

Chair  
Cabinet Legislation Committee

## **ELECTRIC VEHICLES - SUBORDINATE LEGISLATION**

### **Proposal**

1. This paper asks the Cabinet Legislation Committee to approve the submission to the Executive Council of the following (the Orders):
  - 1.1. Land Transport (Road User) Amendment Rule 2017
  - 1.2. Land Transport Rule: Traffic Control Devices Amendment 2017
  - 1.3. Road User Charges (Exemption Period for Heavy Electric RUC Vehicles) Order 2017.

### **Executive summary**

2. This paper seeks approval to submit two land transport amendment rules and a road user charges exemption order to the Executive Council. These instruments are consequential on the passage of the Energy Innovation (Electric Vehicles and Other Matters) Amendment Act 2017 and contain subordinate detail necessary to implement government policy to encourage the uptake of electric vehicles. This is by amending land transport rules to make it lawful for electric vehicles to be driven in special vehicle lanes (subject to the road controlling authority making a bylaw permitting this) and by making an Order under the Road User Charges Act 2012 exempting heavy electric RUC vehicles from the payment of road user charges until the end of 2025.

### **Policy**

3. On 21 March 2016, Cabinet agreed to a package of measures to encourage the uptake of electric vehicles [CAB-16-MIN-0108.01 refers]. These measures, forming the Government's Electric Vehicles Programme, included two aspects requiring change to transport legislation:
  - 3.1. to clarify that the Land Transport Act 1998 empowers road controlling authorities to make bylaws allowing electric vehicles (EVs) to use special vehicle lanes and make amendments to the Land Transport (Road User) Rule 2004, and related provisions in Land Transport Rule: Traffic Control Devices 2004, to enable road controlling authorities to allow EVs access to special vehicle lanes
  - 3.2. to create a new road user charges exemption for heavy EVs extending, subject to review in 2019, to 31 December 2025.

4. The necessary changes to primary legislation have been effected through the Energy Innovation (Electric Vehicles and Other Matters) Amendment Act 2017, which:
  - 4.1. amends the Land Transport Act 1998 to clarify that road controlling authorities can make bylaws that permit drivers of EVs to drive in special vehicle lanes
  - 4.2. amends the Road User Charges Act 2012 to empower the Governor-General, to make Orders in Council that specify the period during which road user charges are not payable in respect of heavy electric RUC vehicles.
5. The Orders support these changes to primary legislation and complete the legislative changes:
  - 5.1. the Land Transport (Road User) Amendment Rule 2017 amends the Land Transport (Road User) Rule 2004 to make it lawful for drivers of EVs to drive in bus lanes and high occupancy vehicle lanes (when permitted by a road controlling authority bylaw)
  - 5.2. Land Transport Rule: Traffic Control Devices Amendment 2017 amends Land Transport Rule: Traffic Control Devices 2004 to prescribe road signs and road markings applicable to the use of EVs
  - 5.3. The Road User Charges (Exemption Period for Heavy Electric RUC Vehicles) Order 2017 specifies the period, from 1 September 2017 to 31 December 2025, during which road user charges are not payable in respect of heavy electric RUC vehicles.

#### **Timing and the 28-day rule**

6. The Orders will come into force on 1 September 2017, which is at least 28 days after their notification in the *New Zealand Gazette*.

#### **Compliance**

7. The Orders comply with each of the following:
  - 7.1. the principles of the Treaty of Waitangi;
  - 7.2. the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
  - 7.3. the principles and guidelines set out in the Privacy Act 1993;
  - 7.4. the relevant international standards and obligations;
  - 7.5. the *LAC Guidelines on the Process and Content of Legislation* (2014 edition), which are maintained by the Legislation Design and Advisory Committee.

8. Having considered, as required by section 152A(2) of the Land Transport Act 1998, the matters in section 164(2) of that Act, I recommend that Her Excellency the Governor-General make the Land Transport (Road User) Amendment Rule 2017 and Land Transport Rule: Traffic Control Devices Amendment 2017.
9. In recommending that Her Excellency the Governor-General make the Road User Charges (Exemption Period for Heavy Electric RUC Vehicles) Order 2017, I have considered the requirements of section 37A of the Road User Charges Act 2012 and I am satisfied that the purpose of the exemption is to encourage and support the uptake of heavy electric RUC vehicles.

### **Regulations Review Committee**

10. There are no grounds for the Regulations Review Committee to draw the Orders to the attention of the House of Representatives under Standing Order 319.

### **Certification by Parliamentary Counsel**

11. The Parliamentary Counsel Office have certified drafts of the Orders as being in order for submission to Cabinet.

### **Regulatory Impact Analysis**

12. A Regulatory Impact Statement, "Road user charges exemptions and discounts for electric vehicles", was prepared in accordance with the necessary requirements, and was submitted in March 2016 when Cabinet approval was sought for the policy relating to the regulations. [EGI-16-SUB-0034 refers].
13. A Regulatory Impact Statement has not been prepared in respect of these Orders, which come within the exemption for technical "revisions" or consolidations that substantially re-enact the current law in order to improve legislative clarity or navigability (including the fixing of errors, the clarification of the existing legislative intent, and the reconciliation of inconsistencies).

### **Publicity**

14. The Land Transport (Road User) Amendment Rule 2017 and the Road User Charges (Exemption Period for Heavy Electric RUC Vehicles) Order 2017 will be notified as Legislative Instruments in the *New Zealand Gazette* (the *Gazette*).
15. The New Zealand Transport Agency (the Transport Agency) will notify Land Transport Rule: Traffic Control Devices Amendment 2017 in the *Gazette* as required by section 161(3) of the Act.
16. The Transport Agency will give both general notice, and a specific notice to owners of heavy EVs, of the RUC exemption. The Transport Agency is already liaising with Road Controlling Authorities on allowing EVs to use special vehicle lanes.

## Consultation

17. Submissions were received on the proposal to allow road controlling authorities to make bylaws prescribing that electric vehicles can use special vehicle lanes during the Select Committee stage of the Energy Innovation (Electric Vehicles and Other Matters) Bill. In addition, the Ministry of Transport sought informal feedback on the proposed rule changes from the general public and notified key stakeholders of this process.
18. The Ministry of Business, Innovation, and Employment, the Department of Internal Affairs, the Ministry of Justice, the Parliamentary Counsel Office, the New Zealand Police, The Treasury, and the New Zealand Transport Agency were consulted on this paper. The Department of Prime Minister and Cabinet was informed.
19. The Minister of Transport has been consulted on this paper and agrees to it being lodged.

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

## Recommendations

20. The Associate Minister of Transport recommends that the Committee:
1. **note** that on 21 March 2016 Cabinet agreed [CAB-16-MIN-0108.01 refers] to:
    - 1.1 make amendments to the Land Transport (Road User) Rule 2004, and related provisions in Land Transport Rule: Traffic Control Devices 2004, to enable road controlling authorities to allow electric vehicles access to bus and high occupancy vehicle lanes;
    - 1.2 create a new road user charges exemption for heavy electric vehicles, to end (subject to review in 2019) on 31 December 2025;
  2. **note** that the Land Transport (Road User) Amendment Rule 2017 and Land Transport Rule: Traffic Control Devices Amendment 2017 will give effect to the decision referred to in paragraph 1.1 above;
  3. **note** that the Road User Charges (Exemption Period for Heavy Electric RUC Vehicles) Order 2017 will give effect to the decision referred to in paragraph 1.2 above;
  4. **authorise** the submission to the Executive Council of the Land Transport (Road User) Amendment Rule 2017, Land Transport Rule: Traffic Control Devices Amendment 2017 and the Road User Charges (Exemption Period for Heavy Electric RUC Vehicles) Order 2017;
  5. **note** that the Land Transport (Road User) Amendment Rule 2017, Land Transport Rule: Traffic Control Devices Amendment 2017 and the Road User Charges (Exemption Period for Heavy Electric RUC Vehicles) Order 2017 will come into force on 1 September 2017.

Hon Tim Macindoe  
**Associate Minister of Transport**

Dated: \_\_\_\_\_