Legal Profession Amendment (Professional Indemnity Insurance Management Committee) Bill 2018

EXPLANATORY MEMORANDUM

Clause 1. Short Title

This clause states that the short title of the Act is the *Legal Profession Amendment (Professional Indemnity Insurance Management Committee) Act 2018.*

Clause 2. Commencement

This clause states that sections 1 and 2 come into operation on the day on which the Act receives the Royal Assent.

This clause also states that the rest of the Act comes into operation on the day after that day.

Clause 3. Act amended

This clause states that the Act amends the *Legal Profession Act 2008*.

Clause 4. PII Management Committee

This clause provides for the amendment of section 331 of the *Legal Profession Act 2008*.

The first amendment is that the PII management committee is to consist of not less than 7 members. Currently, the PII management committee is to consist of 7 members.

The second amendment is that it will no longer be a requirement for the chairperson of the PII management committee to have knowledge and experience in the insurance industry. Instead, the members of the PII management committee are to include a person who has knowledge and experience in the insurance industry and at least 2 persons who have knowledge and experience in the insurance industry or accounting or financial expertise.

The third and final amendment removes the requirement for members of the PII management committee to include not less than 4 members of the Law Society Council.