



10 November 2022

OC220945

Hon Michael Wood
Minister of Transport

Action required by:
Thursday, 10 November 2022

LAND TRANSPORT (CLEAN VEHICLES) AMENDMENT BILL (NO 2) APPROVAL FOR INTRODUCTION

Purpose

To provide you with –

- a Cabinet paper seeking approval to introduce the Land Transport (Clean Vehicles) Amendment Bill (No 2) (the Bill) coupled with talking points for the Cabinet meeting of 14 November 2022
- the Departmental disclosure statement, Q's and A's, Legislative Statement and First, Second and Third Reading speeches to support the Bill.

Key points

- On 31 October 2022, Cabinet agreed (CAB-22-MIN-0466 refers) to urgent legislation amending the Land Transport Act 1998 (the Act) to –
 - Provide a six-month phased transition for the Clean Vehicle Standard to provide vehicle importers with sufficient time to become accustomed to operating with the new requirements, business processes and the Standard's online system to be run by Waka Kotahi
 - remedy the unintended inclusion of importers of motorcycles and mopeds into aspects of the scheme and correct technical matters.
- Urgent legislation is required because requirements on importers of motorcycles and mopeds will otherwise take effect on 1 December 2022 and processes and systems to pay charges and transfer credits would be required on and from 1 January 2023.
- Cabinet has agreed to the paper being submitted direct to Cabinet.
- You have undertaken ministerial consultation on the paper. We understand that you have discussed timing and that the Bill will be accorded urgency, to be moved on 22 November 2022, continuing to at least the evening of Friday 25 November 2022. It needs to be enacted by the end of November as it will modify obligations that take effect at the beginning of next month.

- A copy of the Bill is attached as Annex 1. This has been updated from the version provided with the draft Cabinet paper [OC220693 refers], to –
 - defer the date of transfer of credits held by both categories of light vehicle importer to 1 June 2023. Previously this only applied to category 2 light vehicle importers (clause 23 of the Bill)
 - include in the amendments to the Land Transport (Clean Vehicle Standard) Regulations 2022 a transitional provision to clarify that the Director of Land Transport may offset any credits in the carbon dioxide account of a category 2 vehicle importer who imports vehicles before 1 June 2023, against charges payable by the importer, before any transfer of those credits is effected (clause 10 and Part 2 of the Bill)
 - include an avoidance of doubt provision to clause 22 of the Bill emphasising that the deemed importation date of 1 June 2023 only affects the date on which a charge is payable (clause 22 of the Bill).
- A copy of the Departmental disclosure statement is attached as Annex 2. In accordance with CO (13) 3: Disclosure Requirements for Government Legislation, we will provide this to the Parliamentary Counsel Office at least two working days prior to the Bill's intended introduction date.
- The Legislative Statement, Backpocket Q's and A's, and speeches for the First, Second, and Third Readings of the Bill are attached as Annex 3.

Recommendations

We recommend you:

- | | | |
|---|--|----------|
| 1 | sign and lodge the Cabinet paper seeking approval to introduce the Land Transport (Clean Vehicles) Amendment Bill no later than 10.00am on 10 November 2022, for consideration by Cabinet on 14 November 2022 | Yes / No |
| 2 | agree , subject to Cabinet agreement, to introduce the Bill on 22 November 2022 and for it to be progressed under urgency | Yes / No |
| 3 | note that, in addition to the Bill, this paper covers the Departmental disclosure Statement, your legislative statement, Q and A's and first, second, and third reading speeches. | |
| 4 | note that we will provide the Departmental disclosure statement to the Parliamentary Counsel Office at least two working days prior to the Bill's intended introduction date | |



Carmen Mak
Director - System & Regulatory Design

10 / 11 / 2022

Hon Michael Wood
Minister of Transport

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- Minister's office to complete:**
- Approved
 - Declined
 - Seen by Minister
 - Not seen by Minister
 - Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Carmen Mak, Director, System & Regulatory Design	s 9(2)(a)	✓
Chris Roblett, Principal Solicitor	s 9(2)(a)	For legal queries

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ANNEX 1

Land Transport (Clean Vehicles) Amendment Bill (No 2)

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ANNEX 2

**Departmental Disclosure Statement - Land Transport (Clean Vehicles)
Amendment Bill (No 2)**

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ANNEX 3

Legislative Statement - Land Transport (Clean Vehicles) Amendment Bill (No 2)

Backpocket Q's and A's

First Reading Speech

Second Reading Speech

Third Reading Speech

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