

То	Hon David Seymour, Minister for Regulation		
Title	Regulatory Standards Bill: Legislative statement and House pack for first reading	Number	MFR2025-120
Date	20 May 2025	Priority:	High
Action Sought	Agree to the recommendations in this briefing Note the key steps and indicative timeframes for Select Committee	Due Date	21 May 2025
Contact Person	Andrew Royle Deputy Chief Executive, Policy	Phone	s 9(2)(a)
Contact Person	Silvie Zantza, Principal Advisor, Policy	Phone	s 9(2)(a)
Attachments	Yes (Annexes 1 to 4)	Security Level	IN CONFIDENCE

Purpose

- 1. The purpose of this briefing is to:
 - seek your agreement to present a legislative statement to the House of Representatives before the first reading of the Regulatory Standards Bill (attached as Annex 1)
 - provide you with materials to support you during the first reading (attached as Annex 2). For ease of reference the relevant Cabinet minute and the Bill as introduced to the House are attached as Annexes 3 and 4 respectively.
 - provide you with an overview of the key steps and indicative timeframes for Select Committee

Recommended action

- 2. We recommend that you:
 - a **agree** to present the legislative statement in Annex 1 to Agree / Disagree the House of Representatives before the first reading of the Bill

Annex 3 is publicly available at https://www.regulation.govt.nz/assets/Publication-Documents/Regulatory-Standards-Bill-Approval-for-Introduction.pdf

Annex 4 is the Regulatory Standards Bill available at https://www.legislation.govt.nz/bill/government/2025/0155/latest/whole.html

Briefing Paper





- b **agree** that your office will circulate the legislative statement to:
 - i. the Leader of the House's office on Wednesday21 May

Agree / Disagree

ii. the Clerk, and the leader, whip or relevant spokesperson of each party, no later than 11 am on Thursday 22 May Agree / Disagree

c **note** the key steps and indicative timeframes for Select Committee

Noted

d **agree** that the Ministry for Regulation release this briefing following Cabinet decisions being taken, with any information needing to be withheld done so in line with the provisions of the Official Information Act 1982.

Agree / Disagree

s 9(2)(a)

Andrew Royle **Deputy Chief Executive, Policy**Ministry for Regulation

Date: 20 May 2025

Hon David Seymour Minister for Regulation

Date:

Briefing Paper MFR2025-120



Background

3. On 19 May 2025, Cabinet agreed to the introduction of the Regulatory Standards Bill (the Bill) [CAB-25-MIN-0165 refers]. The Bill was introduced on the same day and first reading of the Bill is intended to be on 22 May.

Legislative statement

- 4. A legislative statement can be presented by a minister in charge of a bill under Standing Order 272. Presenting a legislative statement, which contains technical information on the Bill, enables the minister's first reading speech to focus on the purpose and effect of the Bill.
- 5. The legislative statement will form part of the material that may be used when interpreting the resulting legislation. The statement should therefore accurately describe the technical details of the Bill. A legislative statement on the Bill has been prepared for your approval (Annex 1).
- 6. If you agree to present a legislative statement on the Bill, your office will then (unless otherwise agreed with the Leader of the House) need to circulate it to:
 - i. the Leader of the House's office on Wednesday 21 May
 - ii. the Clerk, and the leader, whip or relevant spokesperson of each party, no later than 11 am on Thursday 22 May.

House pack

- 7. The House pack to support the first reading (Annex 2) includes:
 - an overview of the process for the passage of the Bill
 - the legislative statement
 - the departmental disclosure statement
- 8. The relevant Cabinet minute (Annex 3) and the Bill as introduced to the House (Annex 4) are also attached.
- 9. A draft first reading speech has previously been provided to your office. We note that, when your office finalises the speech a select committee report back date needs to be included with 23 September 2025 currently proposed. This date is four months and one day after a first reading on 22 May.
- 10. Should there be any delays in completing the first reading this date would need to be adjusted accordingly to ensure a minimum of four months is provided for the select committee process.

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Select Committee key steps and timeframes

- 11. The major milestones prior to Royal assent to the Bill are set out in **Annex 2**. There are a number of key steps during the select committee process that you may wish to be aware of, as the timeframes will be tight. This is of particular relevance for considering ministerial consultation ahead of Cabinet's consideration of the departmental report. We are engaging with your office about how we can support that consultation.
- 12. The key steps and estimated dates are set out below.
- 13. It is important to note that these dates are indicative only, are subject to decisions made by the House and the Select Committee, and are based on FEC sitting weekly on a Wednesday. They are our best estimate based on previous experience and available guidance. We will update you when the Finance and Expenditure Committee (FEC) determines the definitive dates for consideration of the Bill.
- 14. We have previously provided your office with information about providing Select Committee with additional instructions to be able to sit at other times. This would require engagement with the Leader of the House, given it would potentially impact on the House time required for the first reading.

Step	Assumptions	Indicative dates
Initial briefing to Select Committee	The initial briefing timing is dependent on FEC's preference. Some Select Committees may wish to have the briefing during written submissions while others wait until submissions have closed.	We have met with the Clerks of FEC who have raised 4 June as a possibility.
Written submissions	In four month Select Committees the standard written submissions period is 4 weeks.	20 June written submissions close, assuming select committee calling for submissions on 23 May 2025.
Oral submissions	Will be dependent on the number of oral submissions FEC would like to hear.	Likely to be end of June – early July.
	For example, there were four weeks of oral submissions for the Treaty Settlement Bill.	

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Officials prepare departmental report	Officials will begin analysis as soon as submissions are received. However, we note that the majority of submissions are generally received on the last day of the submission period and should not be finalised for Cabinet's consideration ahead of oral submissions being completed.	Likely to be between end of June and end of July.
Cabinet considers departmental report	We are anticipating the report may need to be provided direct to Cabinet in order to meet Select Committee timeframes. This could mean a one-week ministerial consultation ahead of Cabinet (assuming 4 August Cabinet).	Early August (based on the above time)
Committee considers departmental report		Mid – late August – early September
Committee considers revision- tracked Bill (RT Bill)	Generally, select committees should leave 3 weeks between considering the departmental report and considering the RT version of a bill.	September
Report back to the House	Date is based on introduction on 22 May 2025, and a four month select committee timeframe.	Assuming 23 September 2025.

Legislative Statement: Regulatory Standards Bill - First Reading

Presented to the House in accordance with Standing Order 272.

Introduction

This legislative statement supports the first reading of the Regulatory Standards Bill (the Bill) and is presented to the House of Representatives in accordance with Standing Order 272.

Intended effects of the Bill

The Bill aims to reduce the amount of unnecessary and poor quality regulation, and bring the same discipline to regulatory management that New Zealand has for fiscal management.

To achieve this aim, the Bill intends to increase transparency and make it clearer where legislation does not meet standards by:

- promoting the accountability of the Executive to Parliament for developing highquality legislation and exercising stewardship over regulatory systems
- supporting Parliament's ability to scrutinise Bills; and
- supporting Parliament in overseeing and controlling the use of delegated powers to make legislation.

There is no intent that any failure to comply with the Bill's provisions will affect any power to make any legislation or the validity or operation of any legislation.

Furthermore, the Bill does not confer or impose any legal right or obligation on any person that is enforceable in a court of law, with one very specific exception relating to an agency failing to comply with an information request by the Ministry for Regulation.

How will the Bill's intended effects be achieved

To achieve its stated objectives the Bill:

- introduces a set of principles of responsible regulation (principles)
- provides for the identification of any inconsistencies in proposed and existing legislation via consistency accountability statements (CASs)
- provides for statements giving reasons for identified inconsistencies with the principles
- establishes a Regulatory Standards Board to consider the consistency of proposed and existing legislation with the principles
- provides for the Regulatory Standards Minister (Minister for Regulation) and the Attorney-General to jointly issue non-binding guidance regarding certain matters in the Bill
- provides for information-gathering powers to support the conduct of regulatory reviews by the Ministry for Regulation
- requires public service Chief Executives to be responsible for proactively engaging in stewardship of regulatory systems and ensuring their agency also does so

• requires that the Ministry for Regulation periodically reports on the overall state of the regulatory management system, and requires agencies to provide information to support this reporting.

Core elements of the Bill

The principles of responsible regulation

The Bill intends to set a benchmark for good legislation by establishing a set of principles of responsible regulation focused on:

- existing interests and rights including the rule of law; liberties; taking of property; taxes, fees, and levies; and the role of courts
- good law-making processes including consultation; options analysis; and costbenefit analysis.

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How will the principles apply

Administering agencies must prepare and publish a CAS following the review of existing and proposed primary and secondary legislation.

Consistency Accountability Statement (CAS) and reasons for inconsistency

A CAS is required for legislation that is subject to review requirements. This is a statement from a chief executive of a responsible agency for legislation. The CAS must confirm that the agency has reviewed the existing or proposed legislation for consistency with the principles of responsible regulation, and summarise any inconsistency identified in the review.

The CAS for proposed primary legislation, including Government amendments, will be included or linked to the explanatory note of the relevant bill or Government amendment.

The CAS following a review of existing primary legislation is presented to the House of Representatives.

The CAS for secondary legislation as it is made is included or linked in an explanatory note for the secondary legislation. The explanatory note must be published or made available with the secondary legislation when the legislation is published or made available under Part 3 of the Legislation Act 2019 or otherwise as required by law.

The CAS following a review of existing secondary legislation will be published on an internet site.

The responsible Minister or, in instances of secondary legislation, any other maker will make a statement that briefly explains the Government's reasons for any inconsistency identified in the CAS. The Bill imposes no limits, restrictions, or requirements in connection with the nature, extent, or adequacy of any reasons that may be included in a statement from the Minister or other maker.

When a CAS is not required for Government bills and Government amendments

The following Government bills (and any amendments to these bills) do not require preparation and publication of a CAS:

- Imprest Supply Bills or Appropriation Bills
- Bills that are Statutes Amendment Bills under the rules and practice of the House of Representatives
- Bills that primarily relate to the repeal or revocation of legislation identified as spent
- revision Bills prepared under subpart 3 of Part 3 of the Legislation Act 2019
- Bills prepared for the purposes of confirmation under subpart 3 of Part 5 of the Legislation Act 2019
- Treaty settlement Bills.

Additionally, the Regulatory Standards Minister can issue a notice, approved by a resolution of the House of Representatives, to specify further classes of bills that will not require a CAS.

When CAS is not required in the development of secondary legislation

Responsible agencies are not required to prepare and publish a CAS for secondary legislation:

- made under an excluded Act. Excluded Acts are:
 - o a Treaty settlement Act
 - o a private Act or a local Act
 - the Marine and Coastal Area (Takutai Moana) Act 2011 or Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019
 - any other Act that has been enacted from a Bill excluded from review of consistency with the principles
- made under the Defence Act 1990 or the Armed Forces Discipline Act 1971 or is otherwise made by the Chief of the Defence Force
- made by the Speaker of the House of Representatives or by the House of Representatives
- that are rules of court
- made by any judicial officer.

Additionally, the Minister for Regulation can issue a notice, approved by a resolution of the House of Representatives, to specify further classes of secondary legislation that will not require CAS when being developed.

Regular Reviews for consistency with the principles

Responsible agencies must develop plans for regularly reviewing existing primary and secondary legislation for consistency with the principles, and report on progress.

The good law-making principles apply in a specific manner when an agency is carrying out such a review. In effect, the good law-making principles are applied to take into account events that have occurred since the legislation was enacted or made. For example, when reviewing legislation for consistency with the principle that legislation is

expected to produce benefits that exceed the costs, the reviewers can consider benefits and costs that have been actually produced or incurred since the legislation came into force.

When regular review of Acts is not required

Responsible agencies are not required to develop plans for regularly reviewing primary legislation and report on progress for:

- Excluded Acts
- an Act to the extent that it contains amendments to other legislation
- an Act that has been repealed or is otherwise no longer in effect.

When regular review of secondary legislation is required

Responsible agencies are required to develop plans for regularly reviewing secondary legislation and to report on progress.

This requirement applies only if a CAS has previously been prepared for the secondary legislation, or other secondary legislation that amends the secondary legislation. In practice this, this means regular reviews are not required for secondary legislation:

- if it has not been made or amended since the regular review requirement comes into effect
- made under an excluded Act
- made under the Defence Act 1990 or the Armed Forces Discipline Act 1971 or is otherwise made by the Chief of the Defence Force
- made by the Speaker of the House of Representatives or by the House of Representatives
- that are rules of court
- made by any judicial officer
- specified in a Minister for Regulation notice as not requiring a CAS when being developed.

The Minister for Regulation can issue a notice, approved by a resolution of the House of Representatives, to specify further classes of secondary legislation that will require regular review.

When regular review of secondary legislation is not required

Responsible agencies are not required to develop plans for regularly reviewing and reporting on progress for secondary legislation that:

- is made under an excluded Act
- contains amendments to other legislation
- has been revoked or is otherwise no longer in effect.

Regulatory Standards Board (the Board)

The Board will comprise 5 to 7 members and will be appointed by the Minister for Regulation for a term of 3 years, with possibility of reappointment. The regulatory

standards Ministry (Ministry for Regulation) must provide the resources and administrative support necessary to enable the Board to perform its functions.

The functions of the Board are to promote the purposes of the Bill by:

- carrying out inquiries, on the papers, into whether legislation is inconsistent with the principles,
- reporting on those inquiries to the Minister for Regulation and responsible Minister,
- considering a CAS for a Government Bill and reporting to the select committee that is considering the Bill.

The good law-making principles apply in a specific manner when the Board is carrying out an inquiry. In effect, the good law-making principles are applied to take into account events that have occurred since the legislation was enacted or made, in the same manner as when responsible agencies undertake regular reviews of their legislation for consistency with the principles.

The Board may inquire into a Bill, an Act or secondary legislation following a complaint, on its own accord, or following a request by the Minister for Regulation, if the review requirements apply to them. The Board cannot carry out an inquiry in relation to particular actions, results, or persons.

The Minister for Regulation will present the Board's annual report, which will summarise its findings and recommendations, to the House of Representatives.

<u>Guidance</u>

To implement the Bill's intent the Minister for Regulation and the Attorney-General could jointly issue guidance that sets out recommended best practice or their expectations concerning certain matters under the Bill. The coverage includes how the principles should be applied, how to review proposed or existing legislation for consistency, and the content and presentation of a CAS. The guidance will be non-binding.

Regulatory stewardship and regulatory reviews

Briefings on regulatory management system

As another way to support good quality regulation, the Bill gives public service chief executives a responsibility to proactively engage in stewardship of regulatory systems and ensure that their agencies also do so. The regulatory stewardship responsibility refers to the governance, monitoring and care of regulatory systems to ensure that different parts of a regulatory system work well together to achieve its goals effectively, proportionately and fairly, and keep the system fit for purpose over the long term. This responsibility aligns with Section 12(e) of the Public Service Act 2020.

The chief executive of the Ministry for Regulation will be required to provide to the Minister for Regulation a briefing on the state of the regulatory management system at least once every 4 years. The Minister will be required to present the briefing to the House of Representatives.

To enable the preparation of this briefing the chief executive of the Ministry for Regulation could require necessary or desirable information from public service agencies.

Regulatory reviews and relevant information gathering powers

The Ministry for Regulation carries out reviews of (in whole or in part) regulatory system(s). These regulatory reviews are separate from the reviews of legislation for consistency with the principles introduced by the Bill undertaken by agencies or the Board.

To support the conduct of regulatory reviews the chief executive of the Ministry could require various agencies or persons to supply information to carry out a regulatory review.

The agencies or persons that may be required to supply information include public service agencies, administering agencies or makers of secondary legislation, any agency or a person that performs a statutory function, and contractors that support or facilitate the performance of a statutory function.

The duty to supply information to enable regulatory reviews will be enforceable through court order, if necessary.

The Bill requires that the findings of the regulatory reviews carried out by the Ministry for Regulation be presented to the House of Representatives together with a government response.



Annex 2

REGULATORY STANDARDS BILL HOUSE PACK

FIRST READING

CONTENTS

Overview of the process for the passage of the Bill

<u>Legislative statement</u>

Departmental disclosure statement

Overview of the process for the passage of the Bill

Introduction

The Regulatory Standards Bill (the Bill) aims to reduce the amount of unnecessary and poor-quality regulation and bring the same discipline to regulatory management that New Zealand has for fiscal management.

Cabinet agreed that the Bill should be enacted by 31 December 2025 [CAB-25-MIN-0148].

Process

The Bill is planned to move through the following process (dates for second reading, Committee of the whole House, and third reading will be subject to other business in the House at the time):

First reading and referral	22 May 2025
Cabinet consideration of Departmental	August 2025
Report before it is submitted to Select	
Committee	
Select Committee report back	23 September 2025 (TBC)
Cabinet to consider the Bill as reported	October-November 2025
back from Select Committee	
Second reading	November 2025
Committee of the Whole	November-December 2025
Third Reading	December 2025
Royal Assent	Next available Executive Council after third
	reading.

First reading (Standing Orders 272, 284, 293-298 and Appendix A)

The Bill was introduced on Monday 19 May 2025.

If presenting a legislative statement, a copy must be circulated to the Leader of the House's office the day before the Bill's first reading, and to the Clerk, and to each party's leader, whip, or relevant spokesperson no later than 11 am on the day of first reading.

The Speaker calls for the first reading of the Bill.

The Minister makes a first reading speech of up to 10 minutes, indicating: the reason for the Bill and what it is intending to achieve. Further, the Minister must nominate a select committee (in this case, the Finance and Expenditure Committee).

Written notice of the instruction to be moved is delivered to the Clerk at the Table following the speech (managed by the Business Committee and the Leader of the House's office).

Up to 10 speeches by other members may be made during the debate; speeches may be up to five minutes in length each.

Any debate is restricted to the instruction set out in the motion. If an instruction relates only to the time for report on the Bill, and provides for the time for report on the Bill to be more than four months, there is no debate on the question or on any amendment to the question.

House votes.

The Bill stands and is referred to the Finance and Expenditure Committee.

Select committee consideration (Standing Order 300 and 303)

Select Committee examines the Bill and determines whether to recommend that the bill be passed, or amendments made.

Dates to be decided by committee:

- 1. Initial briefing presentation by officials.
- 2. Written submissions due.
- 3. Oral submissions period.
- 4. Departmental report presented to the committee.
- 5. Select Committee deliberation of the departmental report.
- 6. Revision track version of the Bill presented.

Second reading (Standing Order 305 and Appendix A)

The Speaker calls for the second reading of the Bill.

The Minister makes Second Reading speech (maximum of 10 minutes).

In this debate, the House decides whether to agree to the principle (policy) of the Bill as a whole, and to the amendments that the select committee has recommended.

Up to 11 other speeches may be made during the debate; speeches may be up to 10 minutes each.

The House votes.

Committee of the whole House (Standing Orders 309-318 and Appendix A)

The Speaker of the House places the House into Committee.

The Committee of the whole House is intended to address whether the bill properly incorporates the principles or objects of the bill that were agreed to at the second reading and to consider and make amendments.

The Minister moves to the Clerk's table to answer questions from members (multiple speeches of up to five minutes each, but not normally more than two consecutive speeches).

There is a debate on each part of the Bill (unless the Committee resolves to consider the Bill as a whole).

There is a vote on each part of the Bill (if there are proposed amendments, then a vote on any proposed amendments and, if the amendments are agreed to, a vote on the part as amended).

The Chair closes the Committee and reports the Committee's progress to the Speaker of the House (either "with amendment" or "without amendment").

The Speaker will then move that the report be adopted.

Third reading (Standing Order 320 and Appendix A)

The Speaker calls for the third reading. This may be scheduled for the sitting day after the bill's committee stage.

The Minister makes the third reading speech of up to 10 minutes.

Up to 11 other speeches may be made during the debate; speeches may be up to 10 minutes each.

The House votes.

Royal assent (Standing Order 323)

The Governor General, on advice of the Prime Minister, gives Royal assent to the bill.

This generally happens within seven days of the Bill being read a third time.

Legislative statement

Legislative Statement: Regulatory Standards Bill - First Reading

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Furthermore, the Bill does not confer or impose any legal right or obligation on any person that is enforceable in a court of law, with one very specific exception relating to an agency failing to comply with an information request by the Ministry for Regulation.

How will the Bill's intended effects be achieved

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- provides for the Regulatory Standards Minister (Minister for Regulation) and the Attorney-General to jointly issue non-binding guidance regarding certain matters in the Bill
- provides for information-gathering powers to support the conduct of regulatory reviews by the Ministry for Regulation

- requires public service Chief Executives to be responsible for proactively engaging in stewardship of regulatory systems and ensuring their agency also does so
- requires that the Ministry for Regulation periodically reports on the overall state of the regulatory management system, and requires agencies to provide information to support this reporting.

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standards Ministry (Ministry for Regulation) must provide the resources and administrative support necessary to enable the Board to perform its functions.

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The Minister for Regulation will present the Board's annual report, which will summarise its findings and recommendations, to the House of Representatives.

Guidance

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Regulatory stewardship and regulatory reviews

Briefings on regulatory management system

As another way to support good quality regulation, the Bill gives public service chief executives a responsibility to proactively engage in stewardship of regulatory systems and ensure that their agencies also do so. The regulatory stewardship responsibility refers to the governance, monitoring and care of regulatory systems to ensure that different parts of a regulatory system work well together to achieve its goals effectively, proportionately and fairly, and keep the system fit for purpose over the long term. This responsibility aligns with Section 12(e) of the Public Service Act 2020.

The chief executive of the Ministry for Regulation will be required to provide to the Minister for Regulation a briefing on the state of the regulatory management system at least once every 4 years. The Minister will be required to present the briefing to the House of Representatives.

To enable the preparation of this briefing the chief executive of the Ministry for Regulation could require necessary or desirable information from public service agencies.

Regulatory reviews and relevant information gathering powers

The Ministry for Regulation carries out reviews of (in whole or in part) regulatory system(s). These regulatory reviews are separate from the reviews of legislation for consistency with the principles introduced by the Bill undertaken by agencies or the Board.

To support the conduct of regulatory reviews the chief executive of the Ministry could require various agencies or persons to supply information to carry out a regulatory review.

The agencies or persons that may be required to supply information include public service agencies, administering agencies or makers of secondary legislation, any agency or a person that performs a statutory function, and contractors that support or facilitate the performance of a statutory function.

The duty to supply information to enable regulatory reviews will be enforceable through court order, if necessary.

The Bill requires that the findings of the regulatory reviews carried out by the Ministry for Regulation be presented to the House of Representatives together with a government response.

Departmental disclosure statement

Regulatory Standards Bill

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 for Regulation.

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

16 May 2025

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Part One: General Policy Statement

Purposes of Bill

The Regulatory Standards Bill aims to reduce the amount of unnecessary and poor quality regulation by increasing transparency and making it clearer where legislation does not meet standards. It intends to bring the same discipline to regulatory management that New Zealand has for fiscal management.

The Bill aims to—

- promote the accountability of the Executive to Parliament for developing highquality legislation and exercising stewardship over regulatory systems; and
- support Parliament's ability to scrutinise Bills; and
- support Parliament in overseeing and controlling the use of delegated powers to make legislation.

How Bill will achieve its purposes

The Regulatory Standards Bill will aim to achieve its purposes by—

- providing a benchmark for good legislation through a set of principles of responsible regulation (principles); and
- providing for the transparent assessment of the consistency of proposed and existing legislation with the principles (consistency accountability statements); and
- establishing a Regulatory Standards Board to independently consider the consistency of proposed and existing legislation, in response to stakeholder concerns, Minister for Regulation request, or on its own accord; and
- strengthening regulatory quality by supporting the Ministry for Regulation in its regulatory oversight role.

Key elements of Bill

The Bill establishes a benchmark for good legislation by introducing a set of principles of responsible regulation in primary legislation, focused on the effect of legislation on—

- existing interests and liberties, including the rule of law, liberties, taking of property, taxes, fees, and levies, and the role of courts; and
- good law-making processes, including consultation, options analysis, and costbenefit analysis.

The Bill requires responsible Ministers, administering agencies and other makers of legislation to assess the consistency of proposed and existing legislation (both primary and secondary) against these principles. Where inconsistency is identified, the Bill requires a statement from the responsible Minister (or maker of secondary legislation where not a Minister) to briefly explain the reasons.

Ministers, as well as makers of secondary legislation, must publish or present to the House of Representatives the results of those assessments and explanations. Some primary and secondary legislation is excluded or exempted from these requirements.

The Bill also establishes a Regulatory Standards Board, with members to be appointed by the Minister responsible for this Bill (the Minister for Regulation), to independently assess consistency of legislation, helping incentivise Ministers and agencies to complete robust consistency accountability statements. The board can carry out inquiries following a complaint, at the request of the Minister, or on its own accord into whether legislation is inconsistent with the principles. Any recommendations it makes are non-binding. The board will only have a role in relation to legislation that is subject to consistency assessment requirements, and could investigate consistency with the principles in 2 broad ways as follows:

- it could look at consistency accountability statements of Bills as introduced into the House of Representatives, and provide a report to a select committee on its findings:
- it could inquire into whether existing legislation is consistent with the principles, and report to the Minister for Regulation and responsible Minister on its findings.

Finally, the Bill strengthens regulatory quality by supporting the Ministry for Regulation in its regulatory oversight role, including by requiring the Ministry to report on the overall state of the regulatory management system. It also strengthens regulatory stewardship expectations for agencies, and information-gathering powers for the Ministry to support the efficient and effective conduct of regulatory reviews.

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?

YES

Regulatory Responsibility Taskforce (2009), *Report of the Regulatory Responsibility Taskforce*. Accessed here: https://www.treasury.govt.nz/sites/default/files/2017-11/rrt-report-sep09.pdf

Productivity Commission (2014), *Regulatory Institutions and Practices*. Accessed here: https://www.regulation.govt.nz/assets/Uploads/Regulatory-Institutions-and-Practices.pdf

OECD (2025), *OECD Regulatory Policy Outlook 2025*, OECD Publishing, Paris, https://doi.org/10.1787/56b60e39-en

Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO

Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?

YES

Regulatory Impact Statement: proposed Regulatory Standards Bill, 22 April 2025 – Ministry for Regulation. This is accessed here: https://www.regulation.govt.nz/assets/RIS-Documents/Regulatory-Impact-Statement-proposed-Regulatory-Standards-Bill.pdf

Note that some information in the Regulatory Impact Statement was redacted, consistent with section 9(2)(a) (to protect the privacy of natural persons) and section 9(2)(h) (to maintain legal professional privilege) of the Official Information Act 1982.

An interim Regulatory Impact Statement was prepared to support public consultation between 19 November 2024-13 January 2025., This is accessed here: https://www.regulation.govt.nz/assets/RIS-Documents/Interim-Regulatory-Impact-Statement-Legislating-to-improve-transparency-of-the-quality-of-regulation-v2.pdf

The analysis in this document has been updated and superseded by the final Regulatory Impact Statement above.

Note that some information in the interim Regulatory Impact Statement was redacted, consistent with section 9(2)(a) (to protect the privacy of natural persons) and section 9(2)(h) (to maintain legal professional privilege) of the Official Information Act 1982.

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?

YES

See Appendix One.

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?	МО

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?	NO

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?	YES
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	NO

Refer to final Regulatory Impact Statement [https://www.regulation.govt.nz/assets/RIS-Documents/Regulatory-Impact-Statement-proposed-Regulatory-Standards-Bill.pdf] pages 36-47 (for principles and accompanying mechanisms in the Bill) and 58-64 (for the proposed assurance function of a Regulatory Standards Board in the Bill).

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?	YES
(b) the nature and level of regulator effort put into encouraging or securing compliance?	YES

Refer to final Regulatory Impact Statement [https://www.regulation.govt.nz/assets/RIS-Documents/Regulatory-Impact-Statement-proposed-Regulatory-Standards-Bill.pdf] pages 7-8, 36-47 (for principles and accompanying mechanisms in the Bill) and 58-64 (for the proposed assurance function of a Regulatory Standards Board in the Bill).

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?

It was discussed with the Ministry for Regulation's internal subject matter expert whether there might be any inconsistency with New Zealand's international commitments relating to good regulatory practice, and none were identified.

The Ministry of Foreign Affairs and Trade were included in the consultation for the Bill, and did not raise any concerns related to New Zealand's international obligations.

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?

The Ministry consulted with Te Arawhiti and Te Puni Kōkiri during the development of the proposal, prior to public consultation.

A Treaty Impact Assessment (TIA) has been prepared and submitted alongside Cabinet approval of the policy [CAB-25-MIN-0148 refers]. The TIA concludes that the Treaty/te Tiriti impacts of the proposed Bill will ultimately depend on how it is implemented by decision-makers and the guidelines that are created to support the interpretation of its provisions. The TIA is accessed here:

https://www.regulation.govt.nz/assets/Publication-Documents/Information-Release-Policy-Approvals-for-Progressing-a-Regulatory-Standards-Bill-May-2025-v2.pdf

A preliminary Treaty Impact Assessment was prepared to support consultation and is accessed here: https://www.regulation.govt.nz/assets/Publication-Documents/Preliminary-Treaty-Impact-Analysis-forthe-proposed-Regulatory-Standards-Bill.pdf

The analysis in this document has been updated and superseded by the final Treaty Impact Assessment above.

Consistency with the New Zealand Bill of Rights Act 1990

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 Attorney-General has provided advice that the Bill appears to be consistent with the New Zealand Bill of Rights Act 1990.

The advice will be accessible on the Ministry's website at <u>Advice on consistency of bills with the Bill of Rights Act | New Zealand Ministry of Justice</u>

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:	
(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?	NO
(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?	NO

The Bill does not impact the types of matters that may be heard by a court or tribunal, the powers of a court or tribunal, the orders a court or tribunal can make, or appeal rights. However, section 47 of the Bill extends the jurisdiction of the High Court to make findings on contempt of Court, in respect of failure to follow the information gathering powers.

3.4.1. Was the Ministry of Justice consulted about these provisions?	YES
The Offence and Penalty Vetting team at the Ministry of Justice was consulted about the	ese provisions and
no relevant concerns were identified from the offence and penalty vetting perspective.	

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

The Bill creates information-gathering powers to enable the Chief Executive of the Ministry for Regulation ("Chief Executive") to require information:

- necessary or desirable to enable the Ministry to prepare its report on the state of the regulatory management system, from public service agencies; and
- necessary or desirable to enable the Ministry to conduct regulatory reviews, from:
 - o public service agencies:
 - o any entity that makes or administers secondary legislation, including local government:
 - any entity authorised by an Act to undertake a function imposed under legislation, for example the Reserve Bank and statutory occupational licensing bodies:
 - o any entity contracted by the government to support or facilitate the performance of a function imposed under legislation ("third-party service providers").

The information-gathering powers are subject to the following limitations and restrictions:

- the powers do not limit other legislation that imposes a prohibition or restriction on the availability of any information (for example, the Privacy Act 2020):
- the powers do not apply to the House of Representatives, the Speaker of the House of Representatives, an Office of Parliament, the Office of the Clerk of the House of Representatives, or the Parliamentary Service:
- in relation to non-public service agencies, the relevant power can only be used if the Chief Executive has first consulted the chief executive of the relevant agency:
- in relation to third party providers, the relevant power can only be used if the Chief Executive has
 first unsuccessfully sought the information with the contracting agency, or the request is made
 jointly with the contracting agency.

3.5.1. Was the Privacy Commissioner consulted about these provisions?

NO

The information gathering powers cannot override prohibitions or restrictions on the sharing of information already set down in legislation (for example, the Privacy Act for the sharing of personal information).

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

On 11 November 2024, Cabinet agreed to release the discussion document *Have your say on the proposed Regulatory Standards Bill* to consult on a proposed approach to the Bill (CAB-24-MIN-0437 refers). Public consultation on the proposal set out in a discussion document ran for just over eight weeks (19 November 2024 to 13 January 2025), with approximately 23,000 submissions received.

Analysis showed that 20,108 submissions (around 88 per cent) opposed the proposed Bill, 76 submissions (0.33 per cent) supported or partially supported it, and the remaining 2,637 submissions (almost 12 per cent) did not have a clear position.

Refer to final Regulatory Impact Statement [https://www.regulation.govt.nz/assets/RIS-

<u>Documents/Regulatory-Impact-Statement-proposed-Regulatory-Standards-Bill.pdf</u>] pages 3-4, and 20-22.

The complete summary of submissions is here:

https://www.regulation.govt.nz/assets/Publication-Documents/Information-Release-Summary-of-Submissions-for-proposed-Regulatory-Standards-Bill.pdf

The public discussion document is here:

Ministry for Regulation (2024) *Have your say on the proposed Regulatory Standards Bill*. Accessed here: https://www.regulation.govt.nz/assets/Publication-Documents/Have-your-say-on-the-proposed-Regulatory-Standards-Bill-final.pdf

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?

NO

While no specific tests have been conducted, departmental consultation was undertaken (primarily undertaken with government agencies within the core Crown) to test the details of the policy. Refer to final Regulatory Impact Statement [https://www.regulation.govt.nz/assets/RIS-Documents/Regulatory-Impact-Statement-proposed-Regulatory-Standards-Bill.pdf] page 4, and 21-22.

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

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

Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO

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?	YES
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Schedule 2, Section 14 provides that the members of the Regulatory Standards Board are not liable for anything that the member may do or say or fail to do or say in the course of the operations of the Board. This does not apply if it is shown a member acted in bad faith.

This provision was included to protect the Board members from any undue civil court action against them resulting from the Board members discharging their functions in good faith. This is a relatively standard provision for entities related to the Crown, including in legislation like the Crown Entities Act 2004 (s121, 126) and Public Service Act 2020 (s104).

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

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

We understand this question is directed at Henry VIII clauses (delegated legislation by the Executive that amends the scope of primary legislation). The Bill does contain delegated legislation granting exemptions, but as it requires a House Resolution approving the making of the legislation, it will not be Henry VIII delegated legislation.

See answer to question 4.8 below.

4.8. Does this Bill create or amend any other powers to make delegated legislation?

YES

Clauses 10(2), 14(2), and 19(3) allow for the Minister for Regulation to issue a notice to:

- exempt particular classes of legislation (both primary and secondary) from consistency
 assessment requirements this will ensure that the consistency assessment requirements are
 applied appropriately and consistently, noting that there has been insufficient time for officials to
 identify all legislation that should be exempted from the requirements
- specify that a class of existing secondary legislation is subject to regular review this will allow for the scheme to properly set review requirements across the broadest range of legislation appropriate to do so.

The notice is secondary legislation, and may only be issued after it has been approved by a resolution of the House of Representatives.

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

Appendix One: Further Information Relating to Part Two

Independent opinion on the quality of Regulatory Impact Statements - question 2.3.1

Final Regulatory Impact Statement

A quality assurance panel with members from the Ministry for Regulation, Ministry of Justice, Ministry for Business, Innovation and Employment and the Treasury has reviewed the Regulatory Impact Statement (RIS): Proposed Regulatory Standards Bill produced by the Ministry for Regulation. The QA panel considers that it "partially meets" the Quality Assurance criteria.

The RIS notes that the scope of the options has been limited by the Coalition agreement and Ministerial direction and as a result, alternative approaches to the proposal have not been explored in detail. However,

the RIS clearly outlines the assumptions, limitations, and Ministerial objectives in a way that enables transparency and clarity about the differing views and considerations.

The information in the RIS suggests that the specific legislative changes sought in this Cabinet paper are unlikely to be the most efficient approach to pursuing the stated objectives. It highlights that, if the recommendations are agreed, regulating in the public interest may be more costly, with an uncertain impact on the underlying behavioural incentives and on the information problems that drive poor regulatory outcomes. The panel notes that the scope of consistency reviews was included after public consultation, and the RIS has limited analysis of impacts, including on local government. This additional requirement has significant estimated costs and potential for crowding out other regulatory maintenance and stewardship activity.

The Ministry for Regulation has expressed a preference for an alternative approach based on disclosure requirements coming into force through Part 4 of the Legislation Act 2019, supplemented by Ministerial commitments to good regulation and stewardship. The RIS indicates that this would encourage better information and sharpened incentives across regulatory regimes.

The QA panel's view is that, should this Bill proceed to enactment, more consideration will need to be given to implementation issues, funding, and addressing the risks identified in the RIS.