



Fire and Emergency New Zealand (Levy Rates and Information Requirements in Transitional Period) Regulations 2017

Rt Hon Dame Sian Elias, Administrator of the Government

Order in Council

At Wellington this 15th day of May 2017

Present:

Her Excellency the Administrator of the Government in Council

These regulations are made under clause 27 of Schedule 1 of the Fire and Emergency New Zealand Act 2017—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister of Internal Affairs.

Contents

	Page
1 Title	2
2 Commencement	2
3 Interpretation	2
4 Rates of levy	2
5 Information to be provided with return, certificate, or declaration	2
6 Amounts fixed for purposes of levy for transitional period	3
7 Revocation	3

Regulations

1 Title

These regulations are the Fire and Emergency New Zealand (Levy Rates and Information Requirements in Transitional Period) Regulations 2017.

2 Commencement

These regulations come into force on 1 July 2017.

3 Interpretation

- (1) In these regulations, unless the context otherwise requires,—

Act means the Fire and Emergency New Zealand Act 2017

EQC Act means the Earthquake Commission Act 1993

return, certificate, or declaration means a return, certificate, or statutory declaration made or provided under section 49, 49A, 49B, 50, or 51A of the Fire Service Act 1975 (as continued by clause 26 of Schedule 1 of the Act).

- (2) *See also* clause 24 of Schedule 1 of the Act.

4 Rates of levy

The rates of the levy payable for the purposes of clause 25 of Schedule 1 of the Act are,—

- (a) for each motor vehicle, a rate of \$8.45 per annum; and
- (b) for all other property, a rate of 10.6 cents per annum for every \$100 of the amount for which the property is insured for the period of the contract of fire insurance.

5 Information to be provided with return, certificate, or declaration

- (1) This regulation applies to a contract of fire insurance for which the amount of levy payable to FENZ is equal to or greater than the amount calculated in accordance with the following formula:

$$\$1,000 \div 365 \times d$$

where d is the number of whole days in the period of the contract.

- (2) A person who is required to make or provide a return, certificate, or declaration to FENZ in relation to the contract must also provide the specified information to FENZ with the return, certificate, or declaration.
- (3) The specified information is—
- (a) whether the contract provides insurance for—
 - (i) 1 or more motor vehicles; or
 - (ii) residential property; or
 - (iii) personal property; or

- (iv) other property:
- (b) if the contract provides insurance for property other than motor vehicles, residential property, or personal property, the amount for which the property is insured (as determined in accordance with section 48(6)(c) and (d) of the Fire Service Act 1975):
- (c) if the contract provides insurance for property that is or includes 1 or more heavy RUC vehicles (as defined in section 5(1) of the Road User Charges Act 2012), the number of heavy RUC vehicles for which the contract provides insurance:
- (d) the amount insured (within the meaning of section 82 of the Act) of the property insured under the contract:
- (e) the date on which the insurance provided under the contract commences and the date on which the insurance ends:
- (f) the name of the policyholder (within the meaning of section 81(1) of the Act):
- (g) the amount of levy paid.

6 Amounts fixed for purposes of levy for transitional period

For the purposes of subpart 3 of Part 1 of Schedule 1 of the Act,—

- (a) the amount by which the number of dwellings in a building must be multiplied is \$100,000 (*see* clause 28(1)(a) of Schedule 1 of the Act and section 18(1)(c) of the EQC Act):
- (b) the amount by which the area in square metres of the residential building must be multiplied is \$1,000 (*see* clause 28(1)(b) of Schedule 1 of the Act and section 18(2) of the EQC Act):
- (c) the amount provided for in section 20(b) of the EQC Act is \$20,000 (*see* clause 28(3) of Schedule 1 of the Act).

7 Revocation

These regulations are revoked on the earlier of—

- (a) the date on which sections 80 to 140 of the Act come into force in accordance with section 2(5) of the Act; and
- (b) 1 July 2019.

Michael Webster,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 July 2017, are made under clause 27 of Schedule 1 of the Fire and Emergency New Zealand Act 2017 (the **Act**). These regulations set rates of levy (*regulation 4*) and specify information that must be provided to Fire and Emergency New Zealand (**FENZ**) in certain cases (*regulation 5*).

Subpart 3 of Part 1 of Schedule 1 of the Act provides for a levy to fund FENZ during the transitional period. Clause 25 of Schedule 1 provides that every insurance company with which any property is insured against fire under any contract of fire insurance made in New Zealand must pay a levy to FENZ in accordance with subpart 3 of Part 1 of that schedule. Clause 26 of Schedule 1 of the Act provides for various provisions of the Fire Service Act 1975 related to the payment of the levy to be continued for the duration of the transitional period.

The transitional period commences on 1 July 2017 and will last between 1 and 2 years. The transitional period will end when more permanent levy arrangements (set out in sections 80 to 140 of the Act) come into force on—

- a date between 1 July 2018 and 1 July 2019 to be appointed by Order in Council; or
- if no such Order in Council is made, 1 July 2019.

Regulation 4 sets rates of levy for property that is insured against fire under any contract of fire insurance made in New Zealand. The regulation sets a rate for motor vehicles (which is the same amount regardless of the amount for which the motor vehicle is insured). For all other property, the rate is based on the amount for which the property is insured. Both rates are expressed as annual rates. Clause 27(3) of Schedule 1 of the Act provides that the levy must be calculated on a pro rata basis if the period of the contract is any period other than a complete year.

Regulation 5 specifies information that must be provided to FENZ in relation to contracts of insurance for which the amount of levy payable is equal to or greater than \$1,000 per annum (or equal to or greater than a proportional amount if the period of the contract is any period other than a year).

Regulation 6 fixes certain amounts for the purposes of subpart 3 of Part 1 of Schedule 1 of the Act. Certain provisions of the Fire Service Act 1975 that are continued by clause 26 of Schedule 1 of the Act rely on provisions of the Earthquake Commission Act 1993 for the calculation of the amounts for which property is insured. In effect, those calculations establish caps on the amount of levy payable in respect of certain property. Clause 27 of Schedule 1 of the Act provides for certain amounts that form part of those calculations (and that are provided for in the Earthquake Commission Act 1993) to be fixed by regulations made under the Act for the purposes of the levy for the transitional period. Accordingly, *regulation 6* fixes amounts for that purpose. (In each case, the amount fixed under these regulations is the same amount as is provided for in the Earthquake Commission Act 1993.)

Regulation 7 revokes these regulations at the end of the transitional period.

Regulatory impact statement

The Department of Internal Affairs produced a cost recovery impact statement on 2 March 2017 (levy rates) and a regulatory impact statement on 3 March 2017 (information requirements) to help inform the decisions taken by the Government relating to the contents of this instrument.

Copies of the statements can be found at—

- https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Regulatory-Impact-Statements-Index
- <http://www.treasury.govt.nz/publications/informationreleases/ris>

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 18 May 2017.

These regulations are administered by the Department of Internal Affairs.