



# **Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016**

Public Act    2016 No 36  
Date of assent    7 July 2016  
Commencement    see section 2

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**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016.

**2 Commencement**

- (1) Sections 5(2) and (3), 11, 12, 14 to 16, 17(3), 18(2) and (3), 26(1), 27, 28, 29(1) to (4), 31 to 34, 36(3), 37, 39 to 41, and 43 to 47 come into force on a date appointed by the Governor-General by Order in Council.
- (2) One or more orders may be made under subsection (1) bringing different provisions into force on different dates.

- (3) The rest of this Act comes into force on the day after the date on which this Act receives the Royal assent.

## Part 1 Amendments to the Social Security Act 1964

### 3 Principal Act

This Part amends the Social Security Act 1964 (the **principal Act**).

### 4 Section 1A amended (Purpose)

In section 1A(ca), replace “move to” with “move into or remain in”.

### 5 Section 3 amended (Interpretation)

- (1) In section 3(1), insert in their appropriate alphabetical order:

**NCEA level 2** means a level 2 National Certificate of Educational Achievement issued by the New Zealand Qualifications Authority established under Part 20 of the Education Act 1989

**young person**,—

- (a) in sections 1A(ca) and 123E, means a person who is aged at least 15 years but is under the age of 18 years; and
- (b) in all other cases, means a person who is aged at least 16 years but is under the age of 20 years

- (2) In section 3(1), replace the definition of **young person** with:

**young person**,—

- (a) in sections 1A(ca) and 123E,—
  - (i) means a person who is aged at least 15 years but is under the age of 18 years; and
  - (ii) includes a person aged 18 years or over who continues to receive services under section 123E(2); and
- (b) in all other cases,—
  - (i) means a person who is aged at least 16 years but is under the age of 20 years; and
  - (ii) includes—
    - (A) a person aged 20 years or over in respect of whom a young parent payment continues under section 168; and
    - (B) a person aged 20 years or over to whom obligations in section 170(1) continue to apply under section 171(5)

- (3) In section 3(1), definition of **young person**, paragraph (b)(ii)(B), after “section 171(5)”, insert “or 171A(5)”.

**6 Section 3C amended (Transitional and savings provisions relating to amendments to this Act)**

In section 3C(2), the table, after the item relating to the Social Security Amendment Act (No 2) 2015, insert:

Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016	Part 5
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**7 Section 10A amended (Review of decisions of chief executive made under delegation by other decision makers)**

In section 10A(1), the table, replace item 1 with:

1	An applicant or a beneficiary	A decision of the chief executive made in relation to the applicant or beneficiary under any enactment referred to in any of the paragraphs of section 12J(1) (other than a decision referred to in section 12J(2) or (3))
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**8 Section 10B amended (Right of appeal on medical grounds)**

In section 10B(1), after “chief executive”, insert “made in relation to the applicant or beneficiary”.

**9 Section 12J amended (Rights of appeal)**

- (1) In section 12J(1), replace “Any applicant or beneficiary affected may appeal to the Appeal Authority against any decision or determination of the chief executive” with “An applicant or beneficiary may appeal to the Appeal Authority against any decision or determination of the chief executive made in relation to the applicant or beneficiary”.
- (2) Replace section 12J(5) and (6) with:
  - (5) For the purposes of subsection (1), a decision or determination is not made in relation to an applicant or a beneficiary by reason only that the decision or determination has an economic or other effect on the applicant or beneficiary.
  - (6) A beneficiary’s spouse or partner—
    - (a) may appeal to the Appeal Authority against a decision by the chief executive that section 83AA applies to the beneficiary in respect of a benefit apportioned under section 83(1) or (2) or against any component decision that some or all of the benefit paid to the spouse or partner—
      - (i) is an amount in excess of the amount to which the spouse or partner is by law entitled or is an amount to which the spouse or partner has no entitlement; or
      - (ii) is an amount obtained by fraud by the spouse or partner; but
    - (b) may not appeal against a decision or determination of the chief executive that relates only to the temporary deferral, rate, or method or methods of debt recovery from the beneficiary.

**10 Section 12S amended (Appeals to Supreme Court)**

Replace section 12S(1) with:

- (1) Any party to a proceeding under section 12Q or 12R in which a determination of the High Court or the Court of Appeal has been made may apply, in accordance with the Supreme Court Act 2003, to the Supreme Court for leave to appeal against the determination.

**11 Section 20D amended (Sole parent support: standard eligibility requirements)**

In section 20D(1)(b), replace “19 years” with “20 years”.

**12 Section 40D amended (Supported living payment: on ground of caring for patient requiring care: eligibility)**

In section 40D(2)(b), replace “19 years” with “20 years”.

**13 Section 82 amended (Payment of benefits)**

After section 82(3), insert:

- (3A) If any instalment of a benefit is payable after the beneficiary’s death, that instalment may be paid,—
  - (a) on application by the surviving spouse or partner of the beneficiary, to that spouse or partner; or
  - (b) if the beneficiary has no surviving spouse or partner but has a surviving dependent child, on application by the person who has the care of the child, to that person (or to another person appointed by the chief executive for the purpose) for the benefit of that child and any other surviving dependent children of the beneficiary; or
  - (c) in any other case, in the manner in which that instalment would have been paid if the beneficiary had not died.

**14 Section 88B amended (Jobseeker support: standard eligibility requirements)**

- (1) Replace section 88B(1)(b) with:

- (b) is not in full-time employment, but would comply with subparagraphs (i) to (iv) of paragraph (a) if it were not for circumstances that would qualify the person for—
  - (i) an exemption under section 105 from some or all work test obligations; or
  - (ii) a deferral of work test obligations under section 88I(6A) or (6B); or

- (2) In section 88B(2)(b), replace “19 years” with “20 years”.

**15 Section 88D amended (Jobseeker support: ineligibility)**

In section 88D(a), after “the situation described in section 88C(2) or (3)”, insert “or if the person’s work test obligations are deferred under section 88I(6A) or (6B) or if the person is granted an exemption from some or all of his or her obligations under section 60Q on the grounds in regulation 3A(2)(g) of the Social Security (Exemptions under Section 105) Regulations 1998”.

**16 Section 88I amended (Jobseeker support: chief executive’s powers and duties to defer work test obligations)**

After section 88I(6), insert:

- (6A) The chief executive may grant to a beneficiary who is receiving jobseeker support a deferral under this section (whether or not the beneficiary has made an application for it) if the chief executive is satisfied that—
- (a) the beneficiary is a young person who is required to receive youth services under section 171A(2); and
  - (b) the beneficiary’s undertaking of a full-time course that will give the beneficiary credits towards NCEA level 2 or an equivalent qualification would reduce the beneficiary’s risk of long-term welfare dependency (within the meaning of section 171A); and
  - (c) the deferral is necessary to enable the beneficiary to undertake that study.
- (6B) The chief executive may grant to an applicant for jobseeker support a deferral under this section (whether or not the person has made an application for it) for the purpose of enabling that benefit to be granted if the chief executive is satisfied that—
- (a) the applicant has become eligible for jobseeker support while receiving a youth payment; and
  - (b) the applicant is a student in a full-time course of secondary instruction or tertiary education that will give the applicant credits towards NCEA level 2 or an equivalent or higher qualification that he or she commenced or was undertaking while receiving the youth payment; and
  - (c) the deferral is necessary to enable the applicant to complete study towards that qualification.

**17 Section 123E amended (Services to encourage young persons to move to education, training, and employment)**

- (1) In the heading to section 123E, replace “**move to**”, with “**move into or remain in**”.
- (2) In section 123E(a), after “move into”, insert “or remain in”.
- (3) In section 123E, insert as subsection (2):

- (2) If, on the date that a young person turns 18, he or she is, in the chief executive's opinion, continuing in a course of education or training, the services referred to in subsection (1)(a) may continue to be provided to the young person until,—
- (a) if the course is a course of secondary instruction or if the course ends in December, the close of the following 31 March:
  - (b) in any other case, the close of the day on which the course ends.

**18 Section 123F amended (Chief executive may enter into information-sharing agreement with chief executive of Ministry of Education)**

- (1) In section 123F(1), after “Ministry of Education”, insert “under Part 9A of the Privacy Act 1993”.
- (2) In section 123F(1), replace “123E(a)” with “123E(1)(a) or assessing young persons' risk of long-term welfare dependency (within the meaning of section 171A)”.
- (3) In section 123F(2)(a), replace “123E(a)” with “123E(1)(a) or is required for the assessment of the young persons' risk of long-term welfare dependency (within the meaning of section 171A)”.

**19 Sections 123G and 123H repealed**

Repeal sections 123G and 123H.

**20 Section 125A amended (Chief executive may contract with service providers)**

- (1) In section 125A(1), replace “provider of services—” with “provider of all or any of the following:”.
- (2) Replace section 125A(1)(a) to (b) with the following:
- (a) services of a kind or description specified for the purposes of this paragraph by regulations under this Act and that are—
    - (i) services of a kind referred to in section 123E(a) (services to encourage and help young persons to move into or remain in education, training, and employment); or
    - (ii) services in relation to Part 5 (financial support for young people):
  - (b) services in relation to all or any of Parts 1 to 1P and 2 (which may be, but need not be, services of a kind or description specified for the purposes of this paragraph by regulations under this Act).

**21 Section 125C amended (Release of personal information to and by contracted service provider)**

In section 125C(4), replace “required by section 123G” with “required by section 96O of the Privacy Act 1993”.



- 22 Section 125D amended (Information-sharing in relation to young persons)**  
In section 125D(5), replace “required by section 123G” with “required by section 96O of the Privacy Act 1993”.
- 23 Section 125G amended (Actions of contracted service providers to be treated for certain purposes as if actions of department)**
- (1) In the heading to section 125G, after “**providers**”, insert “**in relation to young persons**”.
  - (2) After section 125G(3), insert:
  - (4) In this section, **contracted service provider** means a contracted service provider assigned to a young person under section 181.
- 24 Section 125H amended (Operation of certain provisions to be reviewed after 3 years)**  
In section 125H(1), delete “123G,”.
- 25 Section 157 amended (Interpretation)**
- (1) In section 157, repeal the definitions of **NCEA level 2** and **young person**.
  - (2) In section 157, definition of **specified beneficiary**, paragraph (b), after “supported living payment”, insert “under section 40B”.
- 26 Section 162 amended (Youth payment: continuation after age 18)**
- (1) Replace section 162(1)(b)(i) and (ii) with:
    - (i) if the course is a course of secondary instruction or if the course ends in December, the close of the following 31 March:
    - (ii) in any other case, the close of the day on which the course ends.
  - (2) After section 162(2)(a), insert:
    - (ab) a supported living payment on the ground of caring for a patient requiring care, under section 40D:
- 27 Section 164 amended (Young parent payment: basic criteria)**  
In section 164(2)(a), replace “18 years” with “19 years”.
- 28 Section 165 amended (Young parent payment: single young persons)**  
In section 165(4), after “18 years” insert “or 19 years”.
- 29 Section 168 amended (Young parent payment: continuation after age 19)**
- (1) In the heading to section 168, replace “**age 19**” with “**turning 20**”.
  - (2) In section 168(1), replace “under 19 years” with “under 20 years”.
  - (3) In section 168(1)(a) and (b), replace “turns 19” with “turns 20”.
  - (4) Replace section 168(1)(b)(i) and (ii) with:

- (i) if the course is a course of secondary instruction or if the course ends in December, the close of the following 31 March; or
  - (ii) in any other case, the close of the day on which the course ends.
- (5) After section 168(2)(a), insert:
- (ab) a supported living payment on the ground of caring for a patient requiring care, under section 40D:

### 30 Section 170 amended (Youth support payments: obligations)

- (1) After section 170(1)(e), insert:
- (ea) to give to the department or to a contracted service provider assigned to the young person (within 20 working days starting on the day after the date on which the chief executive informs the young person of the requirement) the following information:
    - (i) details of the young person's accommodation costs and service costs and other lawful debts and liabilities; and
    - (ii) any other information reasonably required by the chief executive to effect money management under section 179:
- (2) In section 170(1)(g)(ii), replace "information on" with "details of".

### 31 Section 171 amended (Obligations of spouses and partners of specified beneficiaries)

- (1) In the heading to section 171, replace "**Obligations of spouses**" with "**Obligations of, and incentives for, spouses**".
- (2) In section 171(1), replace "spouse, or civil union or de facto partner," with "spouse or partner".
- (3) In section 171(1)(b), after "60Q", insert "; and".
- (4) After section 171(1)(b), insert:
- (c) if the person meets the criteria prescribed for the purposes of section 163 by regulations made under this Act, is entitled to receive the appropriate incentive payment (if any) stated in Schedule 26 as if he or she were receiving a youth payment.
- (5) In section 171(2), replace "18 years, has a dependent child or children, and is the spouse, or civil union or de facto partner," with "19 years, has a dependent child or children, and is the spouse or partner".
- (6) In section 171(2)(b), after "60Q", insert "; and".
- (7) After section 171(2)(b), insert:
- (c) if the person meets the criteria prescribed for the purposes of section 169 by regulations made under this Act, is entitled to receive the appropriate incentive payment (if any) stated in Schedule 26 as if he or she were receiving a young parent payment.

- (8) Repeal section 171(3).
- (9) After section 171(3), insert:
- (4) If a young person is aged under 18 when the obligations in subsection (1) start to apply to him or her, those obligations continue,—
- (a) until the close of the day that is 6 months after the date on which the obligations start to apply to the young person, even if he or she turns 18 during that 6-month period; or
  - (b) in the case of a young person who, on the day when he or she turns 18, is continuing in a course of education, training, or work-based learning, until,—
    - (i) if the course is a course of secondary instruction or if the course ends in December, the close of the following 31 March; or
    - (ii) in any other case, the close of the day on which the course ends.
- (5) If a young person is aged under 20 when the obligations in subsection (2) start to apply to him or her, those obligations continue,—
- (a) until the close of the day that is 6 months after the date on which the obligations started to apply to the young person, even if he or she turns 20 during that 6-month period; or
  - (b) in the case of a young person who, on the day when he or she turns 20, is continuing in a course of education, training, or work-based learning, until,—
    - (i) if the course is a course of secondary instruction or if the course ends in December, the close of the following 31 March; or
    - (ii) in any other case, the close of the day on which the course ends.
- (6) Subsection (7) applies to a young person who becomes subject to obligations under subsection (1) or (2) on or after the date on which section 31 of the Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016 comes into force.
- (7) While a young person to whom this subsection applies is subject to obligations under subsection (1) or (2), sections 170(1)(g)(ii) and 179 apply to the young person as if he or she were receiving a youth support payment.

**32 New section 171A inserted (Certain young persons may be required to receive youth services)**

After section 171, insert:

**171A Certain young persons may be required to receive youth services**

- (1) This section applies to a young person aged 18 or 19 years without dependent children who—

- (a) is receiving jobseeker support under section 88B in his or her own right or as the spouse or partner of the person granted the benefit; or
  - (b) is the work-tested spouse or partner of a specified beneficiary (other than a spouse or partner described in paragraph (a)).
- (2) If the chief executive determines that a young person to whom this section applies is at significant risk of long-term welfare dependency, the chief executive may require the young person to receive services of a kind referred to in section 125A(1)(a)(ii) (**youth services**).
- (3) In exercising the discretion under subsection (2), the chief executive may consider factors that affect the ability of the department to provide the young person with youth services (for example, funding and capacity to provide the services in the young person's area).
- (4) However, before requiring the young person to receive youth services, the chief executive must take reasonable steps to consult the young person about—
- (a) the young person's risk of long-term welfare dependency; and
  - (b) the proposal to require the young person to receive youth services.
- (5) A requirement under subsection (2) that is placed on a young person who is aged 19 at the time the requirement is made continues—
- (a) until the close of the day that is 6 months after the date on which the requirement was placed on the young person, even if he or she turns 20 during that 6-month period; or
  - (b) in the case of a young person who, on the day when he or she turns 20, is continuing in a course of education, training, or work-based learning, until,—
    - (i) if the course is a course of secondary instruction or if the course ends in December, the close of the following 31 March;
    - (ii) in any other case, the close of the day on which the course ends.
- (6) The following apply to a young person who is required to receive youth services under subsection (2) as if the person's jobseeker support, or the portion of the jobseeker support or the specified beneficiary's benefit payable to the young person under section 83, were a youth payment:
- (a) the obligations in section 170(1)(b) and (d) to (g) in addition to his or her work test obligations or obligations under section 60Q;
  - (b) sections 163(2) and 178 as if the appropriate incentive payments were those set out in items 7 and 8 of Schedule 26;
  - (c) section 176(4);
  - (d) sections 179 and 181;
  - (e) regulations 4 and 5 and Part 2 of the Social Security (Criteria for Incentive Payments and Money Management) Regulations 2012.

- (7) The chief executive may from time to time review a requirement placed on a young person under subsection (2) and may confirm or revoke it.
- (8) In this section, **risk of long-term welfare dependency**, in relation to a person, means the risk, determined using risk factors set by the Minister for the purposes of this section by direction under section 5, that the person will, for an indefinite period, not be able to obtain full-time employment and will be likely to remain wholly or largely dependent for his or her financial support on all or part of a main benefit under this Act.

### 33 Section 172 amended (Department to explain obligations to young person)

In section 172, replace “170 or 171” with “170, 171, or 171A”.

### 34 New sections 174A and 174AB inserted

After section 174, insert:

#### 174A Sanctions for failure by young spouse or partner of specified beneficiary to comply with obligations

- (1) Subsection (2) applies to a young person—
  - (a) who is—
    - (i) aged 16 or 17 years, without dependent children, and is the spouse or partner of a specified beneficiary; or
    - (ii) aged 16 to 19 years, with a dependent child or children, and is the spouse or partner of a specified beneficiary; and
  - (b) whose benefit is subject to money management.
- (2) If a young person to whom this subsection applies fails, without good and sufficient reason, to comply with an obligation under section 170 placed on him or her by section 171(1)(a), the sanctions in section 173 apply (and sections 175 and 176 apply) as if the young person’s benefit were a youth support payment.
- (3) Subsection (4) applies to a young person—
  - (a) who is—
    - (i) aged 16 or 17 years, without dependent children, and is the spouse or partner of a specified beneficiary; or
    - (ii) aged 16 to 19 years, with a dependent child or children, and is the spouse or partner of a specified beneficiary; and
  - (b) whose benefit is not subject to money management.
- (4) A failure, without good and sufficient reason, by a young person to whom this subsection applies to comply with any of the obligations placed on the young person under section 171(1) or (2),—
  - (a) for a young person who would, but for section 171(1)(b) or (2)(b), be subject to the work test, is a failure to comply with the work test for the purposes of section 117; and

- (b) for a person who would, but for section 171(1)(b) or (2)(b), be subject to obligations under section 60Q, is a failure to comply with section 60Q(2) for the purposes of section 116B; and
- (c) for a young person who is subject to a sanction under section 117, also results in—
  - (i) suspension of the young person's incentive payments (if any) (if that sanction is a reduction or suspension of the young person's benefit) until the young person recomplies; or
  - (ii) cancellation of the young person's incentive payments (if any) (if that sanction is the cancellation of the young person's benefit).

**174AB Sanctions for failure by young person required to receive youth services to comply with obligations**

- (1) Subsection (2) applies to a young person—
  - (a) who has been required to receive youth services under section 171A(2); and
  - (b) whose benefit is subject to money management under section 179.
- (2) If satisfied that a young person to whom this subsection applies has, without good and sufficient reason, failed to comply with an obligation placed on him or her by section 171A(6)(a) or (in the case of a work-tested beneficiary) the work test or (in the case of a beneficiary who is required to comply with section 60Q) section 60Q(2), the chief executive must treat that failure as if it were a failure to comply with an obligation under section 170, and the sanctions in section 173 apply (and sections 175 and 176 apply) as if the young person's benefit were a youth support payment.
- (3) Subsection (4) applies to a young person—
  - (a) who has been required to receive youth services under section 171A(2); and
  - (b) whose benefit is not subject to money management under section 179.
- (4) If satisfied that a young person to whom this subsection applies has, without good and sufficient reason, failed to comply with an obligation placed on him or her by section 171A(6)(a), the chief executive must,—
  - (a) in the case of a young person who is subject to the work test, treat the failure as a failure to comply with the work test for the purposes of section 117; and
  - (b) in the case of a young person who is subject to obligations under section 60Q, treat the failure as a failure to comply with section 60Q(2) for the purposes of section 116B; and
  - (c) in the case of a young person who is subject to a sanction under section 117,—

- (i) suspend the young person's incentive payments (if any) (if that sanction is a reduction or suspension of the young person's benefit) until the young person recomplies; or
- (ii) cancel the young person's incentive payments (if any) (if that sanction is the cancellation of the young person's benefit).

**35 Section 179 amended (Money management in relation to youth support payments: general)**

- (1) Repeal section 179(4)(b).
- (2) After section 179(11), insert:
  - (12) Subsection (13) applies to a young person if—
    - (a) the young person ceases to be subject to money management under this section; and
    - (b) the young person has a payment card, voucher, or device to which an amount or amounts payable to the young person have been credited for the purchase of goods or services; and
    - (c) the amount on the card, voucher, or device has not been fully spent.
  - (13) On application by a young person to whom this subsection applies, the chief executive may—
    - (a) cancel the young person's payment card, voucher, or device; and
    - (b) pay the amount standing to the credit of the young person on the payment card, voucher, or device (after the deduction of any debt recoverable from the young person) to the young person in accordance with section 82(3).

**36 Schedule 32 amended**

- (1) In the heading to Schedule 32, replace “**Transitional**” with “**Validation, transitional**”.
- (2) In Schedule 32, after Part 4, insert:

**Part 5**

**Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016**

**22 Validation of certain payments made after death of beneficiary**

- (1) In this clause, **commencement date** means the date on which section 13 of the Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016 comes into force.

- (2) Any of the following payments of a benefit after the beneficiary's death, made on or after 28 September 1982 and before the commencement date, were validly made:
- (a) a payment to the estate of the deceased beneficiary:
  - (b) a payment to the surviving spouse or partner of the deceased beneficiary (whether or not the spouse or partner applied for payment):
  - (c) a payment to or for the benefit of a surviving child of the deceased beneficiary (whether or not an application for payment was made by or on behalf of that child or the child's principal caregiver).

### 23 Validation of other payments

- (1) In this clause, **commencement date** means the date on which section 35 of the Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016 comes into force.
- (2) This clause applies to any payment before the commencement date of an amount standing to the credit of a young person on a payment card, voucher, or device in the circumstances and manner described in section 179(12) and (13).
- (3) The payment must be taken to be, and to always have been, valid and authorised as if section 179(12) and (13) were in force when the payment was made.
- (3) In Schedule 32, after clause 23, insert:

### 24 Transfer to young parent payment on commencement date, and savings

- (1) In this clause, **commencement date** means the date on which section 11 of the Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016 comes into force.
- (2) This subclause applies to a sole parent aged 19 who, immediately before the commencement date, was receiving sole parent support under section 20D.
- (3) Despite section 20D(1)(b) (as it is on the commencement date), a person to whom subclause (2) applies is entitled to continue to receive sole parent support until the benefit ends or expires or is for any reason cancelled or terminated.
- (4) This subclause applies to a person aged 19 who is the parent or step-parent of a dependent child or dependent children and who, immediately before the commencement date, was receiving jobseeker support (whether as the person granted that benefit or as the spouse or partner of the person granted the benefit) or a supported living payment under section 40D.
- (5) Despite section 40D(2)(b) or 88B(2)(b), a person to whom subclause (4) applies is entitled to continue to receive the appropriate benefit referred to in that subclause until the benefit ends or expires, or is for any reason cancelled or terminated.
- (6) This subclause applies to a person aged 19 who is—



- (a) a sole parent; or
  - (b) a parent or step-parent of a dependent child or dependent children, and whose spouse or partner is aged not more than 19.
- (7) On or after the commencement date, the chief executive must determine, in accordance with the applicant's entitlement before the commencement date, an application by a person to whom subclause (6) applies for sole parent support or a supported living payment under section 40D or jobseeker support that—
- (a) was made (but not decided or determined by the chief executive) before the commencement date; or
  - (b) is made on or within 1 month after the commencement date.
- (8) For the purpose of subclause (7), an application is made on the earlier of—
- (a) the date on which it is received; and
  - (b) the date on which it is treated under section 11D(7) as being received.
- (9) If it is determined that, before the commencement date, the applicant was entitled to a benefit referred to in subclause (7), the applicant must be treated as a person to whom subclause (2) or (as the case requires) (4) applies.
- (10) If it is determined that the applicant had no entitlement to a benefit referred to in subclause (7), the applicant's application must be treated,—
- (a) in the case of a sole parent, as an application for a young parent payment under sections 164 and 165; or
  - (b) in any other case, as applications by both the applicant and his or her spouse or partner for a young parent payment under sections 164 and 166.

## **25 Saving of existing information-sharing agreement**

- (1) In this clause, **commencement date** means the date on which section 18 of the Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016 comes into force.
- (2) An information-sharing agreement made under section 123F before the commencement date is taken from the commencement date to be an approved information-sharing agreement made under Part 9A of the Privacy Act 1993 and to have satisfied the requirements of section 96O of that Act.

## **26 Obligations of spouses or partners of specified beneficiaries**

- (1) In this clause, **commencement date** means the date on which section 25 of the Social Security (Extension of Young Persons Services and Remedial Matters) Amendment Act 2016 comes into force.
- (2) This subclause applies to a young person who, immediately before the commencement date, is aged 18 years, has a dependent child or children, and is the spouse or partner of a specified beneficiary (as defined in section 157) who is aged 20 years or older.

- (3) Despite section 171(2) and (4) (as it is on the commencement date), a young person to whom subclause (2) applies ceases to be subject to the obligations specified in that section on the day that he or she attains the age of 19 years.
- (4) This subclause applies to a young person who is the parent or step-parent of a dependent child or dependent children and who is the spouse or partner of a specified beneficiary (as defined in section 157) and who, immediately before the commencement date, is aged 19 years.
- (5) Despite section 171(3) and (5), a young person to whom subclause (4) applies is not subject to the obligations specified in section 171.

## Part 2

### Amendments to other enactments

#### 37 Social Security (Effect of Absence of Beneficiary from New Zealand) Regulations 2013 amended

- (1) This section amends the Social Security (Effect of Absence of Beneficiary from New Zealand) Regulations 2013.
- (2) After regulation 6(c), insert:

*Other obligations of young persons*

  - (d) in the case of a young person who is the spouse or partner of a specified beneficiary (within the meaning of section 157 of the Act), the obligations in section 171 of the Act:
  - (e) in the case of a young person who is required, under section 171A of the Act, to receive youth services, the obligations in that section.
- (3) In regulation 7(4)(a), replace “section 171” with “section 171 or 171A”.
- (4) In regulation 7(4)(c), replace “section 170 or 171” with “section 170, 171, or 171A”.

#### 38 Social Security (Contracts and Information Sharing with Service Providers) Regulations 2012 amended

- (1) This section amends the Social Security (Contracts and Information Sharing with Service Providers) Regulations 2012.
- (2) In regulation 3(1), revoke the definition of **young person**.

#### 39 Amendments to Social Security (Criteria for Incentive Payments and Money Management) Regulations 2012

Sections 40 to 43 amend the Social Security (Criteria for Incentive Payments and Money Management) Regulations 2012.

**40 Regulation 3 amended (Interpretation)**

In regulation 3(1), definition of **specified payment**, after paragraph (c)(iv), insert:

- (v) if the young person has been required to receive youth services under section 171A(2) of the Act, any payment of—
  - (A) jobseeker support payable to the young person under section 82 or 83 of the Act; or
  - (B) a portion of a benefit (other than jobseeker support) referred to in the definition of specified beneficiary in section 157 of the Act payable to the young person under section 83 of the Act

**41 New regulation 6A inserted (When young person required to receive youth services meets criteria for return of incentive payments)**

After regulation 6, insert:

**6A When young person required to receive youth services meets criteria for return of incentive payments**

- (1) Despite regulation 4, a young person required to receive youth services under section 171A(2) of the Act meets the criteria for the resumed payment of an education, training, or work-based learning incentive payment if—
  - (a) he or she met the criteria for that payment while receiving a youth support payment; and
  - (b) the incentive payment was suspended under section 173(1)(a) or 174(1)(a) of the Act because the young person failed to comply with 1 or more obligations placed on the young person under section 170 of the Act; and
  - (c) before the young person satisfied the requirement to comply with the 1 or more obligations, he or she stopped receiving a youth support payment; and
  - (d) after being required to receive youth services, the young person satisfies those 1 or more obligations (in the manner specified in section 176(1) of the Act) as if the young person were receiving a youth payment.
- (2) Despite regulation 5, a young person required to receive youth services under section 171A(2) of the Act meets the criteria for the resumed payment of a budgeting incentive payment if—
  - (a) he or she met the criteria for that payment while receiving a youth support payment; and
  - (b) the incentive payment was suspended under section 173(1)(a) or 174(1)(a) of the Act because the young person failed to comply with 1 or

more obligations placed on the young person under section 170 of the Act; and

- (c) before the young person satisfied the requirement to comply with the 1 or more obligations, he or she stopped receiving a youth support payment; and
- (d) after being required to receive youth services, the young person satisfies those 1 or more obligations (in the manner specified in section 176(1) of the Act) as if the young person were receiving a youth payment.

#### **42 Regulation 7 amended (When money management applies)**

(1) Replace regulation 7(1)(b) with:

- (b) the young person has given to the department or to his or her contracted service provider the information required under section 170(1)(ea) of the Act; and

(2) Replace regulation 7(2) with:

- (2) Until the information required under section 170(1)(ea) of the Act has been given, a benefit or payment referred to in subclause (1)(a) must be paid to or on account of the young person entitled to it in accordance with section 82(3) of the Act.

#### **43 Regulation 10 amended (When young person may opt out of money management)**

(1) In regulation 10(2)(a), replace “19 years” with “20 years”.

(2) After regulation 10(2), insert:

- (2A) A young person required to receive youth services under section 171A(2) of the Act may opt out of money management if—
  - (a) he or she is 20 years or older; and
  - (b) the requirement is being continued under section 171A(5)(b) of the Act.

#### **44 Social Security (Monetary Benefits) Regulations 2007 amended**

- (1) This section amends the Social Security (Monetary Benefits) Regulations 2007.
- (2) In regulation 6(1)(b), replace “in accordance with section 80BD(4) of the Act” with “in accordance with section 82(3A) of the Act”.

#### **45 Amendments to Social Security (Exemptions under Section 105) Regulations 1998**

Sections 46 and 47 amend the Social Security (Exemptions under Section 105) Regulations 1998.

#### **46 Regulation 3A amended (Exemption from obligations under section 60Q)**

- (1) In regulation 3A(2)(f)(iv), replace “court.” with “court; or”.

(2) After regulation 3A(2)(f), insert:

- (g) the person—
- (i) is a young person in receipt of jobseeker support who is required to receive youth services under section 171A(2) of the Act; and
  - (ii) has been granted under section 88I(2) or (6) of the Act a deferral of work test obligations because of sickness, injury, or disability; and
  - (iii) would have a reduced risk of long-term welfare dependency if he or she were to undertake a full-time course that would give him or her credits towards NCEA level 2 or an equivalent qualification, and the exemption is necessary to enable the person to undertake that course of study.

**47 New regulation 8D inserted (Exemption from obligations under section 171A: young persons required to receive youth services)**

After regulation 8C, insert:

**8D Exemption from obligations under section 171A: young persons required to receive youth services**

- (1) This regulation applies to any young person who has been required by the chief executive to receive youth services under section 171A(2) of the Act.
- (2) Any young person to whom this regulation applies may apply under section 105 of the Act to be exempted from some or all of his or her obligations under section 171A(6)(a) of the Act on any ground specified in regulation 8A or 8C.

**48 Amendment to Privacy Act 1993**

- (1) This section amends the Privacy Act 1993.
- (2) In Schedule 2A, after the item relating to public services for vulnerable children, insert the item set out in the Schedule.

## Schedule Amendment to Schedule 2A of Privacy Act 1993

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Information sharing to support services for disengaged youth: information sharing agreement between the Ministry of Education and the Ministry of Social Development made on 8 August 2012	To provide services to encourage and help young persons who have ceased to be enrolled at a registered school or a tertiary education organisation to move into, or remain in, education, training, and employment rather than to receiving financial support under the Social Security Act 1964	<a href="http://www.youthservice.govt.nz/for-providers/provider-guide/need-clients/information-sharing.html">http://www.youthservice.govt.nz/for-providers/provider-guide/need-clients/information-sharing.html</a>	Ministry of Social Development	(a)	student name (and any alternative names):
				(b)	gender:
				(c)	ethnicity:
				(d)	date of birth:
				(e)	residency information (if known):
				(f)	address:
				(g)	home and mobile phone numbers (if known):
				(h)	email address:
				(i)	schools attended (including geographical regions and deciles):
				(j)	number of schools attended:
				(k)	date left school and year level:
				(l)	leaving reason (for each school):
				(m)	qualification information at time of leaving school:
				(n)	details of any interventions that student may have participated in:
				(o)	any information on student's participation in tertiary education.

### **Legislative history**

24 June 2015	Introduction (Bill 35–1)
23 July 2015	First reading and referral to Social Services Committee
9 December 2015	Reported from Social Services Committee (Bill 35–2)
1 June 2016	Second reading
14 June 2016	Committee of the whole House (Bill 35–3)
5 July 2016	Third reading
7 July 2016	Royal assent

This Act is administered by the Ministry of Social Development.