B payment nominee is:
    - (i) subject to the enhanced income management regime under subsection (3); or
    - (ii) subject to the income management regime under subsection 123UCC(1).
- (8) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) before the test time, the person made a request under subsection 123SIA(1) to transfer to the enhanced income management regime; and
  - (b) before the test time, the Secretary gave the person a written notice (a ***transfer notice***) under subsection 123SIA(2) stating that the person is eligible to transfer to the enhanced income management regime; and
  - (c) at the test time, the transfer notice is in force; and
  - (d) at the test time, the person has a Part 3B payment nominee who is:
    - (i) subject to the enhanced income management regime under subsection (1) of this section; or
    - (ii) subject to the income management regime under subsection 123UCC(1); and
  - (e) immediately before the transfer notice comes into force, the person was subject to the income management regime under subsection 123UCC(2).

## **32 After section 123SD**

Insert:

### **123SDA Persons subject to the enhanced income management regime—persons residing in other areas**

#### *Disengaged youth*

- (1) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
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- (a) at the test time, the person's usual place of residence is within a State, a Territory or an area specified in an instrument made under subsection (2); and
  - (b) at the test time, the person is an eligible recipient of a category C welfare payment; and
  - (c) at the test time, the person is at least 15 years of age and under 25 years of age; and
  - (d) at the test time, the person is not an exempt welfare payment recipient; and
  - (e) if, at the test time, the person has a Part 3B payment nominee—that nominee is subject to the enhanced income management regime or is subject to the income management regime (within the meaning of Part 3B); and
  - (f) the person was an eligible recipient of a category C welfare payment for at least 13 weeks during the 26-week period ending immediately before the test time; and
  - (g) at the test time, the person is not subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC, 123SCJ or 123SCL.
- (2) The Minister may, by legislative instrument, make a determination specifying a State, a Territory or an area for the purposes of paragraph (1)(a).
- (3) If:
- (a) a person is subject to the enhanced income management regime under subsection (1); and
  - (b) paragraph (1)(a) ceases to apply in relation to the person; and
  - (c) at the time of that cessation, paragraphs (1)(b), (c), (d), (e) and (g) apply in relation to the person;
- then the person remains subject to the enhanced income management regime under subsection (1) until the earlier of the following:
- (d) the time paragraph (1)(b), (c), (d), (e) or (g) ceases to apply in relation to the person;
  - (e) the end of the period of 13 weeks beginning on the day that paragraph (1)(a) ceased to apply in relation to the person.

- (4) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) at the test time, the person is:
    - (i) not subject to the enhanced income management regime under any other provision of this Division; and
    - (ii) not subject to the income management regime (within the meaning of Part 3B); and
  - (b) at the test time, the person has a Part 3B payment nominee; and
  - (c) at the test time, the Part 3B payment nominee is:
    - (i) subject to the enhanced income management regime under subsection (1); or
    - (ii) subject to the income management regime under subsection 123UCB(1).

*Long-term welfare payment recipient*

- (5) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) at the test time, the person's usual place of residence is within a State, a Territory or an area specified in an instrument made under subsection (6); and
  - (b) at the test time, the person is an eligible recipient of a category C welfare payment; and
  - (c) at the test time, the person is at least 25 years of age but has not reached pension age; and
  - (d) at the test time, the person is not an exempt welfare payment recipient; and
  - (e) if, at the test time, the person has a Part 3B payment nominee—that nominee is subject to the enhanced income management regime or is subject to the income management regime (within the meaning of Part 3B); and
  - (f) the person was an eligible recipient of a category C welfare payment for at least 52 weeks during the 104-week period ending immediately before the test time; and
  - (g) at the test time, the person is not subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC, 123SCJ or 123SCL.

- (6) The Minister may, by legislative instrument, make a determination specifying a State, a Territory or an area for the purposes of paragraph (5)(a).
- (7) If:
- (a) a person is subject to the enhanced income management regime under subsection (5); and
  - (b) paragraph (5)(a) ceases to apply in relation to the person; and
  - (c) at the time of that cessation, paragraphs (5)(b), (c), (d), (e) and (g) apply in relation to the person;
- then the person remains subject to the enhanced income management regime under subsection (5) until the earlier of the following:
- (d) the time paragraph (5)(b), (c), (d), (e) or (g) ceases to apply in relation to the person;
  - (e) the end of the period of 13 weeks beginning on the day that paragraph (5)(a) ceased to apply in relation to the person.
- (8) For the purposes of this Part, a person is ***subject to the enhanced income management regime*** at a particular time (the ***test time***) if:
- (a) at the test time, the person is:
    - (i) not subject to the enhanced income management regime under any other provision of this Division; and
    - (ii) not subject to the income management regime (within the meaning of Part 3B); and
  - (b) at the test time, the person has a Part 3B payment nominee; and
  - (c) at the test time, the Part 3B payment nominee is:
    - (i) subject to the enhanced income management regime under subsection (5); or
    - (ii) subject to the income management regime under subsection 123UCC(1).

**123SDB Exempt welfare payment recipient—inclusion in specified class**

- (1) The Secretary may, by writing, determine that a person is an ***exempt welfare payment recipient*** if the Secretary is satisfied that
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the person is included in a class of persons specified in an instrument made by the Minister under subsection (2).

- (2) The Minister may, by legislative instrument, make a determination specifying a class of persons for the purposes of subsection (1).
- (3) A determination made by the Secretary under subsection (1) is not a legislative instrument.

**123SDC Exempt welfare payment recipient—person is not the principal carer of a child**

- (1) The Secretary may, by writing, determine that a person is an *exempt welfare payment recipient* if:
  - (a) the person is not the principal carer of a child who is a school age child or younger; and
  - (b) the Secretary is satisfied that one of the following applies:
    - (i) the person is a full-time student or a new apprentice;
    - (ii) within at least 4 of the last 6 fortnights, the person has received less than 25% of the maximum basic rate of youth allowance, jobseeker payment, pension PP (single) or benefit (PP) partnered (other than because a compliance penalty period applied to the person);
    - (iii) within at least 4 of the last 6 fortnights, the person has received less than 25% of the equivalent rate of special benefit (other than because a compliance penalty period applied to the person);
    - (iv) the person is undertaking an activity specified in an instrument made by the Minister under subsection (2).
- (2) The Minister may, by legislative instrument, make a determination specifying activities for persons for the purposes of subparagraph (1)(b)(iv).
- (3) A determination made by the Secretary under subsection (1) is not a legislative instrument.

**123SDD Exempt welfare payment recipient—person is the principal carer of a child**

- (1) The Secretary may, by writing, determine that a person is an *exempt welfare payment recipient* if:
- (a) the person is the principal carer of a child who is a school age child or younger; and
  - (b) in relation to each child who is a school age child—the Secretary is satisfied that:
    - (i) the child is enrolled at a school, and, in each of the last 2 school terms that have ended, the child has had no more than 5 absences for reasons that are not satisfactory to a person responsible for the operation of the school; or
    - (ii) the child is enrolled at a school, and, in each of the last 2 school terms that have ended, the child has had more than 5 absences for reasons that are not satisfactory to a person responsible for the operation of the school but the person is taking reasonable steps to ensure that the child attends school as required by the law of the State or Territory concerned; or
    - (iii) the child is covered by a schooling arrangement that is acceptable under a law of a State or Territory as an alternative to a requirement under that law to enrol at, or attend, a school (for example, the child is home-schooled), and the child’s schooling is progressing satisfactorily; or
    - (iv) the child is participating in an activity specified in an instrument made by the Minister under subsection (2); and
  - (c) in relation to each other child—the Secretary is satisfied that the person or the child is participating in the required number and kind of activities specified in an instrument made by the Minister under subsection (3); and
  - (d) the Secretary is satisfied that there were no indications of financial vulnerability in relation to the person during the last 12-month period.

*Alternative activities for school age children*

- (2) The Minister may, by legislative instrument, make a determination specifying activities for school age children for the purposes of subparagraph (1)(b)(iv).

*Activities relating to children (other than school age children)*

- (3) The Minister must, by legislative instrument, make a determination specifying the number and kind of activities for a person, or the person's child (other than a school age child), for the purposes of paragraph (1)(c).
- (4) Without limiting subsection (3), the activities that may be specified under that subsection may relate to a child's intellectual, physical or social development.

*Decision-making principles relating to financial vulnerability*

- (5) In deciding whether the Secretary is satisfied as mentioned in paragraph (1)(d), the Secretary must comply with any decision-making principles determined under subsection (6) for the purposes of this subsection.
- (6) The Minister may, by legislative instrument, determine decision-making principles for the purposes of subsection (5).

*Determination not a legislative instrument*

- (7) A determination made by the Secretary under subsection (1) is not a legislative instrument.

*Definitions*

- (8) In this section:

***person responsible***, for the operation of a school, has the same meaning as in Part 3C.

**123SDE Full-time student**

A person is a ***full-time student*** for the purposes of this Part if the person:

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- (a) is an eligible recipient of youth allowance; and
- (b) is undertaking full-time study (within the meaning of section 541B of the 1991 Act).

### **123SDF School age child**

- (1) For the purposes of this Part, a child is a *school age child* if the child is required, under a law of a State or Territory:
  - (a) to be enrolled at a school; or
  - (b) to attend a school at times required under that law.

- (2) For the purposes of this section:

*attendance*, at a school, includes attendance at a place, for the purpose of schooling, that is acceptable under a law of a State or Territory as an alternative to a requirement under that law to attend a school.

*enrolment*, at a school, includes anything, for the purposes of schooling, that is acceptable under a law of a State or Territory as an alternative to a requirement under that law to enrol at a school.

## **Subdivision G—Volunteers**

### **33 Subsection 123SE(1)**

Omit “on or after 6 March 2023”.

### **34 At the end of section 123SE**

Add:

- (7) A person ceases to be subject to the enhanced income management regime under paragraph (1)(b) if the person becomes subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC, 123SCJ, 123SCL, 123SD or 123SDA.

### **35 Paragraph 123SF(3)(a)**

Omit “category F welfare payment”, substitute “category A welfare payment”.

**36 Paragraph 123SF(3)(b)**

After “within”, insert “a voluntary enhanced income management area or”.

**37 Before paragraph 123SF(4)(a)**

Insert:

- (aa) the person is subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC, 123SCJ, 123SCL, 123SD or 123SDA or paragraph 123SE(1)(b); or

**38 At the end of section 123SF**

Add:

- (5) The Minister may, by legislative instrument, determine that:
  - (a) a specified State; or
  - (b) a specified Territory; or
  - (c) a specified area;is a *voluntary enhanced income management area* for the purposes of this Part.

**39 Subparagraph 123SG(1)(a)(i)**

Omit “category F welfare payment”, substitute “category A welfare payment”.

**40 Subparagraph 123SG(1)(a)(ii)**

After “within”, insert “a voluntary enhanced income management area or”.

**41 After subparagraph 123SG(1)(a)(iii)**

Insert:

- (iiia) at that time, the person is not subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC, 123SCJ, 123SCL, 123SD or 123SDA or paragraph 123SE(1)(b); and

**42 Paragraph 123SH(4)(b)**

Omit “either of the following events occurs”, substitute “any of the following events occur”.

**43 Subparagraph 123SH(4)(b)(i)**

Omit “category F welfare payment”, substitute “category A welfare payment”.

**44 After subparagraph 123SH(4)(b)(ii)**

Insert:

- (iii) the person becomes subject to the enhanced income management regime under section 123SC, 123SCA, 123SCB, 123SCC, 123SCJ, 123SCL, 123SD or 123SDA;

**45 Before section 123SI**

Insert:

**Subdivision H—Relationship with other provisions**

**46 Section 123SI**

Before “If”, insert “(1)”.

**47 At the end of section 123SI**

Add:

(2) If:

- (a) a person was a program participant under section 124PGE immediately before the start of 1 October 2022; and
- (b) on or after 1 October 2022 and before the repeal day, the Secretary made a determination under subsection 124PHA(1) or 124PHB(3) in relation to the person;

then, despite section 123SCB, 123SCC, 123SCJ, 123SCL, 123SD or 123SDA, the person cannot become subject to the enhanced income management regime under that section at any time after the making of that determination.

## 48 At the end of Division 2 of Part 3AA

Add:

### 123SIA Requests to transfer from the income management regime

#### *Person's request*

- (1) A person who is subject to the income management regime under section 123UC, 123UCA, 123UCB, 123UCC or 123UFAA may make a request to the Secretary to transfer to the enhanced income management regime. The request cannot be withdrawn or revoked.

#### *Secretary's notice*

- (2) If the person does so, the Secretary must give the person a written notice stating that the person is eligible to transfer to the enhanced income management regime.
- (3) The notice comes into force on a day specified in the notice (which must be no later than 28 days after the day on which the request was made).
- (4) The notice ceases to be in force immediately after the person first ceases to be subject to the enhanced income management regime.
- (5) A notice under subsection (2) is not a legislative instrument.

## 49 Division 3 of Part 3AA (heading)

Repeal the heading, substitute:

### Division 3—Portioning of welfare payments

## 50 Section 123SL

After “a category B welfare payment”, insert “and is subject to the enhanced income management regime under section 123SC”.

## 51 After Subdivision A of Division 3 of Part 3AA

Insert:

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**Subdivision AA—Persons subject to the enhanced income management regime—child protection**

**123SLA Category B welfare payment to be split into qualified and unqualified portions**

*Payments by instalments*

- (1) If an instalment of a category B welfare payment is payable to a person who is subject to the enhanced income management regime under section 123SCA:
  - (a) the percentage of the gross amount of the payment that is qualified (the ***qualified portion***) is:
    - (i) 100%, unless subparagraph (ii) applies; or
    - (ii) if a lower percentage is determined by the Minister under subsection (2) of this section—the lower percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the ***unqualified portion***) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (7).

- (2) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (1)(a)(ii).
- (3) An instrument made under subsection (2) may determine different percentages in relation to different kinds of category B welfare payments.

*Payments otherwise than by instalments*

- (4) If a category B welfare payment is payable, otherwise than by instalments, to a person who is subject to the enhanced income management regime under section 123SCA:
  - (a) the percentage of the gross amount of the payment that is qualified (the ***qualified portion***) is:
    - (i) 100%, unless subparagraph (ii) applies; or

- (ii) if a lower percentage is determined by the Minister under subsection (5) of this section—the lower percentage; and
- (b) the percentage of the gross amount of the payment that is unqualified (the *unqualified portion*) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (7).

- (5) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (4)(a)(ii).
- (6) An instrument made under subsection (5) may determine different percentages in relation to different kinds of category B welfare payments.

*Variation by Secretary*

- (7) For a person who is subject to the enhanced income management regime under section 123SCA, the Secretary may make a determination that:
  - (a) varies the percentage applicable under paragraph (1)(a) to 0%; and
  - (b) varies the percentage applicable under paragraph (1)(b) to 100%; and
  - (c) varies the percentage applicable under paragraph (4)(a) to 0%; and
  - (d) varies the percentage applicable under paragraph (4)(b) to 100%.
- (8) The Secretary may make a determination under subsection (7) only if:
  - (a) the Secretary is satisfied that the person is unable to use the person's debit card that was issued to the person and that is attached to the person's BasicsCard bank account, or is unable to access that account, as a direct result of:
    - (i) a technological fault or malfunction with that card or account; or
    - (ii) a natural disaster; or

- (iii) if a national emergency declaration (within the meaning of the *National Emergency Declaration Act 2020*) is in force—an emergency to which the declaration relates; or
  - (b) the person’s category B welfare payment is payable in instalments and the Secretary is satisfied that any part of the payment is payable:
    - (i) at a time determined under subsection 43(2), where that determination is made because the person is in severe financial hardship as a result of exceptional and unforeseen circumstances; or
    - (ii) under a determination under subsection 51(1).
- (9) A determination made under subsection (7) takes effect on the day specified in the determination (which must not be earlier than the day on which the determination is made).
- (10) A determination made under subsection (7) is not a legislative instrument.

**123SLB Payment of balance of qualified portion of category B welfare payment**

If a category B welfare payment is payable to a person who is subject to the enhanced income management regime under section 123SCA, the Secretary must pay the balance of the qualified portion of the payment to the credit of a BasicsCard bank account maintained by the person.

**123SLC Recipient’s use of funds from category B welfare payments**

A person who receives a category B welfare payment and is subject to the enhanced income management regime under section 123SCA:

- (a) may use the balance of the qualified portion of the payment, as paid under section 123SLB, to obtain goods or services, other than:
  - (i) excluded goods or excluded services; or
  - (ii) a cash-like product that could be used to obtain excluded goods or excluded services; and

- (b) may use the unqualified portion of the payment, as paid to the person, at the person's discretion.

**Subdivision AB—Persons subject to the enhanced income management regime—school enrolment and attendance**

**123SLD Category B welfare payment to be split into qualified and unqualified portions**

*Payments by instalments*

- (1) If an instalment of a category B welfare payment is payable to a person who is subject to the enhanced income management regime under section 123SCB or 123SCC:
- (a) the percentage of the gross amount of the payment that is qualified (the **qualified portion**) is:
    - (i) 100%, unless subparagraph (ii) applies; or
    - (ii) if a lower percentage is determined by the Minister under subsection (2) of this section—the lower percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the **unqualified portion**) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (7).

- (2) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (1)(a)(ii).
- (3) An instrument made under subsection (2) may determine different percentages in relation to different kinds of category B welfare payments.

*Payments otherwise than by instalments*

- (4) If a category B welfare payment is payable, otherwise than by instalments, to a person who is subject to the enhanced income management regime under section 123SCB or 123SCC:



- (a) the percentage of the gross amount of the payment that is qualified (the *qualified portion*) is:
  - (i) 100%, unless subparagraph (ii) applies; or
  - (ii) if a lower percentage is determined by the Minister under subsection (5) of this section—the lower percentage; and
- (b) the percentage of the gross amount of the payment that is unqualified (the *unqualified portion*) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (7).

- (5) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (4)(a)(ii).
- (6) An instrument made under subsection (5) may determine different percentages in relation to different kinds of category B welfare payments.

*Variation by Secretary*

- (7) For a person who is subject to the enhanced income management regime under section 123SCB or 123SCC, the Secretary may make a determination that:
  - (a) varies the percentage applicable under paragraph (1)(a) to 0%; and
  - (b) varies the percentage applicable under paragraph (1)(b) to 100%; and
  - (c) varies the percentage applicable under paragraph (4)(a) to 0%; and
  - (d) varies the percentage applicable under paragraph (4)(b) to 100%.
- (8) The Secretary may make a determination under subsection (7) only if:
  - (a) the Secretary is satisfied that the person is unable to use the person's debit card that was issued to the person and that is attached to the person's BasicsCard bank account, or is unable to access that account, as a direct result of:

- (i) a technological fault or malfunction with that card or account; or
    - (ii) a natural disaster; or
    - (iii) if a national emergency declaration (within the meaning of the *National Emergency Declaration Act 2020*) is in force—an emergency to which the declaration relates; or
  - (b) the person’s category B welfare payment is payable in instalments and the Secretary is satisfied that any part of the payment is payable:
    - (i) at a time determined under subsection 43(2), where that determination is made because the person is in severe financial hardship as a result of exceptional and unforeseen circumstances; or
    - (ii) under a determination under subsection 51(1).
- (9) A determination made under subsection (7) takes effect on the day specified in the determination (which must not be earlier than the day on which the determination is made).
- (10) A determination made under subsection (7) is not a legislative instrument.

**123SLE Payment of balance of qualified portion of category B welfare payment**

If a category B welfare payment is payable to a person who is subject to the enhanced income management regime under section 123SCB or 123SCC, the Secretary must pay the balance of the qualified portion of the payment to the credit of a BasicsCard bank account maintained by the person.

**123SLF Recipient’s use of funds from category B welfare payments**

A person who receives a category B welfare payment and is subject to the enhanced income management regime under section 123SCB or 123SCC:

- (a) may use the balance of the qualified portion of the payment, as paid under section 123SLE, to obtain goods or services, other than:

- (i) excluded goods or excluded services; or
  - (ii) a cash-like product that could be used to obtain excluded goods or excluded services; and
- (b) may use the unqualified portion of the payment, as paid to the person, at the person's discretion.

**Subdivision AC—Persons subject to the enhanced income management regime—referrals by recognised State/Territory authority**

**123SLG Category B welfare payment to be split into qualified and unqualified portions**

*Payments by instalments*

- (1) If an instalment of a category B welfare payment is payable to a person who is subject to the enhanced income management regime under section 123SCJ:
- (a) the percentage of the gross amount of the payment that is qualified (the **qualified portion**) is:
    - (i) 70%, unless subparagraph (ii) applies; or
    - (ii) if another percentage is determined by the Minister under subsection (2) of this section—the other percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the **unqualified portion**) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).
- Note: The percentage may be varied under subsection (7).
- (2) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (1)(a)(ii).
- (3) An instrument made under subsection (2) may determine different percentages depending on one or more of the following:
- (a) the different kinds of category B welfare payments payable to persons subject to the enhanced income management regime under section 123SCJ;
  - (b) the usual place of residence of those persons;

(c) the recognised State/Territory authority.

*Payments otherwise than by instalments*

- (4) If a category B welfare payment is payable, otherwise than by instalments, to a person who is subject to the enhanced income management regime under section 123SCJ:
- (a) the percentage of the gross amount of the payment that is qualified (the ***qualified portion***) is:
    - (i) 100%, unless subparagraph (ii) applies; or
    - (ii) if a lower percentage is determined by the Minister under subsection (5) of this section—the lower percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the ***unqualified portion***) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (7).

- (5) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (4)(a)(ii).
- (6) An instrument made under subsection (5) may determine different percentages depending on one or more of the following:
- (a) the different kinds of category B welfare payments payable to persons subject to the enhanced income management regime under section 123SCJ;
  - (b) the usual place of residence of those persons;
  - (c) the recognised State/Territory authority.

*Variation by Secretary*

- (7) For a person who is subject to the enhanced income management regime under section 123SCJ, the Secretary may make a determination that:
- (a) varies the percentage applicable under paragraph (1)(a) to 0%; and
  - (b) varies the percentage applicable under paragraph (1)(b) to 100%; and

- (c) varies the percentage applicable under paragraph (4)(a) to 0%; and
  - (d) varies the percentage applicable under paragraph (4)(b) to 100%.
- (8) The Secretary may make a determination under subsection (7) only if:
- (a) the Secretary is satisfied that the person is unable to use the person's debit card that was issued to the person and that is attached to the person's BasicsCard bank account, or is unable to access that account, as a direct result of:
    - (i) a technological fault or malfunction with that card or account; or
    - (ii) a natural disaster; or
    - (iii) if a national emergency declaration (within the meaning of the *National Emergency Declaration Act 2020*) is in force—an emergency to which the declaration relates; or
  - (b) the person's category B welfare payment is payable in instalments and the Secretary is satisfied that any part of the payment is payable:
    - (i) at a time determined under subsection 43(2), where that determination is made because the person is in severe financial hardship as a result of exceptional and unforeseen circumstances; or
    - (ii) under a determination under subsection 51(1).
- (9) A determination made under subsection (7) takes effect on the day specified in the determination (which must not be earlier than the day on which the determination is made).
- (10) A determination made under subsection (7) is not a legislative instrument.

### **123SLH Payment of balance of qualified portion of category B welfare payment**

If a category B welfare payment is payable to a person who is subject to the enhanced income management regime under section 123SCJ, the Secretary must pay the balance of the qualified

portion of the payment to the credit of a BasicsCard bank account maintained by the person.

### **123SLI Recipient's use of funds from category B welfare payments**

A person who receives a category B welfare payment and is subject to the enhanced income management regime under section 123SCJ:

- (a) may use the balance of the qualified portion of the payment, as paid under section 123SLH, to obtain goods or services, other than:
  - (i) excluded goods or excluded services; or
  - (ii) a cash-like product that could be used to obtain excluded goods or excluded services; and
- (b) may use the unqualified portion of the payment, as paid to the person, at the person's discretion.

### **Subdivision AD—Persons subject to the enhanced income management regime—vulnerable welfare payment recipients**

#### **123SLJ Relevant payment to be split into qualified and unqualified portions**

*Payments by instalments*

- (1) If an instalment of a relevant payment is payable to a person who is subject to the enhanced income management regime under section 123SCL:
  - (a) the percentage of the gross amount of the payment that is qualified (the ***qualified portion***) is:
    - (i) 50%, unless subparagraph (ii) applies; or
    - (ii) if another percentage is determined by the Minister under subsection (2) of this section—the other percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the ***unqualified portion***) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (7).

- (2) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (1)(a)(ii).
- (3) An instrument made under subsection (2) may determine different percentages in relation to different kinds of relevant payments.

*Payments otherwise than by instalments*

- (4) If a relevant payment is payable, otherwise than by instalments, to a person who is subject to the enhanced income management regime under section 123SCL:
  - (a) the percentage of the gross amount of the payment that is qualified (the **qualified portion**) is:
    - (i) 100%, unless subparagraph (ii) applies; or
    - (ii) if a lower percentage is determined by the Minister under subsection (5) of this section—the lower percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the **unqualified portion**) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (7).

- (5) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (4)(a)(ii).
- (6) An instrument made under subsection (5) may determine different percentages in relation to different kinds of relevant payments.

*Variation by Secretary*

- (7) For a person who is subject to the enhanced income management regime under section 123SCL, the Secretary may make a determination that:
  - (a) varies the percentage applicable under paragraph (1)(a) to 0%; and
  - (b) varies the percentage applicable under paragraph (1)(b) to 100%; and

- (c) varies the percentage applicable under paragraph (4)(a) to 0%; and
  - (d) varies the percentage applicable under paragraph (4)(b) to 100%.
- (8) The Secretary may make a determination under subsection (7) only if:
- (a) the Secretary is satisfied that the person is unable to use the person's debit card that was issued to the person and that is attached to the person's BasicsCard bank account, or is unable to access that account, as a direct result of:
    - (i) a technological fault or malfunction with that card or account; or
    - (ii) a natural disaster; or
    - (iii) if a national emergency declaration (within the meaning of the *National Emergency Declaration Act 2020*) is in force—an emergency to which the declaration relates; or
  - (b) the person's relevant payment is payable in instalments and the Secretary is satisfied that any part of the payment is payable:
    - (i) at a time determined under subsection 43(2), where that determination is made because the person is in severe financial hardship as a result of exceptional and unforeseen circumstances; or
    - (ii) under a determination under subsection 51(1).
- (9) A determination under subsection (7) takes effect on the day specified in the determination (which must not be earlier than the day on which the determination is made).
- (10) A determination under subsection (7) is not a legislative instrument.

### **123SLK Payment of balance of qualified portion of relevant payment**

If a relevant payment is payable to a person who is subject to the enhanced income management regime under section 123SCL, the Secretary must pay the balance of the qualified portion of the

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payment to the credit of a BasicsCard bank account maintained by the person.

### **123SLL Recipient’s use of funds from relevant payments**

A person who receives a relevant payment and is subject to the enhanced income management regime under section 123SCL:

- (a) may use the balance of the qualified portion of the payment, as paid under section 123SLK, to obtain goods or services, other than:
  - (i) excluded goods or excluded services; or
  - (ii) a cash-like product that could be used to obtain excluded goods or excluded services; and
- (b) may use the unqualified portion of the payment, as paid to the person, at the person’s discretion.

### **52 Subdivision B of Division 3 of Part 3AA (heading)**

Omit “Northern Territory”, substitute “disengaged youth and long-term welfare payment recipients”.

### **53 Subsection 123SM(1)**

After “section 123SD”, insert “or 123SDA”.

### **54 Paragraphs 123SM(1)(a) and (b)**

Repeal the paragraphs, substitute:

- (a) the percentage of the gross amount of the payment that is qualified (the *qualified portion*) is:
  - (i) 50%, unless subparagraph (ii) applies; or
  - (ii) if another percentage is determined by the Minister under subsection (1A) of this section—the other percentage; and
- (b) the percentage of the gross amount of the payment that is unqualified (the *unqualified portion*) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

### **55 Subsection 123SM(2)**

Repeal the subsection, substitute:

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- (1A) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (1)(a)(ii).
- (1B) An instrument made under subsection (1A) may determine different percentages in relation to different kinds of category D welfare payments.

*Payments otherwise than by instalments*

- (2) If a category D welfare payment is payable, otherwise than by instalments, to a person who is subject to the enhanced income management regime under section 123SD or 123SDA:
  - (a) the percentage of the gross amount of the payment that is qualified (the **qualified portion**) is:
    - (i) 100%, unless subparagraph (ii) applies; or
    - (ii) if a lower percentage is determined by the Minister under subsection (2A) of this section—the lower percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the **unqualified portion**) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (3).

- (2A) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (2)(a)(ii).
- (2B) An instrument made under subsection (2A) may determine different percentages in relation to different kinds of category D welfare payments.

**56 Subsection 123SM(3)**

After “section 123SD”, insert “or 123SDA”.

**57 Paragraph 123SM(3)(c)**

Repeal the paragraph, substitute:

- (c) varies the percentage applicable under paragraph (2)(a) to 0%; and
- (d) varies the percentage applicable under paragraph (2)(b) to 100%.

## **58 Section 123SN**

After “section 123SD”, insert “or 123SDA”.

## **59 Section 123SO**

After “category D welfare payment”, insert “and is subject to the enhanced income management regime under section 123SD or 123SDA”.

## **60 Section 123SP (heading)**

Omit “**Category G welfare payment**”, substitute “**Category B welfare payment**”.

## **61 Subsections 123SP(1) and (2)**

Repeal the subsections, substitute:

### *Payments by instalments*

- (1) If an instalment of a category B welfare payment is payable to a person who is subject to the enhanced income management regime under section 123SE:
  - (a) the percentage of the gross amount of the payment that is qualified (the *qualified portion*) is:
    - (i) 50%, unless subparagraph (ii) applies; or
    - (ii) if another percentage is determined by the Minister under subsection (1A) of this section—the other percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the *unqualified portion*) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (3).

- (1A) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (1)(a)(ii).
- (1B) An instrument made under subsection (1A) may determine different percentages in relation to different kinds of category B welfare payments.

*Payments otherwise than by instalments*

- (2) If a category B welfare payment is payable, otherwise than by instalments, to a person who is subject to the enhanced income management regime under section 123SE:
- (a) the percentage of the gross amount of the payment that is qualified (the *qualified portion*) is:
    - (i) 100%, unless subparagraph (ii) applies; or
    - (ii) if a lower percentage is determined by the Minister under subsection (2A) of this section—the lower percentage; and
  - (b) the percentage of the gross amount of the payment that is unqualified (the *unqualified portion*) is the percentage that is equal to 100% minus the percentage applicable under paragraph (a).

Note: The percentage may be varied under subsection (3).

- (2A) The Minister may, by legislative instrument, determine a percentage for the purposes of subparagraph (2)(a)(ii).
- (2B) An instrument made under subsection (2A) may determine different percentages in relation to different kinds of category B welfare payments.

**62 Paragraph 123SP(3)(c)**

Repeal the paragraph, substitute:

- (c) varies the percentage applicable under paragraph (2)(a) to 0%; and
- (d) varies the percentage applicable under paragraph (2)(b) to 100%.

**63 Paragraph 123SP(4)(b)**

Omit “category G welfare payment”, substitute “category B welfare payment”.

**64 Section 123SQ (heading)**

Omit “category G welfare payment”, substitute “category B welfare payment”.

**65 Section 123SQ**

Omit “category G welfare payment”, substitute “category B welfare payment”.

**66 Section 123SR (heading)**

Omit “category G welfare payments”, substitute “category B welfare payments”.

**67 Section 123SR**

Omit “category G welfare payment”, substitute “category B welfare payment”.

**68 At the end of Division 4 of Part 3AA**

Add:

**123STA Disclosure of information—child protection**

- (1) Despite any law (whether written or unwritten) in force in a State or Territory, a child protection officer of a State or Territory may give the Secretary information about a person if:
  - (a) either:
    - (i) the person is subject to the enhanced income management regime under section 123SCA; or
    - (ii) the child protection officer is considering whether to give a notice of the kind referred to in paragraph 123SCA(1)(b) in relation to the person; and
  - (b) the disclosed information is relevant to the operation of this Part.
- (2) If information about a person is disclosed by a child protection officer of a State or Territory as mentioned in subsection (1), the Secretary may disclose information about the person to a child protection officer of the State or Territory for the purposes of the operation of this Part.
- (3) If:
  - (a) a person ceases to be subject to the enhanced income management regime under section 123SCA because of the

cancellation of a category A welfare payment of the person or the person's partner; and

(b) immediately before the cancellation, the notice referred to in paragraph 123SCA(1)(b), that was given to the person by a child protection officer of a State or Territory, is in force;

then, as soon as practicable after the cancellation, the Secretary must give a child protection officer of the State or Territory written notice of the cancellation.

**123STB Disclosure of information—school enrolment and attendance**

- (1) Despite any law (whether written or unwritten) in force in a State or Territory:
- (a) a State or Territory; or
  - (b) a non-government school authority; or
  - (c) any other person who is responsible for the operation of one or more schools;
- may give the Secretary information about the enrolment, or non-enrolment, of children at school if the information is relevant to the operation of this Part.
- (2) Despite any law (whether written or unwritten) in force in a State or Territory:
- (a) a State or Territory; or
  - (b) a non-government school authority; or
  - (c) any other person who is responsible for the operation of one or more schools;
- may give the Secretary information about the attendance, or non-attendance, of children at school if the information is relevant to the operation of this Part.

**123STC Disclosure of information—referrals by recognised State/Territory authority**

- (1) Despite any law (whether written or unwritten) in force in a State or Territory, an officer or employee of a recognised State/Territory authority may give the Secretary information about a person if:
- (a) either:

- (i) the person is subject to the enhanced income management regime under section 123SCJ; or
    - (ii) the officer or employee is considering whether to give a notice of the kind referred to in paragraph 123SCJ(1)(b) in relation to the person; and
  - (b) the disclosed information is relevant to the operation of this Part.
- (2) If information about a person is disclosed by an officer or employee of a recognised State/Territory authority as mentioned in subsection (1), the Secretary may disclose information about the person to an officer or employee of the recognised State/Territory authority for the purposes of the operation of this Part.
- (3) If:
- (a) a person ceases to be subject to the enhanced income management regime under section 123SCJ because of the cancellation of a category A welfare payment of the person or the person's partner; and
  - (b) immediately before the cancellation, the notice referred to in paragraph 123SCJ(1)(b), that was given to the person by an officer or employee of a recognised State/Territory authority, is in force;
- then, as soon as practicable after the cancellation, the Secretary must give an officer or employee of the recognised State/Territory authority written notice of the cancellation.

#### **69 Paragraph 123UC(2)(c)**

Repeal the paragraph, substitute:

- (c) at the test time, the Part 3B payment nominee is:
  - (i) subject to the income management regime under subsection (1); or
  - (ii) subject to the enhanced income management regime under subsection 123SCA(1).

#### **70 Paragraph 123UCB(2)(c)**

Repeal the paragraph, substitute:

- (c) at the test time, the Part 3B payment nominee is:

- (i) subject to the income management regime under subsection (1); or
- (ii) subject to the enhanced income management regime under subsection 123SD(1) or 123SDA(1).

### **71 Paragraph 123UCC(2)(c)**

Repeal the paragraph, substitute:

- (c) at the test time, the Part 3B payment nominee is:
  - (i) subject to the income management regime under subsection (1); or
  - (ii) subject to the enhanced income management regime under subsection 123SD(3) or 123SDA(5).

### **72 Paragraph 123UFAA(2)(c)**

Repeal the paragraph, substitute:

- (c) at the test time, the Part 3B payment nominee is:
  - (i) subject to the income management regime under subsection (1); or
  - (ii) subject to the enhanced income management regime under subsection 123SCJ(1).

### **73 Subsections 123UO(1), (1A) and (2)**

Repeal the subsections, substitute:

*Termination by request*

- (1) A person may, by written notice given to the Secretary, request the Secretary to terminate a voluntary income management agreement in relation to the person if:
  - (a) the agreement has been in force for at least 13 weeks; or
  - (b) the person has made a request (whether orally or in writing) to the Secretary to enter into a voluntary enhanced income management agreement (within the meaning of Part 3AA).
- (2) The Secretary must terminate a voluntary income management agreement in relation to a person as soon as practicable after the person makes a valid request under subsection (1).



## **74 At the end of Division 2 of Part 3B**

Add:

### **Subdivision E—Relationship with Part 3AA**

#### **123UP Payment of credit balances of income management account to BasicsCard bank account**

- (1) This section applies if a person becomes subject to the enhanced income management regime (within the meaning of Part 3AA) on a day (the *trigger day*).

Note: A person who is subject to the income management regime can request to transfer to the enhanced income management regime (see section 123SIA).

- (2) Despite any other provision of this Part, the Secretary may, on a day (the *payment day*) before the end of 60 days beginning on the trigger day, pay, to the credit of a BasicsCard bank account (within the meaning of Part 3AA) maintained by the person, an amount equal to the credit balance (if any) of the person's income management account as at the end of the day before the payment day.
- (3) Immediately after any such payment:
- (a) the Income Management Record is debited by an amount equal to the payment; and
  - (b) the person's income management account is debited by an amount equal to the payment.
- (4) Despite any other provision of this Part, the person cannot become subject to the income management regime under any provision of this Part at any time on or after the trigger day.

## **75 Before paragraph 123ZN(1)(a)**

Insert:

- (aa) making payments under subsection 123UP(2); and

## **76 Paragraph 127(4)(aa)**

After "subsection 123SE(3)", insert "or 123SIA(2)".

**77 After paragraph 127(4)(aaa)**

Insert:

(aab) a decision to make a payment under subsection 123UP(2); or

**78 Paragraph 144(l)**

After “subsection 123SE(3)”, insert “or 123SIA(2)”.

**79 After paragraph 144(laa)**

Insert:

(lab) a decision to make a payment under subsection 123UP(2);

## **Part 2—Application and transitional provisions**

### **80 Application provision—voluntary income management agreements**

The amendment of section 123UO of the *Social Security (Administration) Act 1999*, made by this Schedule, applies in relation to requests made on or after the commencement of this item.

### **81 Transitional provisions—vulnerable welfare payment recipients**

- (1) If the Secretary gives a person a transfer notice referred to in paragraph 123SCL(3)(c) of the *Social Security (Administration) Act 1999*, a determination (the **old determination**):
- (a) made by the Secretary, under section 123UGA of that Act, that the person is a vulnerable welfare payment recipient; and
  - (b) that is in force immediately before the transfer notice comes into force;

has effect in relation to the person at and after the transfer notice comes into force as if it were a determination (the **new determination**) made by the Secretary under section 123SCM of that Act, as inserted by this Schedule.

- (2) The new determination remains in force for the balance of the period referred to in paragraph 123UGA(3)(b) of the *Social Security (Administration) Act 1999*, unless revoked earlier.

- (3) A request:
- (a) made by the person, under subsection 123UGA(8) of the *Social Security (Administration) Act 1999*, to revoke or vary the old determination; and
  - (b) that was pending immediately before the transfer notice comes into force;

has effect at and after the transfer notice comes into force as if it were made by the person under subsection 123SCM(8) of that Act, as inserted by this Schedule, in relation to the new determination.

## **82 Transitional provisions—exempt welfare payment recipients**

- (1) If the Secretary gives a person a transfer notice referred to in paragraph 123SD(1B)(b) or (6)(b) of the *Social Security (Administration) Act 1999*, a determination:
- (a) made by the Secretary, under section 123UGB of that Act, that the person is an exempt welfare payment recipient; and
  - (b) that is in force immediately before the transfer notice comes into force;
- has effect (and may be dealt with) in relation to the person at and after the transfer notice comes into force as if it were made by the Secretary under section 123SDB of that Act, as inserted by this Schedule.
- (2) If the Secretary gives a person a transfer notice referred to in paragraph 123SD(1B)(b) or (6)(b) of the *Social Security (Administration) Act 1999*, a determination:
- (a) made by the Secretary, under section 123UGC of that Act, that the person is an exempt welfare payment recipient; and
  - (b) that is in force immediately before the transfer notice comes into force;
- has effect (and may be dealt with) in relation to the person at and after the transfer notice comes into force as if it were made by the Secretary under section 123SDC of that Act, as inserted by this Schedule.
- (3) If the Secretary gives a person a transfer notice referred to in paragraph 123SD(1B)(b) or (6)(b) of the *Social Security (Administration) Act 1999*, a determination:
- (a) made by the Secretary, under section 123UGD of that Act, that the person is an exempt welfare payment recipient; and
  - (b) that is in force immediately before the transfer notice comes into force;
- has effect (and may be dealt with) in relation to the person at and after the transfer notice comes into force as if it were made by the Secretary under section 123SDD of that Act, as inserted by this Schedule.

## **Schedule 2—Closing the income management regime to new entrants**

### ***Social Security (Administration) Act 1999***

#### **1 At the end of section 123UC**

Add:

- (3) A person is not subject to the income management regime under this section on or after the day this subsection commences unless the person was subject to the income management regime under this section immediately before the start of that day.

#### **2 At the end of section 123UCA**

Add:

- (6) A person is not subject to the income management regime under this section on or after the day this subsection commences unless the person was subject to the income management regime under this section immediately before the start of that day.

#### **3 At the end of section 123UCB**

Add:

- (7) A person is not subject to the income management regime under this section on or after the day this subsection commences unless the person was subject to the income management regime under this section immediately before the start of that day.

#### **4 At the end of section 123UCC**

Add:

- (7) A person is not subject to the income management regime under this section on or after the day this subsection commences unless the person was subject to the income management regime under this section immediately before the start of that day.

**5 At the end of section 123UFAA**

Add:

- (5) A person is not subject to the income management regime under this section on or after the day this subsection commences unless the person was subject to the income management regime under this section immediately before the start of that day.

**6 Section 123UFA**

Before “For”, insert “(1)”.

**7 At the end of section 123UFA**

Add:

- (2) A person is not subject to the income management regime under this section on or after the day this subsection commences unless the person was subject to the income management regime under this section immediately before the start of that day.

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## **Schedule 4—Obligations of Minister**

### ***Social Security (Administration) Act 1999***

#### **1 After section 123SV**

Insert:

#### **123SVA Periodic estimates of cost of enhanced income management regime**

- (1) As soon as practicable after the end of each reporting period, the Minister must prepare a written estimate of the full cost to the Commonwealth (as at the end of the period) of the operation of the enhanced income management regime established by this Part.
- (2) The Minister must cause the estimate for a reporting period to be:
  - (a) published on the Department's website as soon as practicable after it is prepared; and
  - (b) tabled in each House of the Parliament within 7 sitting days of that House after the estimate is published under paragraph (a).

- (3) In this section:

***reporting period*** means the following:

- (a) the period of 6 months beginning on the day this section commences;
- (b) the period of 12 months beginning on the day after the end of the period mentioned in paragraph (a);
- (c) each subsequent 12-month period.

## Schedule 5—Review by Parliamentary Joint Committee on Human Rights

### *Social Security (Administration) Act 1999*

#### **1 After section 243**

Insert:

#### **243AA Review by Parliamentary Joint Committee on Human Rights**

- (1) The Parliamentary Joint Committee on Human Rights must conduct reviews under this section and report the Committee's findings of each review to both Houses of the Parliament.

##### *Requirements for review*

- (2) A review under this section must examine Part 3AA and Part 3B, so far as they relate to compulsory enhanced income management or compulsory income management, for compatibility with human rights.

##### *First review*

- (3) The first review under this section must be completed within 12 months after this section commences.

##### *Subsequent reviews*

- (4) Each subsequent review under this section must be completed within 3 years after the completion of the previous review.

##### *When review is completed*

- (5) For the purposes of this section, a review is completed when the Committee's findings of the review have been tabled in both Houses of the Parliament.
- (6) In this section:



***compulsory enhanced income management*** means the enhanced income management regime set out in Subdivisions A to F and H of Division 2, and Subdivisions A to B of Division 3, of Part 3AA.

***compulsory income management*** means the income management regime set out in sections 123UC, 123UCA, 123UCB, 123UCC, 123UD, 123UE, 123UF and 123UFAA, and Subdivisions BA, BB and C of Division 2, and Subdivisions B to DAA of Division 5, of Part 3B.

***human rights*** has the same meaning as in the *Human Rights (Parliamentary Scrutiny) Act 2011*.

## Schedule 6—Review by Senate Committee

### *Social Security (Administration) Act 1999*

#### **1 At the end of Part 7**

Add:

#### **243B Review by Senate Committee**

The Senate Community Affairs References Committee, or such other committee constituted under a resolution of the Senate, must:

- (a) begin a review of each legislative instrument made by the Minister for the purposes of Part 3AA or Part 3B within 3 months after the day the instrument is tabled in the Senate; and
- (b) report the Committee's findings to the Senate as soon as practicable after completing each review.

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[*Minister's second reading speech made in—  
House of Representatives on 9 March 2023  
Senate on 30 March 2023*]

(22/23)

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