

Departmental Disclosure Statement

Land Transport (Clean Vehicle Discount Scheme Repeal) Amendment Bill
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The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry of Transport.

The Ministry of Transport certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

5 December 2023.

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Part One: General Policy Statement

This Bill is an omnibus Bill that amends the Land Transport Act 1998 and the Land Transport Management Act 2003, the Land Transport (Motor Vehicle Registration and Licensing) Regulations 2011, and the Energy Efficiency (Vehicle Energy Economy Labelling) Regulations 2007. It also revokes the Land Transport (Clean Vehicle Discount Scheme Charges) Regulations 2022.

The Bill is introduced under Standing Order 267 because the amendments deal with an interrelated topic that can be regarded as implementing a single broad policy. The single broad policy is to end the Clean Vehicle Discount Scheme (the scheme) by 31 December 2023.

The scheme was introduced on 1 July 2021 to help speed the uptake of low-emission light vehicles as a means to reduce greenhouse gas emissions from transport. To do this, the scheme's rebates encourage the purchase of low-emission vehicles, while its charges discourage the purchase of high-emission ones.

The scheme has challenges that are likely to intensify the longer the scheme is in place. The main challenges of the scheme are as follows:

- it is difficult to make financially sustainable and self-financing:
- it poses ongoing equity and fairness concerns:
- it will become less effective over time as electric vehicle prices fall, battery technology improves, and model variety increases:
- it requires constant changes to its rebates and charges that impose significant costs for vehicle suppliers and consumers.

Given those challenges, the Government has decided to discontinue the scheme.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	NO
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Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO
2.2.1. If so, was a National Interest Analysis report prepared to inform a Parliamentary examination of the proposed New Zealand action in relation to the treaty?	NO

Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	NO
Cabinet has decided to suspend the requirement for Regulatory Impact Statements for decisions relating to 100 Day Plan proposals (taken within the 100 Days) which solely involve the repeal of legislation.	
2.3.1. If so, did the RIA Team in the Treasury provide an independent opinion on the quality of any of these regulatory impact statements?	-
2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?	-

Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	YES
A Climate Impacts of Policy Assessment (CIPA) is available on request from the Ministry of Transport.	
2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	NO
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	NO
2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	NO
(b) the nature and level of regulator effort put into encouraging or securing compliance?	NO

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
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Domestic emissions budgets are set with a view to meeting New Zealand's 2050 target and contributing to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels.

Officials estimated the impact discontinuation of the Clean Car Discount would have on achievement of our domestic emissions budgets. This estimate was included in advice considered by Cabinet on 4 December 2023.

Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

Officials investigated the impact removal of the Clean Car Discount would likely have on Māori within the context of a population impacts assessment. It was concluded that removal was unlikely to have an impact as survey evidence suggests use of the scheme by Māori is likely to be lower than for other groups.

Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?	YES
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The Ministry of Justice is undertaking an assessment of whether the Bill is consistent with the New Zealand Bill of Rights Act 1990 and will provide advice to the Attorney-General.

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:	
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(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?	NO
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(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?	NO
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3.4.1. Was the Ministry of Justice consulted about these provisions?	NO
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Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	YES
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Section 239(4)(b)(iii) of the Land Transport Act 1998, which allows the disclosure of information from the motor vehicle register to the NZ Transport Agency for the administration of the clean vehicle discount scheme, is removed by the Bill.

3.5.1. Was the Privacy Commissioner consulted about these provisions?	NO
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The Privacy Commissioner was not consulted since the provision is being removed.

External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	YES
<p>Officials have not consulted with private sector organisations or the public on the Bill, due to time constraints.</p> <p>The following agencies were consulted on the policy to be given effect by the Bill: New Zealand Transport Agency, Ministry of Business, Innovation and Employment, Treasury, Crown Law, Parliamentary Counsel Office, Ministry for the Environment, Ministry of Foreign Affairs and Trade, Inland Revenue, and the Energy Efficiency and Conservation Authority. The Department of Prime Minister and Cabinet was informed.</p>	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	YES
<p>The policy to discontinue the Clean Car Discount was part of 2023 General Election manifesto commitments of the National Party and Act New Zealand.</p>	

Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO
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Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO
A power to create charges under section 167A of the Land Transport Act 1998 is removed by the Bill.	

Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO
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Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	NO
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO
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Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO
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Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO
4.8. Does this Bill create or amend any other powers to make delegated legislation?	NO

Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO
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