

Minister for Regulation
Information Release
Regulatory Standards Bill: Approval for Introduction
May 2025

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Documents in this information release

#	Reference	Title of Document	Date
1	Cabinet paper	<i>Regulatory Standards Bill: Approval for Introduction</i>	No date
2	CAB-25-MIN-0165	<i>Cabinet Minute of Decision - Regulatory Standards Bill: Approval for Introduction</i>	19 May 2025

Information redacted

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant sections of the Act that would apply have been identified. Where information has been redacted, no public interest has been identified that would outweigh the reasons for withholding the information.

Sections of the Act under which information has been redacted:

- section 9(2)(h), to maintain legal professional privilege.

Update on Bill of Rights Act 1990 compliance

Note subsequent to the statement in paragraph 10 of the Cabinet paper that an assessment of the Bill's consistency with the Bill of Rights Act 1990 (BORA) was in progress, the Attorney-General has provided advice that the Bill appears to be consistent with BORA.

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Office of the Minister for Regulation
Cabinet Chair

Regulatory Standards Bill: Approval for Introduction

Proposal

- 1 This paper seeks approval for the introduction of the Regulatory Standards Bill.

Policy

- 2 On 5 May 2025, Cabinet agreed for the Minister for Regulation to issue drafting instructions to the Parliamentary Counsel Office to implement its policy decisions regarding the Regulatory Standards Bill [CAB-25-MIN-0148].
- 3 The Regulatory Standards Bill aims to reduce the amount of unnecessary and poor 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.
- 4 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:
 - 4.1 existing interests and liberties - including the rule of law; liberties; taking of property; taxes, fees, and levies; and the role of courts
 - 4.2 good law-making processes – including consultation; options analysis; and cost-benefit analysis.
- 5 The Bill creates requirements for responsible Ministers, administering agencies and other makers of legislation in relation to the assessment of the consistency of proposed and existing legislation (both primary and secondary) against these principles. Ministers, as well as makers of secondary legislation, are required to ensure publication and/or presentation to the House of the results of those assessments and explanations for any inconsistency. Some primary and secondary legislation is excluded or exempted from these requirements.
- 6 The Bill also provides for the establishment of a Regulatory Standards Board, with members appointed by the Minister for Regulation, to make its own independent assessments of the consistency of legislation, helping create an incentive for Ministers and agencies to complete robust assessments of consistency with the principles. The Board would 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 would be non-binding. The Board would only have a role in relation to legislation that is subject to consistency assessment requirements, and could investigate the consistency of that legislation with the principles in two broad ways:

- 6.1 it could look at consistency assessments of bills as introduced into the House, and provide a report to Select Committee on its findings
 - 6.2 it could look at existing legislation and carry out an inquiry into whether the legislation is consistent with the principles, and report to the Minister for Regulation and responsible Minister on its findings.
- 7 Finally, the Bill seeks to strengthen regulatory quality by supporting the Ministry for Regulation in its regulatory oversight role, including by setting new requirements for the Ministry to report on the overall state of the Regulatory Management System, strengthened regulatory stewardship expectations for agencies, and information-gathering powers for the Ministry to support the efficient and effective conduct of regulatory reviews.

Impact analysis

- 8 A Regulatory Impact Statement was prepared in accordance with the necessary requirements and submitted alongside Cabinet approval of the policy [CAB-25-MIN-0148 refers].

Compliance

- 9 The Bill complies with each of the following:
- 9.1 the principles and guidelines set out in the Privacy Act 2020;
 - 9.2 relevant international standards and obligations; and
 - 9.3 the rights and freedoms contained in the Human Rights Act 1993;
- 10 Regarding compliance with the New Zealand Bill of Rights Act BORA 1990 an assessment of the Bill's consistency with the Bill of Rights Act is in progress.
- 11 Regarding compliance with the Treaty of Waitangi/te Tiriti o Waitangi Principles:
- 11.1 a Treaty Impact Assessment (TIA) has been prepared and submitted alongside Cabinet approval of the policy [CAB-25-MIN-0148 refers]. The TIA was informed by guidance for policy makers set out in Cabinet Circular CO (19)51 s 9(2)(h)
 - 11.2 the Bill does not include a principle relating to the Treaty/te Tiriti in the development or review of legislation. As a result, decision-makers considering matters under the Bill are not expressly required to consider the Treaty/te Tiriti, but are not restricted from doing so

- 11.3 the Treaty/te Tiriti impacts of the 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. s 9(2)(h)

- 12 Regarding compliance with the Legislation Design Advisory Committee Guidelines:

- 12.1 LDAC has previously advised that in their view some of the principles included in the current Bill are novel and do not align with settled legal understandings.

- 13 A disclosure statement has been prepared and is attached to this paper as Annex 1.

Consultation

- 14 Government departments were consulted on the Cabinet paper seeking policy decisions on the Regulatory Standards Bill. However, tight timeframes only allowed for limited consultation with departments in developing this paper.
- 15 New Zealand First, Act and National party caucuses were consulted on this paper.

Binding on the Crown

- 16 The Act will bind the Crown.

Creating new agencies or amending law relating to existing agencies.

- 17 The Bill does not create new public service agencies or amend law relating to existing agencies.

Allocation of decision-making powers

- 18 The Bill does not affect the allocation of decision-making powers between the executive and courts or tribunals.

Associated regulations

- 19 No regulations are needed to bring the Bill into operation.

Other instruments

- 20 The Bill enables the Minister for Regulation to issue notices to
- 20.1 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

20.2 specify that a class of existing secondary legislation is subject to review requirements – this will allow for the scheme to be extended to a broader range of existing secondary legislation over time, if necessary

21 These notices would be secondary legislation and would need to be approved by the House.

Definition of Minister/department

22 The Bill does not depart from the definition of Minister and Department as defined in Part 2 of the Legislation Act 2019.

Commencement of legislation

23 The Bill will come into force on 1 January 2026. Transitional arrangements provide for consistency assessment requirements for agencies and Ministers to be brought in via Order in Council but commence no later than six months after the date the Bill comes into force. This will allow time for the development and testing of guidance, and to ensure agencies understand and can prepare to meet the new requirements.

Parliamentary stages

24 I propose the Bill is introduced on the same day as Cabinet approval, and referred to the Finance and Expenditure Committee for consideration. I also propose that the Bill is enacted by 31 December 2025.

Proactive Release

25 I intend to release this Cabinet paper proactively within 30 business days of decisions being confirmed by Cabinet.

Recommendations

I recommend that Cabinet:

- 1 **note** that the Regulatory Standards Bill (Bill) holds a category 5 priority on the 2025 Legislation Programme (to proceed to select committee by the end of 2025);
- 2 **note** that the attached Bill gives effect to the decisions made by Cabinet on 5 May 2025 [CAB-25-MIN-0148 refers];
- 3 **note** that the Bill aims to reduce the amount of unnecessary and poor regulation by increasing transparency and making it clearer where legislation does not meet standards;

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- 4 **note** that Cabinet will consider the Departmental Report before it is submitted to Select Committee, and will further consider the Bill as reported back from Select Committee;
- 5 **note** that the Cabinet report back following Select Committee will include consideration of the proposed taking of property principle, as well as other matters;
- 6 **approve** the Regulatory Standards Bill for introduction, subject to the final approval of the government caucus and sufficient support in the House of Representatives;
- 7 **agree** that the Bill be introduced on 19 May 2025;
- 8 **note** that the Act will be binding the Crown;
- 9 **agree** that the government propose that the Bill be:
 - 9.1 referred to the Finance and Expenditure committee for consideration;
 - 9.2 enacted by 31 December 2025.

Authorised for lodgement

Hon David Seymour

Minister for Regulation

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Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Regulatory Standards Bill: Approval for Introduction

Portfolio	Regulation
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On 19 May 2025, the Cabinet:

- 1 **noted** that the Regulatory Standards Bill (the Bill) has a category 5 priority on the 2025 Legislation Programme (to proceed to Select Committee by the end of 2025);
- 2 **noted** that on 5 May 2025, Cabinet:
 - 2.1 agreed to a number of policy matters for inclusion in the Bill;
 - 2.2 agreed that Cabinet will consider the Departmental Report before it is submitted to Select Committee, and will further consider the Bill as reported back from Select Committee;
 - 2.3 agreed that the Cabinet report-back following Select Committee will include consideration of the proposed taking of property principle, as well as other matters;
- [CAB-25-MIN-0148]
- 3 **noted** that the Bill gives effect to the policy decisions referred to in paragraph 2.1 above;
- 4 **noted** the findings and recommendations of the Waitangi Tribunal in its Wai 3470 interim report;
- 5 **noted** that the Bill aims to reduce the amount of unnecessary and poor regulation by increasing transparency and making it clearer where legislation does not meet standards;
- 6 **noted** that the Act will be binding on the Crown;
- 7 **approved** the Regulatory Standards Bill [PCO 26050/5.0] for introduction;
- 8 **agreed** that the Bill be introduced on 19 May 2025;
- 9 **agreed** that the Government propose that the Bill be:
 - 9.1 referred to the Finance and Expenditure Committee for consideration;
 - 9.2 enacted by 31 December 2025.

Diana Hawker
for Secretary of the Cabinet