Land Transport (Revenue) Amendment Bill

Government Bill

As reported from the Transport and Infrastructure Committee

Commentary

Recommendation

The Transport and Infrastructure Committee has examined the Land Transport (Revenue) Amendment Bill and recommends that it be passed. We recommend all amendments unanimously.

Introduction

The Land Transport (Revenue) Amendment Bill is an omnibus bill that would amend the Land Transport Management Act 2003 (LTMA) and the Road User Charges Act 2012. It has the broad policy aim of ensuring that revenue tools support a user-pays system for funding land transport. To achieve this, the bill would amend:

- road tolling rules under the Land Transport Management Act so they can better support investment in road infrastructure
- the road user charges (RUC) system to enable the transition of light vehicles from fuel excise duty to RUC.

Road tolling rules

The bill would expand the circumstances where an existing road may be tolled if its users benefit from the construction of a new road in the same corridor. It would also expand the allowed uses of toll revenue by allowing revenue to be used on existing roads and alternative routes in some circumstances.

The bill would maintain the requirement that toll roads must have a feasible untolled alternative route available. However, it would allow the Minister to restrict certain classes of heavy vehicle from alternative routes and would create an infringement offence to allow this to be enforced.

The bill would require the Minister of Transport, when setting the base rates of a road toll scheme, to consider the maximum potential revenue, the benefits users may receive, and the effect on the wider network. Toll rates would be adjusted annually based on the CPI (Consumers Price Index). The bill would shift liability for paying a toll from a vehicle's driver to the person it is registered to.

Road user charges

The bill would update the road user charges system to enable the future transition of all vehicles to the RUC scheme. It would make the requirements for electronic distance recorders less prescriptive, allowing the framework to keep up with technological innovation. Limitations on alternative payment options would be removed. The role of the New Zealand Transport Agency (NZTA) as the RUC regulator would be separated from its function as a RUC retailer to enable a more competitive market.

Proposed amendments

This commentary covers the main amendments we recommend to the bill as introduced. We do not discuss minor or technical amendments.

Road tolling

Part 1 (clauses 3–21) of the bill would amend provisions relating to road tolling schemes under the Land Transport Management Act.

Clause 6 of the bill would replace section 46 of the Act with new sections 46 to 46E, introducing new requirements for road tolling orders and additional options for the use of toll revenue. Clause 8 would replace section 48, setting out new procedures for the making of road tolling orders.

Tolling existing roads

The Act currently only allows existing roads to be tolled in limited circumstances. The bill as introduced would insert new section 48(2) into the Act, allowing existing roads to be tolled if the Minister is satisfied that two conditions are met. The existing and new roads would need to be part of the same "corridor" within a region or between regions. Additionally, users of the existing road would need to receive benefits from the new road.

The bill as introduced does not define either "corridor" or "benefit". "Corridor" is discussed in the section below. We consider that specifying key benefits would reinforce the user-pays principle of tolling and provide greater certainty. We recommend inserting section 48(2)(a)(ii)(B) to specify that, in order to toll an existing road, users of the road must receive at least one of the following benefits from the new road to be funded by the toll:

- travel-time savings
- safety
- travel-time reliability

- resilience.

The Minister could also take account of any other benefits that road users may expect in making their decision, but at least one of the listed benefits must apply for an existing road to be tolled.

We recommend removing references to efficiency being enhanced as a benefit under section 48(2)(b). We consider that enhanced efficiency should be demonstrated through the benefits to users, and the test should solely focus on those user benefits.

Definition of "corridor"

We propose that the bill should provide a clearer definition of its use of "corridor," as this term is used to describe different concepts elsewhere in a transport context. We were advised that too strict a definition would risk excluding unique road configurations from consideration for tolling. However, we think this consideration should be balanced with having a specific enough definition that unrelated roads could not be tolled as part of a corridor.

We recommend inserting section 48(8) to provide that two roads are in the same corridor if they have a clear functional and operational relationship.

A functional relationship would be where the roads are commonly used together by motorists as part of a single journey. That is, it would be possible and practical to move between the new and existing roads as part of a single journey from point A to point B.

If two roads both ran from point A to point B but the road chosen at point A effectively locked a driver out of moving to the other road until point B, the roads would be considered unrelated and not part of the same corridor. An example of roads that are not in a corridor would be travelling from Wellington to Kāpiti. A driver must make a choice to travel via State Highway 59 along the coastal route (Centennial Highway) or via State Highway 1 through Transmission Gully. A driver that has started driving on the Transmission Gully route wouldn't be able to move onto the coastal route as part of the same journey (ie without first reaching Kapiti or returning to their start point in Wellington). Therefore, the coastal route and Transmission Gully would not be considered a corridor.

Map showing State Highway 1 (Transmission Gully) and State Highway 59 (coastal route) as separate routes not part of the same corridor

An operational relationship would be where traffic and traffic management on one road could support or otherwise influence the operation of the other road.

There would still need to be a feasible alternative route in addition to the roads considered part of the tolling corridor. Whether an alternative route is feasible would also be based on the Minister's judgement. This aligns with the current tolling framework under the LTMA which relies on ministerial judgement, supported by advice from the Ministry of Transport and NZTA.

Using toll revenue on alternative routes

Traffic that diverts to an alternative route to avoid a road toll may increase wear and tear on the alternative route, shifting additional costs onto the local council. The bill may also give rise to situations where the addition of a toll route, such as a bypass, could cause an existing state highway to be reclassified as a local road. This road could then come under the control of the local road controlling authority, resulting in increased maintenance costs and possibly establishment or transitional costs for the local council. The Land Transport Management Act currently allows revenue from toll roads to be used only for the new toll road itself. Clause 6 of the bill would insert new section 46(2)(c), allowing toll revenue to be used for the relevant maintenance or operation costs of specified alternative routes.

Under the bill as introduced, the Minister could only recommend that an order enable toll revenue to be used this way if they were satisfied that the relevant road controlling authority was otherwise unable to fund costs itself. Some council submitters considered that "unable to fund" would be too high a bar, and difficult to demonstrate. Other submitters were worried that a lack of clarity in the test could have the opposite effect and allow road controlling authorities to "game the system" by overstating costs.

We recommend inserting section 46(4) to define the specific circumstances where toll revenue could be used towards the relevant maintenance and operation costs of an alternative route:

- An alternative route has increased maintenance costs that are directly attributable to the tolling scheme.
- A council incurs operational costs during the transition of an existing road to an alternative route.

Any use of tolling revenue to fund maintenance and operational costs of an alternative route would require a toll order to enable it. As set out in section 48(5) of the Act inserted by clause 6 of the bill, the Minister would also only be able to recommend an order do this if they were satisfied that the local roading authority would be unable to fund the costs incurred specifically by the conditions above. To assess a local road controlling authority's ability to pay, NZTA would leverage similar approaches that it currently uses to assess requests for increased funding support (for example, considering and setting Targeted Enhanced Funding Assistance Rates). Following any modelling that indicates a local road controlling authority is expected to have increased maintenance or operation costs due to a new toll road, NZTA would request relevant information from the road controlling authority in order to make an assessment and provide advice to the Minister.

We note that "increased maintenance costs" would encompass the net impact of direct financial costs to a local authority from any road designated as an alternative route. It would not take into account potential benefits a council could experience from obtaining new control of a road. Reclassifying a state highway as a local road may enable rezoning and development to occur, potentially increasing council revenues over time, especially where changes have made the road better suited to local needs (for example, traffic calming or lower speed limits).

Restricting heavy vehicles from alternative routes

The Act currently requires feasible, untolled alternative routes for all vehicles. The bill would grant a regulation-making power to the Minister enabling them to make a notice restricting specified classes of heavy vehicle from alternative routes. We listened to a range of submissions about this amendment and recognise that submitters were concerned both about practical matters and that restrictions would essentially make the toll a non-optional fee for heavy vehicles.

The Regulations Review Committee also wrote to us about this regulation-making power. It said it considered the provision to be unusually broadly drafted, with no indication in the legislation of circumstances where it would be appropriate to use the power or grant exceptions. This would risk the power being used to create unjustified restrictions on freedom of movement. The committee's comments aligned with our own concerns.

We recommend inserting new section 48AA via clause 8 of the bill to set clearer conditions on the circumstances where the Minister would be able to restrict heavy vehicles from an alternative route.

The power should be available where:

- heavy vehicles are unsuitable for an alternative route
- heavy vehicles would impose significant maintenance costs on an alternative route
- removing heavy vehicles from alternative routes was a specific objective of the toll road (such as in the case of bypasses).

The Minister would receive advice from NZTA and the Ministry to support their decision. Under our proposed section 48AA(2)(b), the Minister must be satisfied that adequate consultation has occurred before issuing a restriction notice. In considering the nature of "adequate consultation", we note the Court of Appeal decision in Wellington International Airport Ltd v Air New Zealand, which establishes common law standards for consultation.[1]

We are also concerned about the risk of monopoly pricing if heavy vehicles are required to use the toll road. We recommend inserting section 46B(1)(c). This would require that if a toll order authorises the Minister to restrict use of an alternative route, the order must also set a maximum toll limit (or method of calculating a maximum limit). This maximum would only apply if the Minister exercised the power to make a notice, and only to the same class of heavy vehicles as the notice applies.

We consider that operating heavy vehicle restrictions could impose an additional cost on road controlling authorities. We recommend inserting section 46(2)(d) and 46D(3) to allow toll revenue to be used to enforce a heavy vehicle restriction on a specified alternative route.

Exception for emergency vehicles

As introduced, proposed section 46D(1)(a)(ii) provides for situations where a heavy vehicle would be excepted from restrictions on using an alternative route. However, as introduced the bill does not include a specific exception for emergency vehicles. We recommend providing for this in new section 46D(4).

Toll setting and provision for annual CPI increases

As introduced, proposed section 46B(3) would require toll operators to set tolls annually at no less than the base toll amount adjusted by the Consumers Price Index (CPI). This aims to address the fact that previous tolls in New Zealand have generally not been set at optimal levels for recovering costs and generating revenue.

A road controlling authority may delegate the construction and operation of a toll road to a private sector person, as defined under section 61(5) of the Land Transport Management Act. We consider that, in such cases, the private sector operator would have a different set of commercial considerations. Although toll price increases would likely be covered by their contractual framework, we do not consider that tying min-

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[1] *Wellington International Airport Ltd v Air New Zealand* [1993] 1 NZLR 671.

imum increases to the CPI would be the most appropriate approach. We recommend amending section 46B to require only public road controlling authorities to follow the provisions tying minimum increases to CPI.

Road user charges

Part 2 (clauses 22-54) of the bill would amend the Road User Charges Act.

Clearer separation of NZTA's roles

The bill (clause 34, new section 43) provides for the RUC collector to approve an individual or incorporated body to act on its behalf as a "RUC provider", issuing licences or collecting charges. This would separate NZTA's regulatory role as the "RUC collector" from its retail role as one of the approved RUC providers in the market. To further separate these two roles, we recommend amending clause 41, section 88(2)(c), and inserting clause 42A, new section 90C, to explicitly separate fees into administration and service fees. Administration fees would be regulatory fees set by regulation and paid to NZTA in its role as RUC collector. Service fees would be retail fees chargeable by the NZTA in its retail RUC provider role.

We recommend amending clause 24, section 5 (the Act's interpretation section) to define NZTA as a RUC provider within the legislation itself. Without this provision, NZTA as the regulator would be responsible for approving NZTA as a RUC provider. We consider that this would be less transparent and create an appearance of a conflict of interest. We note that, in its capacity as a RUC provider, NZTA will be held to the same standards as all other RUC providers.

Alternative payment schemes

Enabling broader use of alternative payment schemes is one of the ways the bill intends to make it easier for users to comply with the RUC system. The current RUC system requires pre-purchasing fixed distance blocks. Options to use alternative payment schemes are limited to vehicles with electronic distance recorders, which limits potential use by private light vehicles. Clause 34 of the bill would replace subpart 6 of Part 2 of the Act with a new regime for RUC providers. Clause 25 would remove the requirement to have an electronic distance recorder and allow use of an alternative payment option such as monthly billing or paying by subscription.

As introduced, the bill would require RUC providers to be approved, including a fit and proper person check, but operators of alternative payment schemes would not need to be RUC providers or go through a separate approval process. We consider that any alternative payment scheme operator should meet the same minimum standards as RUC providers. We therefore recommend amending clause 34, new sections 43 and 47C, to specify that any alternative payment scheme operator must also be approved as a RUC provider.

Administration fees in alternative payment schemes

If a vehicle is using an alternative payment scheme, the Act currently places liability for administration fees on the registered person of the vehicle. This reflects the exist-

ing model where NZTA as the RUC collector tends to have a more direct relationship with users. The bill intends to enable a market-led system where third-party operators would manage the relationship with users. Having a vehicle owner be separately liable to NZTA for administration fees would create administrative complexity and higher transaction costs. We therefore recommend amending clause 41, section 88 of the Act, to make alternative payment scheme operators liable for paying administration fees to the RUC collector.

Affordability of fees

Given that road user charges are intended to become a regular payment by many New Zealand households and businesses, we consider it important to keep the associated fees affordable. Service fees charged by RUC providers will be subject to market competition, while administrative fees collected by NZTA as the RUC collector will be set by regulation.

The Ministry is working to determine the level of administration fees as part of changes to secondary legislation supporting the bill. We understand that removing the requirement to print and post paper licences will reduce costs, and a further review focusing on fee reduction will take place before the proposed new RUC scheme is implemented in full. The Ministry told us it expects the combined administration and service fees to be lower than the administrative charge users currently pay through the NZTA, although this decision would ultimately be made by cabinet.

The current RUC system requires users to buy distance licences in 1,000-kilometre blocks, and the administrative charge is based on purchases fixed at this amount. We recognise that users may wish to pay for RUC in smaller or more flexible amounts depending on their vehicle use and budget, and alternative payment schemes are intended to facilitate this. The Ministry told us reducing the minimum purchase increment for distance licences would also require a review of fees so that the administrative charge is not disproportionate to the distance bought.

Requirements for electronic distance recorders

Clause 50 would amend regulation 16 of the Road User Charges Regulations 2012, setting out requirements for electronic distance recorders and their fitting and repair. As introduced, the bill would require an electronic distance recorder to have display panels showing the amount of distance travelled by a vehicle. We consider that a requirement for a fixed display panel would add unnecessary cost. We recommend amending clause 50(3)(b) to require only that the distance reading must be viewable on demand.

Reducing barriers to market entry for small providers

We were interested to hear submitters' thoughts on potential obstacles for RUC providers. As introduced, the bill defines a "RUC provider" specifically as the entity responsible for issuing licences and collecting revenue. RUC providers need to be approved by the regulator but may have contractors or agents, such as supermarkets and dairies, that sell services on their behalf.

Some industry submitters were concerned about this definition of RUC provider and how it would fit within the broader RUC environment. They queried whether additional specified roles would need to be defined for customer-facing retailers acting as agents for RUC providers, or for providers of software used by RUC providers.

We propose several changes to regulate RUC providers that use subcontractors and agents, such as dairies or supermarkets. The agents would not need to be approved separately, as the RUC providers would be. We consider that this would allow more flexibility and keep the barrier to market entry lower.

We recommend:

- amending clause 34, new sections 43–47, to permit the RUC collector to monitor agents and contractors of RUC providers
- empowering the RUC collector to obtain information from third parties related to RUC provider applicants as part of a fit and proper person assessment (new section 46)
- amending clause 42(4), section 89(1)(m)(ii), to enable the making of regulations for requirements that must be met by any person a RUC provider engages to provide services, in addition to RUC providers.

Appendix

Committee process

The Land Transport (Revenue) Amendment Bill was referred to this committee on 18 November 2025.

We called for submissions on the bill with a closing date of 8 January 2026. We received and considered submissions from 47 interested groups and individuals. We heard oral evidence from 12 submitters in Wellington and via videoconference.

As part of our consideration of the bill, we have examined its consistency with principles of legislative quality. We have no issues regarding the legislation's design to bring to the attention of the House.

Advice on the bill was provided by the Ministry of Transport and the New Zealand Transport Agency. The Office of the Clerk provided advice on the bill's legislative quality. The Parliamentary Counsel Office assisted with legal drafting. The Regulations Review Committee reported to us on the powers contained in clause 6.

Committee membership

Andy Foster (Chairperson)

Dan Bidois

Dr Carlos Cheung

Simon Court

Hon Julie Anne Genter (until 11 February 2026)

Mariameno Kapa-Kingi

Dr Tracey McLellan

Tangi Utikere

Celia Wade-Brown (from 11 February 2026)

Related resources

The documents we received as advice and evidence are available on the Parliament website.

Key to symbols used in reprinted bill

As reported from a select committee

text inserted unanimously

~~text deleted unanimously~~

Hon Chris Bishop

Land Transport (Revenue) Amendment Bill

Government Bill

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Land Transport (Revenue) Amendment Act **2025**.

2 Commencement

(1) **Part 1** comes into force on the day after Royal assent.

(2) **Part 2** comes into force on a ~~date or dates~~ single date set by Order in Council.

(3) ~~Any provision of~~ If **Part 2** ~~that~~ has not come into force 6 months after Royal assent, it comes into force then.

(4) An Order in Council made under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Part 1
Amendments relating to road tolling schemes

Subpart 1—Amendments to Land Transport Management Act 2003

3 Principal Act

This subpart amends the Land Transport Management Act 2003.

4 Section 5 amended (interpretation)

(1) In section 5, definition of **public road controlling authority**, delete "a concession road or".

(2) In section 5, definition of **toll operator**, replace "concessionaire" with "a person as defined in **section 61(5)**".

5 Section 10 amended (National land transport fund)

Replace section 10(2)(ba) with:

(ba) any toll revenue collected in respect of a road tolling scheme if—

(i) the Minister has approved that toll revenue inflow in writing; and

(ii) the activities to be funded by that toll revenue inflow are specified, in accordance with **section 46A(2)(e)**, in an Order in Council made under **section 46**:

6 Section 46 replaced (Authority to establish road tolling scheme)

Replace section 46 with:

46 Establishing road tolling scheme

(1) The Governor-General may, by Order in Council made on the recommendation of the Minister, establish a road tolling scheme to provide funds that may be applied by or on behalf of a public road controlling authority ~~or a person as defined in **section 61(5)**~~ for the purposes of—

(a) 1 or more of the activities in **subsection (2)**; and

(b) meeting any conditions or requirements set out in the order.

(2) The activities referred to in **subsection (1)(a)** are—

(a) 1 or more of the following activities for a specified new road, namely, the planning, design, supervision, construction, maintenance, or operation of the new road:

(b) subject to **section 48(2) ~~and (3)~~**, 1 or more of the following activities for a specified existing road (other than a road referred to in **paragraph (c)**), namely, the planning, design, supervision, construction, maintenance, or operation of the existing road:

(c) **subject to section 48(5)**, the ~~maintenance or operation (or both)~~ relevant maintenance and operation of a specified road that is, or specified roads that are, an alternative route (as referred to in **section 48(1)(d)**) in respect of any road that will be tolled under the tolling scheme~~.~~:

(d) the activity described in **section 46D(3)**.

(3) An order under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

(4) For the purposes of **subsection (2)(c)**, **relevant maintenance and operation**, in relation to the road that is, or the roads that are, the alternative route, means—

(a) the increased maintenance costs for the road or roads that are directly attributable to the tolling scheme; and

(b) operational changes to the road or roads to transition the road or roads into an alternative route.

46A Matters road tolling scheme must or may provide for

(1) An order under **section 46** must—

(a) describe (so far as is practicable)—

(i) each road, or part of a road, in respect of which the toll revenue may be applied; and

(ii) each road, or part of a road (not being a road described in **section 48(1)(d)**), that may be tolled; and

(b) set out any conditions that must be met to the satisfaction of the Minister, being—

(i) any conditions that must be met before the toll operator may begin tolling; and

(ii) any other conditions that apply; and

~~(c) set out a process by which the Minister will confirm whether the Minister is satisfied that the relevant conditions to be met before tolling may begin have been met; and~~

(c) if there are conditions that must be met for tolling to begin, set out a process by which the Minister will confirm whether the Minister is satisfied those conditions have been met; and

(d) provide for toll amounts in accordance with **section 46B**; and

(e) if the order provides for toll revenue to be applied to an activity described in **section 46(2)(c)**, provide for toll revenue to be transferred to the relevant road controlling authority for the road or roads forming the alternative route (where this is not the toll operator or the Agency) for the ~~maintenance or operation (or both) of the road or roads~~ costs of the relevant maintenance and operation as defined in **section 46(4)**.

(2) The order may—

(a) grant exemptions from the obligation to pay tolls under the scheme (whether on a basis referred to in ~~**section 46B(6)**~~ **section 46B(2)** or on any other basis specified in the order), and empower the toll operator to grant exemptions ~~(subject~~ (subject to any limitations on that power set out in the order):

(b) state how the tolls are to be collected:

(c) specify any information that the toll operator is required to provide to the Minister or any other specified person or organisation:

(d) authorise the enforcement authority to have access to law enforcement information held by a holder agency under the Privacy Act 2020, and set out terms and conditions governing that access:

(e) specify the purposes under **section 46(1)** for which toll revenue inflow may be used (including reimbursement of the costs related to a road that is part of the road tolling scheme):

(f) specify civil penalties for breach of conditions referred to in **subsection (1)(b)(ii)**, and establish a procedure for resolving disputes about the application of those penalties:

(g) require notice of the Minister's confirmation of the matters referred to in **subsection (1)(c)** to be published in the manner set out in the order.

~~**46B Order must provide for setting of tolls**~~

~~(1) An order under **section 46** must,—~~

~~(a) subject to **section 48(4)**, set base toll amounts; and~~

~~(b) in accordance with **subsection (3)**, empower the toll operator to set tolls; and~~

~~(c) specify a date for the purpose of **paragraph (a)** of the definition of total percentage increase in the CPI in **subsection (8)** (being the initial CPI from which each subsequent total percentage increase in the CPI will be calculated).~~

~~(2) The order may—~~

~~(a) prescribe other matters not inconsistent with **subsection (3)(a)** concerning the method according to which the tolls must be set:~~

(b) specify a maximum limit (or a method of calculating a maximum limit) for the purpose of **subsection (3)(b)**.

(3) The order—

(a) must require the toll operator to use the power referred to in **subsection (1)(b)** to ensure that by each adjustment date the toll that applies to a vehicle is no less than the base toll amount for that vehicle adjusted by the total percentage increase in the CPI; and

(b) may provide that the toll operator may also use the power referred to in **subsection (1)(b)** to set tolls to any amounts consistent with **paragraph (a)** up to an amount not exceeding any maximum amount specified under **subsection (2)(b)**.

(4) The order must contain a statement that when using the power referred to in **subsection (1)(b)** as provided for in **subsection (3)(a)**, a toll operator may (but is not required to)—

(a) round any change in a toll amount up to the nearest 10 cents:

(b) reduce a toll or tolls as at any adjustment date if the change in the CPI since the previous adjustment date is a decrease.

(5) No instrument by which a power referred to in **subsection (1)(b)** is exercised may come into force earlier than the 28th day after the date on which it is published.

(6) For the purposes of **subsection (1)(a)**, the order may set base toll amounts in respect of different classes of person or motor vehicles, different times or days, different directions of travel, or different methods of payment, or to be levied on any other differential basis.

(7) When using the power referred to in **subsection (1)(b)** as provided for in **subsection (3)(b)**, a toll operator that is a person as defined in **section 61(5)** may, subject to any maximum limit specified under **subsection (2)(b)**, set tolls at an amount calculated to enable recovery by the toll operator of any amount advanced by it to the Crown in respect of a road that is part of the tolling scheme plus a commercial return on investment on that amount.

(8) In this section,—

adjustment date—

(a) means 1 July in each year in which an order is in force; but

(b) if an order comes into force other than on 1 July in any year, excludes the first 1 July to occur following the date on which the order comes into force

CPI means the Consumers Price Index (all groups) published by Statistics New Zealand or, if that index ceases to be published, any measure certified by the Government Statistician as being equivalent to that index

~~**total percentage increase in the CPI** means the percentage rise in the CPI as measured between—~~

~~(a) the last CPI published before the date specified in the order for the purposes of this paragraph; and~~

~~(b) the most recent CPI.~~

46B Order must provide for setting of tolls

Setting base toll amounts and maximum limits

(1) An order under **section 46**—

(a) must, subject to **section 48(4)**, set base toll amounts; and

(b) may specify a maximum limit (or a method of calculating a maximum limit); and

(c) if it authorises the Minister to give a notice referred to under **section 46D(1)**, must specify a maximum limit (or a method of calculating a maximum limit) to be applied to the setting of toll amounts for any class of heavy motor vehicle to which a particular notice may apply.

(2) For the purposes of **subsection (1)(a)**, the order may set base toll amounts in respect of different classes of person or motor vehicles, different times or days, different directions of travel, or different methods of payment, or on any other differential basis.

Toll setting if toll operator is public road controlling authority

(3) If the toll operator is a public road controlling authority, the order—

(a) must empower the toll operator to set tolls in accordance with this subsection; and

(b) must require the toll operator to use the power referred to in **paragraph (a)** to ensure that by each adjustment date the toll that applies to a vehicle is no less than the base toll amount for that vehicle adjusted by the total percentage increase in the CPI (even if the amount of the toll exceeds a maximum limit set under **subsection (1)(b) or (c)**); and

(c) must specify a date for the purposes of **paragraph (a)** of the definition of total percentage increase in the CPI in **subsection (6)** (to determine the initial CPI from which each subsequent total percentage increase in the CPI will be calculated); and

(d) must contain a statement that, when using the power referred to in **paragraph (a)** as provided for in **paragraph (b)**, a toll operator may (but is not required to)—

(i) round any change in a toll amount up to the nearest 10 cents:

(ii) reduce a toll or tolls as at any adjustment date if the change in the CPI since the previous adjustment date is a decrease; and

(e) may provide that the toll operator may also use the power referred to in **paragraph (a)** to set tolls to any amounts consistent with **paragraph (b)** (subject to any maximum limit or limits that may apply according to **subsection (1)(b) or (c)**); and

(f) may prescribe other matters not inconsistent with **paragraph (b)** concerning the method by which the tolls must be set.

Toll setting if toll operator is not public road controlling authority

(4) If the toll operator is not a public road controlling authority, the order—

(a) must provide that the toll operator may set tolls (subject to any maximum limit or limits that may apply according to **subsection (1)(b) or (c)**); and

(b) must provide that the toll operator may use the power referred to in **paragraph (a)** to set tolls at an amount calculated to enable the toll operator to recover any amount advanced by it to the Crown in respect of a road that is part of the tolling scheme plus a commercial return on investment on that amount; and

(c) may prescribe other matters concerning the method according to which the tolls must be set.

Other provisions about toll setting

(5) No instrument by which a toll operator sets tolls under this section may come into force earlier than the 28th day after the date on which it is published.

(6) In this section,—

adjustment date—

(a) means 1 July in each year in which an order is in force; but

(b) if an order comes into force other than on 1 July in any year, excludes the first 1 July to occur following the date on which the order comes into force

CPI means the Consumers Price Index (all groups) published by Statistics New Zealand or, if that index ceases to be published, any measure certified by the Government Statistician as being equivalent to that index

total percentage increase in the CPI means the percentage rise in the CPI as measured between—

(a) the last CPI published before the date specified in the order for the purposes of this paragraph; and

(b) the most recent CPI.

46C Instruments relating to exemptions from tolls or setting tolls

(1) **Subsection (2)** applies if an order under **section 46** authorises any of the following:

(a) a toll operator to exercise the power referred to in **section 46A(2)(a)** to grant exemptions (other than an exemption that relates only to 1 or more named persons):

(b) a toll operator to exercise the power referred to in ~~**section 46B(1)(b)**~~ **section 46B(3)(a) or (4)(a)** to set tolls~~:~~.

(2) If this subsection applies,—

(a) an instrument exercising that power is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements); and

(b) the order must contain a statement to that effect.

(3) However, section 161A(4) of the Local Government Act 2002 applies if the instrument is made by a toll operator that is a local authority or a council-controlled organisation (as defined in that Act).

~~**46D Road tolling order may authorise Minister to restrict use of alternative route**~~

~~(1) An order under **section 46** may—~~

~~(a) authorise the Minister, by notice, to—~~

~~(i) specify for the purpose of the notice an alternative route (being a road or roads referred to in **section 48(1)(d)**); and~~

~~(ii) require that any specified class of heavy motor vehicle (as defined in section 2 of the Land Transport Act 1998) must not use that alternative route, subject to the following exceptions:~~

~~(A) if the alternative route is used for the purposes of the delivery or collection of goods or passengers, or a combination of any of those things, to or from locations directly accessible only from a road forming part of the alternative route:~~

~~(B) if the alternative route is used to return the heavy motor vehicle to the place of business where it is based and that place of business is accessible only from a road forming part of the alternative route:~~

~~(C) any other exception specified in the notice.~~

~~(2) If the order authorises the Minister to give a notice referred to under **subsection (1)**,—~~

~~(a) the notice is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements); and~~

~~(b) the order must contain a statement to that effect.~~

46D Road tolling order may authorise Minister to restrict use of alternative route

(1) An order under **section 46** may authorise the Minister, subject to **section 48AA**, to, by notice,—

(a) specify for the purposes of the notice an alternative route (being a road or roads referred to in **section 48(1)(d)**); and

(b) require that any specified class of heavy motor vehicle must not use that alternative route unless—

(i) the alternative route is used for the purposes of the delivery or collection of goods or passengers, or a combination of any of those things, to or from locations directly accessible only from a road forming part of the alternative route:

(ii) the alternative route is used to return the heavy motor vehicle to the place of business where it is based and that place of business is accessible only from a road forming part of the alternative route:

(iii) any other exception specified in the notice applies.

(2) If the order authorises the Minister to give a notice referred to in **subsection (1)**,—

(a) the notice is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements); and

(b) the order must contain a statement to that effect.

(3) If the Minister gives a notice referred to in **subsection (1)**, funds from the road tolling scheme may be used for the costs of the enforcement of any restriction imposed by the notice.

(4) In this section, **heavy motor vehicle** means a heavy motor vehicle as defined in section 2(1) of the Land Transport Act 1998 other than an emergency vehicle as defined in section 52(6) of this Act.

46E Other Acts providing for tolls to be levied not limited or affected

Nothing in **sections 46 to 46D** limits any other Act that provides for tolls to be levied or collected in respect of any road.

7 Section 47 amended (When tolling power is exercisable)

(1) In section 47(1), delete "public road controlling authority or".

(2) In section 47(1)(a),—

(a) replace "he or she" with "the Minister"; and

(b) replace "section 46(2)(c)" with "**section 46A(1)(b)**".

(3) In section 47(3), delete "public road controlling authority or".

(4) After section 47(3), insert:

(4) Despite subsections (1) and (3), if an order under **section 46(1)** provides for an existing road or part of an existing road to be tolled, the power to toll the existing road or part becomes exercisable when the new road to which it relates is opened.

8 Section 48 replaced (Procedure for recommending making of order under section 46)

Replace section 48 with:

48 Procedure for recommending making of order under section 46

(1) Before recommending the making of an Order in Council under **section 46**, the Minister must be satisfied—

(a) that the relevant public road controlling authority or authorities have carried out adequate consultation on the proposed tolling scheme; and

(b) with the level of community support for the proposed tolling scheme in the relevant region or regions; and

(c) that the applicable requirements of **subsections ~~(2) to~~ (2), (4), and (5)** are met; and

(d) that, subject to any provision of the kind in **section 46D** to be made in the order, a feasible, untolled, alternative route is available to road users; and

(e) that the proposed tolling scheme is efficient and effective.

~~(2) The Minister must not recommend that an existing road or part of a road be tolled unless the Minister is satisfied that—~~

~~(a) the road or part of a road is located near, and is physically or operationally integral to, a new road that will also be part of the road tolling scheme; or~~

~~(b) the efficiency of the road or part of the road has been, or will be, enhanced by, or users of the road or part of the road accrue benefits from, the construction of a new road that will also be part of the road tolling scheme where the existing road or part or a road and the new road are both in a corridor between parts of a region or between one region and another.~~

~~(3) The Minister must not recommend that an existing road or part of it have toll revenue applied to it unless the order will also provide (consistently with **subsection (2)**) for the existing road or part to be tolled.~~

~~(4) The Minister must take into account, in relation to setting the base toll amounts,—~~

~~(a) the maximum potential revenue likely to be gained from a proposed tolling scheme; and~~

~~(b) the benefits a road user may receive from the tolling scheme, including time savings, safety, and reliability of route; and~~

~~(c) the effects of the proposed toll on the road network.~~

~~(5) The Minister must not recommend that a road tolling scheme be established to provide funds for an activity described in **section 46(2)(c)** unless the Minister is satisfied that the road controlling authority is unable to fund the maintenance or operation of the road or roads itself.~~

(2) The Minister must not recommend that an existing road or part of an existing road be part of a road tolling scheme under **section 46(2)(b)** unless the Minister is satisfied that—

(a) either—

(i) the road or part of a road is located near, and is physically or operationally integral to, a new road that will also be part of the road tolling scheme; or

(ii) both of the following apply:

(A) the existing road or part of a road, and a new road that will also be part of the road tolling scheme, will both be in the same corridor (as defined in **subsection (8)**) between parts of a region or between one region and another:

(B) users of the existing road will receive at least 1 of the following benefits from the construction of the new road, namely, travel time savings and travel time reliability, increased safety, and resilience of the route; and

(b) the order will provide for the existing road or part to be tolled.

(3) **Subsection (2)(a)(ii)(B)** does not prevent the Minister from taking into account other benefits of making an existing road or part of a road part of a road tolling scheme.

(4) In relation to setting the base toll amounts under **section 46B(1)(a)**, the Minister must take into account—

(a) the maximum potential revenue likely to be gained from a proposed tolling scheme; and

(b) the effects of the proposed toll on the road network; and

(c) the benefits a road user may receive from the tolling scheme (for example, travel time savings and travel time reliability, increased safety, and resilience of the route).

(5) The Minister must not recommend that a road tolling scheme be established to provide funds for an activity described in **section 46(2)(c)** unless the Minister is satisfied that the road controlling authority is unable to fund the costs of the relevant maintenance and operation (as defined in **section 46(4)**).

(6) The Minister may, at the Minister's discretion,—

(a) recommend or decline to recommend the making of an order under **section 46**:

(b) after consulting the public road controlling authority about the Minister's proposal, recommend the making of an order under **section 46** that contains provisions different from those requested by the public road controlling authority.

(7) Without limiting the requirement in **subsection (1)(a)**, before recommending that an order made under **section 46** be amended or revoked, the Minister must consult the relevant public road controlling authority about the Minister's proposal.

(8) For the purposes of **subsection (2)(a)(ii)(A)**, 2 roads are in the **same corridor** if they have, or will have when completed, the following operational and functional relationship to each other:

(a) the traffic outcomes and management on one can influence or support the operation of the other; and

(b) the roads are commonly used by motorists as part of a single journey.

48AA Procedure for giving of notice referred to in section 46D

(1) This section applies if an order under **section 46** authorises the Minister to give a notice referred to in **section 46D(1)**.

(2) Before giving a notice, the Minister—

(a) must be satisfied that—

(i) the class or classes of heavy motor vehicle that the Minister proposes to specify in the notice are unsuitable for use on the road or roads forming the alternative route to be specified in the notice; or

(ii) the use on the alternative route of the class or classes of heavy motor vehicle that the Minister proposes to specify in the notice would result in significant costs in relation to the maintenance or operation of the road or roads forming the alternative route; or

(iii) a specific purpose of the toll road is to remove heavy motor vehicles from the alternative route; and

(b) must be satisfied that adequate consultation has been carried out with those road users and communities the Minister thinks may be affected.

8A Section 48A amended (Authority to establish road tolling scheme for Route K)

In section 48A(1), replace "sections 46" with "**sections 46 to 46E, 48, 48AA,**".

9 Section 48B amended (When tolling power is exercisable for Route K)

(1) In section 48B(1), delete "public road controlling authority or".

(2) In section 48B(2), delete "public road controlling authority or".

9A Section 50 amended (Privacy)

Replace section 50(5) with:

(5) The toll operator and enforcement authority must each outline their privacy policies in a document and make the document available, free of charge, on their Internet sites.

10 Section 52 amended (Who is liable to pay toll)

(1) Replace section 52(1) to (3) with:

(1) The person registered under Part 17 of the Land Transport Act 1998 in respect of the motor vehicle (the **registered person**) is liable for payment of the toll to the toll operator when the vehicle reaches the toll payment point.

(2) However, the registered person is not liable under **subsection (1)** to pay the toll if, within 28 days after being notified by the toll operator of the non-payment of the toll, the registered person supplies to the toll operator, in a statutory declaration, a statement that the vehicle was a stolen vehicle at the relevant time.

(2) In section 52(3A), replace "under subsection (3)" with "by a toll operator to a registered person under **subsection (2)**".

(3) In section 52(3B), replace "under subsection (3)" with "by the toll operator under **subsection (2)**".

11 Section 53 amended (Enforcement of tolls)

(1) Replace section 53(a) with:

(a) the vehicle is subject to a toll; and

(2) In section 53(b), replace "driver or person registered under that Part" with "person registered under Part 17 of the Land Transport Act 1998".

12 Section 54 amended (Offences and penalties)

(1) After section 54(1), insert:

(1A) A person commits an offence if the person operates any heavy motor vehicle on an alternative route in breach of a notice referred to in **section 46D**.

(2) In section 54(2), after "subsection (1)", insert "or **(1A)**".

(3) In section 54(3),—

(a) delete "sworn statement in writing or a"; and

(b) delete "statement or".

13 Section 61 amended (Delegation of roading functions and powers)

(1) In section 61(1), after "new road", insert "an existing road, or part of an existing road,"

(2) After section 61(1), insert:

(1A) The Minister must not approve the delegation of powers under subsection (1) in relation to an existing road or part of an existing road unless the Minister is satisfied that the existing road or the part of the existing road—

(a) is, or will be, a road tolled as part of a road tolling scheme; or

(b) although not part of a road tolling scheme, does, or will, form a link between a road that is, or will be, part of a road tolling scheme and another road that is or will be part of another road tolling scheme where both road tolling schemes are included in 1 agreement of the kind referred to in **subsection (5)**.

(3) Replace section 61(5) with:

(5) For the purposes of this section, **person** means ~~any private sector person~~ a person (including but not limited to a private sector person) that has entered into a written agreement with a road controlling authority to construct, maintain, or operate a new or existing road or roads.

14 New section 61A inserted (Use of funds provided under agreement)

After section 61, insert:

61A Use of funds provided under agreement

(1) This section applies if a person as defined in **section 61(5)** provides funds to a road controlling authority in accordance with an agreement referred to in **section 61(5)**.

(2) The road controlling authority may apply the funds to the planning, design, supervision, construction, maintenance, or operation of a road even if the road is not part of a road tolling scheme established under **section 46**.

15 Section 63 amended (Leasing)

(1) In section 63(1), after "new road", insert "an existing road, or part of an existing road".

(2) After section 63(1), insert:

(2) The Minister must not approve a lease under subsection (1) in relation to an existing road or part of an existing road unless the Minister is satisfied that the existing road or the part of the existing road is, or will be, part of a road tolling scheme (whether as a road that may be tolled or a road or part of a road to which toll revenue may be applied).

Subpart 2—Other amendments relating to road tolling schemes

Amendments to Land Transport Act 1998

16 Principal Act amended

Sections 17 and 18 amend the Land Transport Act 1998.

17 Section 2 amended (Interpretation)

In section 2(1), definition of **toll offence**, after "section 54(1)", insert "**or (1A)**".

18 Section 167 amended (Regulations)

In section 167(1)(fa), replace "a" with "each".

Amendments to Land Transport (Infringement and Reminder Notices) Regulations 2012

18A Principal regulations

Section 18B amends the Land Transport (Infringement and Reminder Notices) Regulations 2012.

18B Schedule 6 amended

(1) In Schedule 6, replace the heading "**To driver of vehicle/registered person of the vehicle***" with "**To registered person of the vehicle**".

(2) In Schedule 6, under the heading "**To driver of vehicle/registered person of the vehicle***", replace the paragraph below "Telephone Number" with:

The enforcement authority shown above alleges that you committed an infringement offence on [*specify date and time of offence*] at [*name of toll road*] in that you, being the person registered under Part 17 of the Land Transport Act 1998 in respect of the vehicle (the **registered person**) failed to pay the toll incurred when the vehicle reached the toll payment point and did not, within 28 days after being notified of the non-payment of the toll, supply to the toll operator, in a statutory declaration, a statement that the vehicle was a stolen vehicle at the relevant time.

(3) In Schedule 6, under the heading "**Information**", replace paragraph 1 with:

1. Section 54(1) of the Land Transport Management Act 2003 provides that a person commits an offence if the person, without reasonable excuse, fails to pay a toll payable by that person. Section 52 of that Act provides that the registered person in respect of the motor vehicle is liable for payment of the toll when the motor vehicle reaches the toll payment point and is liable for payment unless they give a statutory declaration of the nature set out in this notice.

18C Schedule 7 amended

(1) In Schedule 7, under the heading "**To defendant**", replace the paragraph after "Reg No" with:

The enforcement authority shown above alleges that you committed an infringement offence on [*specify date and time of offence*] at [*name of toll road*] in that you, being the person registered under Part 17 of the Land Transport Act 1998 in respect of the vehicle (the **registered person**) failed to pay the toll incurred when the vehicle reached the toll payment point and did not, within 28 days after being notified of the non-payment of the toll, supply to the toll operator, in a statutory declaration, a statement that the vehicle was a stolen vehicle at the relevant time.

(2) In Schedule 7, under the heading "**Information**", replace paragraph 1 with:

1. Section 54(1) of the Land Transport Management Act 2003 provides that a person commits an offence if the person, without reasonable excuse, fails to pay a toll payable by that person. Section 52 of that Act provides that the registered person in respect of the motor vehicle is liable for payment of the toll when the motor vehicle reaches the toll payment point and is liable for payment unless they give a statutory declaration of the nature set out in this notice.

Amendment to the Land Transport (Offences and Penalties) Regulations 1999

19 Principal regulations amended

Section 20 amends the Land Transport (Offences and Penalties) Regulations 1999.

20 Schedule 1 amended

In Schedule 1, after the item relating to section 54(1) of the Land Transport Management Act 2003, insert:

54**(1A)**	Operating heavy motor vehicle on alternative route contrary to notice	–	–	150	150

Amendments to road tolling scheme orders

21 Amendments to road tolling scheme orders

Amend the orders specified in **Schedule 1** in the manner specified in that schedule.

Part 2
Amendments relating to road user charging

Subpart 1—Amendments to Road User Charges Act 2012

22 Principal Act

This subpart amends the Road User Charges Act 2012.

23 Section 4 amended (Overview)

In section 4(3)(b), delete "and display".

24 Section 5 amended (Interpretation)

(1) In section 5(1), insert in its appropriate alphabetical order:

alternative payment scheme means an alternative payment scheme approved in accordance with regulations made under **section 89** and provided by an alternative payment scheme operator

alternative payment scheme operator means a person approved by the RUC collector under **section 45A** to operate an alternative payment scheme

approved electronic distance recorder means an electronic distance recorder approved under **section 52A** (other than an electronic distance recorder that is suspended under **section 52B**)

RUC provider means—

(a) the Agency; and

(b) a person approved as a RUC provider under **section 43** (including a RUC provider who is also approved as an electronic system provider under **section 45** or as an alternative payment scheme operator under **section 45A**)

~~(2) In section 5(1) insert, in its appropriate alphabetical order~~

~~**RUC provider** means a person approved as a RUC provider under **section 43**, and includes a RUC provider who is also approved as an electronic system provider under **section 45**.~~

(3) In section 5(1), definition of **distance recorder**, paragraph (b), before "electronic" insert "approved".

(4) In section 5(1), repeal the definition of **electronic distance recorder**.

(5) In section 5(1), repeal the definition of **electronic licence**.

(6) In section 5(1), definition of **electronic system**, paragraph (b), replace "an electronic" with "a RUC".

(7) In section 5(1), definition of **electronic system provider**,—

(aaa) replace "section 43" with "**section 45**":

(a) paragraph (a), after "provide", insert "or use"~~.~~:

(b) paragraph (b), replace "electronic" with "RUC".

(8) In section 5(1), definition of **RUC information**, paragraph (a), replace "an electronic system provider" with "a RUC provider".

(9) In section 5(1), replace the definition of **RUC licence** with:

RUC licence or **licence** means a distance licence or an additional licence issued for a RUC vehicle.

25 Section 8 amended (RUC vehicle must have distance recorder)

Repeal section 8(2)(a)(i).

26 Section 9 amended (RUC vehicle must have distance licence)

(1) In section 9(2), replace "distance licence must specify" with "information that must be maintained by, or on behalf of, the RUC collector in respect of the distance licence is".

(2) In section 9(2)(c), after "(if any)", insert "or other unique identifying particulars".

(3) In section 9(2)(e), replace "specified on" with "maintained in respect of".

(4) Replace section 9(4A)(a) with:

(a) a RUC licence has been issued for the RUC vehicle concerned; and

(5) In section 9(4A)(c), replace "displayed or carried" with "issued".

27 Section 12 amended (RUC vehicles issued with permit must have distance licence for RUC vehicle type H or additional licence)

In section 12(4)(b), delete "and be displayed in accordance with regulations made under that section".

28 Subpart 2 heading in Part 2 amended

In Part 2, in the subpart 2 heading, delete "and display".

29 Section 17 amended (Issue of RUC licence)

Replace section 17(1) with:

(1) A RUC licence may be issued only by the RUC collector or a RUC provider on behalf of the RUC collector.

(1A) A RUC licence must be issued in the manner that the RUC collector thinks fit.

30 Sections 18 to 21 repealed

Repeal sections 18 to 21.

31 Section 22 amended (Current distance licence to be provided to person who acquires RUC vehicle)

(1) Replace the heading to section 22 with "**Road user charges must be up to date when vehicle delivered to person who acquires RUC vehicle**".

(2) Replace section 22(1) with:

(1) In order to prevent a seller of a RUC vehicle from passing on that person's liability for road user charges to the person who acquires the RUC vehicle, the seller must ensure that the distance licence for the RUC vehicle is current, or payments incurred under an alternative payment scheme ~~are up to date~~ have been made, when the vehicle is delivered.

(3) Repeal section 22(2).

32 Sections 23 to 25 repealed

Repeal sections 23 to 25.

33 Section 32 amended (Surrender of RUC licence)

(1) Replace the heading ~~of~~ to section 32 with "**Refund of amount of road user charges paid for RUC licence**".

(2) Replace section 32(2) with:

(2) The holder of the RUC licence may make a request to the RUC collector for the exercise of the power under subsection (3).

(3) In section 32(3), after "RUC licence", insert "cancel and".

34 Subpart 6 of Part 2 replaced

Replace subpart 6 of Part 2 with:

Subpart 6—RUC providers

Matters relating to approval of RUC providers

43 RUC collector may approve RUC provider

(1) The RUC collector may, on application made in accordance with regulations made under section 89, approve an individual or an incorporated body as a RUC provider to act on behalf of the RUC collector to—

(a) issue RUC licences:

(b) collect road user charges and forward that revenue to the RUC collector:

(c) (if provided for in the approval) administer refunds under sections 30 and 31.

(2) Before approving a RUC provider, the RUC collector must be satisfied that the person meets or will meet the requirements in regulations made under section 89 for approval as a RUC provider.

~~(3) An application for approval as a RUC provider and an application for approval as an electronic system provider under **section 45** may be dealt with at the same time.~~

(3) An application for approval as a RUC provider may be dealt with at the same time as an application for approval as an electronic system provider under **section 45** or as an alternative payment scheme operator under **section 45A**.

(4) An approval under **subsection (1)**—

(a) must be notified in the *Gazette*; and

(b) may be on the terms and conditions that the RUC collector thinks fit~~; and~~.

~~(c) may be varied or revoked by the RUC collector by notice in writing to the RUC provider concerned.~~

(4A) Without limiting **subsection (4)(b)**, the terms and conditions of approval may relate to—

(a) how the RUC provider may or must provide the services the RUC provider is authorised to provide (the **services**); and

(b) whether the RUC provider may provide the services through agents or contractors, including requirements relating to those arrangements (if any).

(5) The RUC collector may, by notice in the *Gazette*, issue a code of practice to assist applicants for approval as a RUC provider, and RUC providers, in meeting, or continuing to meet, the requirements in regulations made under section 89 for approval as a RUC provider.

(6) If a code of practice is issued under **subsection (5)**, the RUC collector must make a copy of the code of practice available on an Internet site maintained by, or on behalf of, the RUC collector.

~~**44 RUC collector may approve Agency as a RUC provider**~~

~~The RUC collector may approve the Agency as a RUC provider under **section 43** if the RUC collector is satisfied of the matters referred to in **section 43(2)**.~~

45 RUC collector may approve electronic system provider

(1) The RUC collector may, on application made in accordance with regulations made under section 89, approve a RUC provider as an electronic system provider to provide electronic systems.

(2) Before granting an approval under **subsection (1)**, the RUC collector must be satisfied that—

(a) the applicant's electronic system is secure and reliable; and

(b) any electronic distance recorder provided or used by the applicant is an approved electronic distance recorder.

(3) For the purpose of **subsection (2)(b)**, an application for approval as a RUC provider and an application for approval of an electronic distance recorder under **section 52A** may be dealt with at the same time.

(4) An approval under **subsection (1)**—

(a) must be notified in the *Gazette*; and

(b) may be on the terms and conditions that the RUC collector thinks fit~~; and~~.

~~(c) may be varied or revoked by the RUC collector by notice in writing to the electronic system provider concerned.~~

(4A) Without limiting **subsection (4)(b)**, the terms and conditions of approval may relate to—

(a) how the RUC provider may or must provide the services as an electronic system provider (the **services**); and

(b) whether the RUC provider may provide the services through agents or contractors, including requirements relating to those arrangements (if any).

(5) The RUC collector may, by notice in the *Gazette*, issue a code of practice to assist applicants for approval as electronic system providers, and electronic system providers, in complying, or continuing to comply, with the requirement in **subsection (2)(a)** for an electronic system to be secure and reliable.

(6) If a code of practice is issued under **subsection (5)**, the RUC collector must make a copy of the code of practice available on an Internet site maintained by, or on behalf of, the RUC collector.

45A RUC collector may approve alternative payment scheme operator

(1) The RUC collector may, on application made in accordance with regulations made under section 89, approve a RUC provider to operate an alternative payment scheme.

(2) Before granting an approval under **subsection (1)**, the RUC collector must be satisfied that the applicant meets or will meet the requirements in regulations made under section 89 for approval as an alternative payment scheme operator.

(3) An approval under **subsection (1)**—

(a) must be notified in the *Gazette*; and

(b) may be on the terms and conditions that the RUC collector thinks fit.

(4) Without limiting **subsection (3)(b)**, the terms and conditions of approval may relate to—

(a) how the RUC provider may or must provide the services as an alternative payment scheme operator (the **services**); and

(b) whether the RUC provider may provide the services through agents or contractors, including requirements relating to those arrangements (if any).

46 Power of RUC collector to seek information about requirements for approval

(1) The RUC collector may, for the purpose of determining whether an applicant meets the requirements in regulations made under section 89 for approval as a RUC provider (or, as the case may be, for approval as an electronic system provider or an alternative payment scheme operator) seek and receive any relevant information from—

(a) the applicant; or

(b) any person who, as an agent or a contractor of the applicant, is to carry out services to which the application relates on the applicant's behalf; or

(c) any other source that the RUC collector thinks fit.

(2) Nothing in the Privacy Act 2020 prevents a person or an agency from disclosing personal information (within the meaning of that Act) to the RUC collector in response to a request made by the RUC collector under **subsection (1)**.

46A RUC collector's duties concerning certain prejudicial information

(1) This section applies if regulations under section 89 require any of the following persons to satisfy a fit and proper person test:

(a) an applicant for approval as a RUC provider, electronic system provider, or alternative payment scheme operator:

(b) a person who, as an agent or contractor of the applicant, is to carry out services to which the application relates on the applicant's behalf.

(2) If the RUC collector proposes to take into account any information that is or may be prejudicial to the person who is subject to the fit and proper person requirement, the RUC collector must, subject to **section 46B**, disclose that information to the person and give the person a reasonable opportunity to refute or comment on it.

46B Non-disclosure by RUC collector for safety reasons

(1) Nothing in **section 46A** requires the RUC collector to disclose any information the disclosure of which would be likely to endanger the safety of any person.

(2) If the RUC collector determines not to disclose any information in reliance on **subsection (1)**, the RUC collector must inform the person of the fact of non-disclosure and,—

(a) in the case of non-disclosure to an individual of information about the individual,—

(i) inform the individual that the individual may, under the Privacy Act 2020, complain to the Privacy Commissioner about that non-disclosure; and

(ii) the provisions of that Act apply to that non-disclosure as if, following a request under that Act for the information withheld, the information has been withheld in reliance on section 49(1)(a)(i) of that Act; and

(b) in any other case,—

(i) inform the person that the person may seek a review by an Ombudsman of that non-disclosure under the Official Information Act 1982; and

(ii) the provisions of that Act apply to that non-disclosure as if, following a request under that Act for the information withheld, the

information had been withheld in reliance on section 6(d) of that Act.

46 ~~Inspection and monitoring of RUC providers~~

~~(1) The RUC collector may monitor and review the performance of a RUC provider in complying with—~~

~~(a) the conditions of the RUC provider's approval (including any conditions of approval as an electronic system provider under **section 45**); and~~

~~(b) requirements under this Act.~~

~~(2) In monitoring and reviewing performance under **subsection (1)**, the RUC collector may require a RUC provider to undergo the monitoring and review and to provide the information that the RUC collector reasonably considers relevant.~~

~~(3) A RUC provider must comply with a requirement of the RUC collector under **subsection (2)**.~~

46C Approvals not land transport documents

Despite the definition of land transport document in section 2(1) of the Land Transport Act 1998, an approval as a RUC provider, an electronic system provider, or an alternative payment scheme provider is not a land transport document.

Monitoring, review, and enforcement

47 Monitoring and review of RUC providers

(1) The RUC collector may monitor and review the performance of a RUC provider in complying with—

(a) the conditions of the RUC provider's approval (and any conditions of approval of the RUC provider as an electronic system provider under **section 45** or as an alternative payment scheme operator under **section 45A**); and

(b) requirements under this Act.

(2) For the purposes of **subsection (1)**, the RUC collector may require the RUC provider, and any agent or contractor of the RUC provider who carries out services to which the RUC provider's approval relates on behalf of the RUC provider, to undergo the monitoring and review and to provide the information that the RUC collector reasonably considers relevant.

(3) A RUC provider or an agent or a contractor of a RUC provider must comply with a requirement of the RUC collector under **subsection (2)**.

47A Powers of RUC collector following failure by RUC provider to comply with conditions of approval or with Act

(1) This section applies if the RUC collector is satisfied that a RUC provider has failed to comply with—

~~(a) any of the conditions of their approval (including any conditions of approval as an electronic system provider under **section 45**); or~~

(a) any of the conditions of their approval as a RUC provider, an electronic system provider, or an alternative payment scheme operator; or

(b) requirements under this Act.

(2) The RUC collector may—

(a) require that remedial action, such as training, be undertaken by the RUC provider:

~~(b) suspend the approval of the RUC provider (or, as the case may be, the RUC provider's approval as an electronic system provider)—~~

~~(i) for a specified period; or~~

~~(ii) until specified conditions are met; or~~

~~(iii) as specified in **subsection (3)**:~~

(b) suspend the RUC provider's approval as a RUC provider, electronic system provider, or alternative payment scheme operator (as applicable) as it relates to all, or 1 or more, of the services to which the relevant approval relates:

(ba) direct the RUC provider to, for a specified period, cease using a particular agent or contractor to provide services to which the relevant approval relates:

(bb) amend the RUC provider's approval as a RUC provider, electronic system provider, or alternative payment scheme operator (as applicable) including, without limitation, to omit the approval to provide 1 or more of the services to which the relevant approval relates:

(c) revoke the approval of the RUC provider or the RUC provider's approval as an electronic system provider or an alternative payment scheme operator.

(2A) A suspension under **subsection (2)(b)** may be—

(a) for a specified period; or

(b) until specified conditions are met; or

(c) a minimum period of suspension with conditions imposed by the RUC collector that must also be met before the suspension is ended.

~~(3) When suspending an approval under **subsection (2)(b)**, the RUC collector may impose a minimum period of suspension and require that specified conditions must also be met before the suspension is ended.~~

(4) If a RUC provider's approval is suspended in full or revoked, the RUC provider's approval as an electronic system provider, or, as the case may be, an alternative payment scheme operator, is also suspended in full or revoked (as applicable).

~~*Process for adverse decisions in relation to RUC providers*~~

47B Process for adverse decisions in relation to RUC providers

(1) Before taking any action under **section 47A**, the RUC collector must notify the RUC provider, in writing, of—

(a) the action that is being considered; and

(b) the reasons for the action that is being considered; and

(c) the date by which submissions may be made to the RUC collector in respect of the action that is being considered, which must be at least 21 days after the notice was given; and

(d) where appropriate, the date on which the action that is being considered will take effect, which, unless the RUC collector determines otherwise, must be at least 28 days after the notice is given.

(2) The RUC collector must provide a copy of the notice to any person if the RUC collector considers that the action is likely to have a significant impact on that person.

(3) The RUC provider and any other person notified under **subsection (2)** must ensure that all information that they wish the RUC collector to consider in relation to the action that is being considered is received by the RUC collector within the period specified in the notice or within any further period that the RUC collector may allow.

(4) The RUC collector must consider the submissions made and information supplied, and must—

(a) decide whether or not to take the action that is being considered; and

(b) as soon as is practicable, provide written notification to the RUC provider, of—

(i) the RUC collector's decision; and

(ii) if appropriate, the date on which the action is to take effect; and

(iii) if appropriate, the right of appeal under **section 47C**.

(5) The RUC collector may exercise the RUC collector's power under **section 47A(2)(b)** without complying with this section if the RUC collector has reason to believe that the failure of the RUC provider as described in **section 47A(1)** presents a significant risk to land transport revenue.

Appeals to District Court relating to approvals as RUC provider or electronic system provider

47C Appeal to District Court against decisions of RUC collector relating to approval as RUC provider ~~or electronic system provider~~, electronic system provider, or alternative payment scheme operator

(1) An applicant for approval as a RUC provider may appeal to the District Court against a refusal by the RUC collector to approve the person as a RUC provider under **section 43**.

(2) An applicant for approval as an electronic system provider may appeal to the District Court against a refusal by the RUC collector to approve the person as an electronic system provider under **section 45**.

(2A) An applicant for approval as an alternative payment scheme operator may appeal to the District Court against a refusal by the RUC collector to approve the person as an alternative payment scheme operator under **section 45A**.

(3) A RUC provider may appeal to the District Court against a decision by the RUC collector ~~to suspend the RUC provider's approval~~ under **section 47A(2)**~~:~~.

~~(4) A person may appeal to the District Court against a decision by the RUC collector to revoke the RUC provider's approval under **section 47A**.~~

Obligation of RUC provider to report failure or tampering

47D Obligation of RUC provider to report failure or tampering

(1) This section applies if a RUC provider knows, or has reasonable grounds to suspect, that any part of the RUC provider's system has, or may have, failed or has been, or may have been, tampered with.

(2) The RUC provider must, within 5 working days of becoming aware of the failure or tampering or suspected failure or tampering, report the matter to the RUC collector.

(3) A report under **subsection (2)** must—

(a) be made in the form approved by the RUC collector for the purpose; and

(b) contain any information required by the terms and conditions of the RUC provider's approval under **section 43** (or, as the case may be, the approval of the RUC provider as an electronic system provider under **section 45** or as an alternative payment scheme operator under **section 45A**).

(4) If a RUC provider has made a report to the RUC collector under **subsection (2)**, the RUC provider must not disclose to any person other than the RUC collector—

(a) that the RUC provider has made that report; or

(b) any information from which the person to whom the disclosure is made could reasonably infer that the RUC provider has made that report.

(5) In this section,—

fail means a failure of normal operation that carries the risk of loss of revenue to the Crown

RUC provider's system means—

(a) the equipment and processes the RUC provider (and any agent or contractor acting on behalf of the RUC provider) uses to record RUC information or to interact with the RUC collector; and

(b) the maintenance, testing, and physical and cyber security of the equipment and processes referred to in **paragraph (a)**; and

(c) the vetting, training, and supervision of personnel with access to the equipment and processes referred to in **paragraph (a)**; and

(d) if the RUC provider is approved as an electronic system provider under **section 45**, the RUC provider's electronic system.; and

(e) if the RUC provider is approved as an alternative payment scheme operator under **section 45A**, the alternative payment scheme the RUC provider operates.

tamper means,—

(a) in relation to a RUC ~~providers's~~ provider's system, to engage in conduct that results in, or is likely to result in,—

(i) the system being altered; or

(ii) the system or any part of the system being used in a way that is not in accordance with the terms and conditions of the RUC provider's approval under **section 43** (or, as the case may be, the RUC provider's approval as an electronic system provider under **section 45** or as an alternative payment scheme operator under **section 45A**); or

(iii) any road user charges data that the system uses internally being altered; or

(b) if the RUC provider has been approved as an electronic system provider under **section 45**, to engage in conduct with the intention of causing the RUC provider's electronic system to—

(i) fail to collect RUC information; or

(ii) fail to record distances travelled by a RUC vehicle correctly; or

(iii) fail to store or report RUC information or to store or report RUC information correctly.

Disclosure and management of RUC information by RUC provider

47E Disclosure and management of RUC information by RUC provider

(1) This section applies if a person has failed to produce records or other information under section 66(1) in relation to a RUC vehicle, or if the RUC collector has reasonable grounds to believe that the records or other information produced is false, inaccurate, or misleading.

(2) A RUC provider must, on written request by the RUC collector, disclose any RUC information to the RUC collector that is, or may be, required for the purposes of issuing an assessment under section 53(1).

(3) The provisions in Schedule 1 apply to the management of RUC information by a RUC provider.

Offences

47F Offences relating to RUC providers

(1) A RUC provider commits an offence if the RUC provider,—

(a) without reasonable excuse, fails to report to the RUC collector any failure or tampering or suspected failure or tampering with their system as required by **section 47D(2)**; or

(b) knowingly provides false or misleading information to the RUC collector.

(2) A RUC provider who commits an offence against **subsection (1)** is liable on conviction to a fine not exceeding $75,000.

35 Section 50 amended (Removal and retention of hubodometer or licence by enforcement officer)

(1) In the heading to section 50, delete "**or licence**".

(2) Replace section 50(2) and (3) with:

(2) An enforcement officer may seize and retain a hubodometer removed from a RUC vehicle under subsection (1) if the enforcement officer has reasonable grounds to believe that any of the circumstances in that subsection apply.

(3) If a hubodometer is seized and retained by an enforcement officer under **subsection (2)**, the operator of the RUC vehicle from which the hubodometer was removed may cause the RUC vehicle to be moved for a distance not exceeding 500 kilometres as may be necessary for the purpose of obtaining a replacement hubodometer.

36 Section 51 replaced (RUC collector may seize and retain hubodometer and licence)

Replace section 51 with:

51 RUC collector may seize and retain hubodometer

For the purpose of issuing an assessment under section 53(1), the RUC collector may seize and retain a hubodometer fitted to a RUC vehicle, or a hubodometer removed from a RUC vehicle by an enforcement officer under section 50, if the RUC collector has reasonable grounds to believe that the hubodometer—

(a) has been tampered with or modified; or

(b) is faulty or inaccurate; or

(c) has an obscured distance reading; or

(d) does not have a serial number, has an obscured serial number, or has a serial number that is identical to that of another hubodometer of the same make.

37 New subpart 8 of Part 2 inserted

After section 52, insert:

Subpart 8—Electronic distance recorders

52A RUC collector may approve electronic distance recorders

(1) The RUC collector may, on application, approve an electronic distance ~~recorders~~ recorder for the purposes of this Act.

(2) Before granting an approval under **subsection (1)**, the RUC collector must be satisfied that it—

(a) is fit for the purpose; and

(b) meets any requirements specified in regulations made under section 89.

(3) An approval under **subsection (1)**—

(a) must be notified in the *Gazette*; and

(b) may be on the terms and conditions that the RUC collector thinks fit.

52B Powers of RUC collector to amend, suspend, or revoke approval of electronic distance recorder

(1) This section applies if the RUC collector is satisfied that an electronic distance recorder—

(a) no longer complies with 1 or more of the conditions on which it was approved; or

(b) is no longer fit for the purpose for which it was approved.

(2) The RUC collector may—

(a) amend the approval~~:~~; or

(b) suspend the approval—

(i) for a specified period; or

(ii) until specified conditions are met; or

(iii) as specified in **subsection (3)**; or

(c) revoke the approval.

(3) When suspending an approval under **subsection (2)(b)**, the RUC collector may impose a minimum period of suspension and require that specified conditions must also be met before the suspension is ended.

52C Process for adverse decisions in relation to approval of electronic distance recorder

(1) Before taking any action under **section 52B**, the RUC collector must notify the holder of the approval in writing of—

(a) the action that is being considered; and

(b) the reasons for the action that is being considered; and

(c) the date by which submissions may be made to the RUC collector in respect of the action that is being considered, which must be at least 21 days after the notice was given; and

(d) where appropriate, the date on which the action that is being considered will take effect, which, unless the RUC collector determines otherwise, must be at least 28 days after the notice is given.

(2) The RUC collector must provide a copy of the notice to any person if the RUC collector considers that the action is likely to have a significant impact on that person.

(3) The ~~RUC provider~~ holder of the approval, and any other person notified under **subsection (2)**, must ensure that all information that they wish the RUC collector to consider in relation to the action that is being considered is received by the RUC collector within the period specified in the notice or within any further period that the RUC collector may allow.

(4) The RUC collector must consider the submissions made and information supplied, and must—

(a) decide whether or not to take the action that is being considered; and

(b) as soon as is practicable, provide written notification to the ~~RUC provider~~ holder of the approval of—

(i) the RUC collector's decision; and

(ii) if appropriate, the date on which the action is to take effect.

(5) The RUC collector may exercise the RUC collector's power under **section 52B(2)(b)** without complying with this section if the RUC collector has reason to believe that the failure of the ~~RUC provider~~ electronic distance recorder as described in **section 52B(1)** presents a significant risk to land transport revenue.

52D Publication requirements for approved electronic distance recorders

The RUC collector must maintain a list of the following on an Internet site maintained by, or on behalf of, the RUC collector:

(a) electronic distance recorders approved under **section 52A**:

(b) electronic distance recorders that are currently suspended under **section 52B**.

52E Offences relating to approved electronic distance recorders

(1) A person commits an offence if the person operates a RUC vehicle on a road while displaying a thing (not being an approved electronic distance recorder) that the operator knows, or ought to have known, is likely to be mistaken for an approved electronic distance recorder.

(2) A person who commits an offence against **subsection (1)** is liable on conviction,—

(a) in the case of an individual, to a fine not exceeding $15,000:

(b) in the case of a body corporate, to a fine not exceeding $75,000.

38 Section 69 amended (Procedure for appeal)

(1) In section 69(1), replace "section 68" with "section **47C** or 68".

(2) In section 69(4), replace "section 68" with "section **47C** or 68".

39 Section 70 amended (Appeal to High Court on question of law)

In section 70(1), replace "section 68" with "section **47C** or 68".

40 Section 78 amended (Defences)

(1) In section 78(1), replace "displayed on the RUC vehicle does not display the correct" with "is not correct for the".

(2) In section 78(1)(d), replace "specified on the licence" with "recorded for the licence".

41 Section 88 amended (Regulations relating to administration fees)

~~After section 88(2)(c), insert:~~

~~(d) a RUC provider or an applicant for approval as a RUC provider under **section 43** or for approval as an electronic system provider under **section 45**:~~

~~(e) an applicant for approval of an electronic distance recorder under **section 52A**.~~

(1) Replace section 88(2)(c) with:

(c) the operator of an alternative payment scheme:

(d) an applicant for approval as a RUC provider under **section 43**:

(e) an applicant for approval as an electronic system provider under **section 45** or for approval as an alternative payment scheme operator under **section 45A**:

(f) an applicant for approval of an electronic distance recorder under **section 52A**.

(2) After section 88(5), insert:

(5A) No fee may be prescribed under subsection (1) in respect of expenses incurred by the Agency, or any agent or delegate of the Agency, in providing services as a RUC provider under this Act.

42 Section 89 amended (Other regulations)

(1) Repeal section 89(1)(g) and the cross-heading above section 89(1)(g).

~~(2) In section 89(1)(i), delete "issued with an electronic distance recorder".~~

(2) Replace section 89(1)(i) with:

(i) providing requirements for alternative payment schemes for paying road user charges for RUC vehicles and for the approval of alternative payment schemes:

(3) In section 89(1)(j), delete "fitted with an electronic distance recorder".

(4) Replace section 89(1)(m) and the cross-heading above section 89(1)(m) with:

RUC providers, electronic system providers, and alternative payment scheme operators

(m) prescribing matters relating to RUC providers, electronic system providers, and alternative payment scheme operators, including—

~~(i) the information that must be contained in an application for approval as a RUC provider or for approval as an electronic system provider:~~

(i) the information that must be contained in an application for approval as a RUC provider, an electronic system provider, or an alternative payment scheme operator:

(ia) the process for dealing with applications referred to in **paragraph (i)**:

~~(ii) the requirements to be met (including any fit and proper person criteria) for appointment as a RUC provider or an electronic system provider:~~

(ii) the requirements to be met for approval as a RUC provider, an electronic system provider, or an alternative payment scheme operator (which may, without limitation, include fit and proper person criteria for an applicant and any person the applicant proposes to use as an agent or a contractor to provide, on the RUC

provider's behalf, the service the RUC provider proposes to provide):

(iii) requirements for ongoing training for RUC providers:

(iv) performance standards for RUC providers ~~and procedures for monitoring and reviewing performance~~:

(v) incentives and rewards for RUC providers that meet specified levels of performance or conditions of ~~appointment~~ approval:

(vi) obligations of RUC providers to provide records or other information to the RUC collector and to report matters to the RUC collector:

(vii) registers of complaints against RUC providers, the matters to be entered in such registers, the manner in which they are to be entered and maintained, and the manner in which they are to be made available for inspection:

~~(viii) the appointment or approval of persons or organisations who are to carry out inspection and monitoring under **section 46**:~~

(viii) procedures for carrying out monitoring and review under **section 47** and for the approval of persons or organisations who are to carry out the monitoring and review:

(ix) regulating the collection, storage, use, or disclosure of information relating to road user charges that is held by a RUC provider in addition to the provisions specified in this Act:

(5) Before section 89(1)(n)(i), insert:

(iaaa) criteria for approval of an electronic distance recorder:

42A New sections 90C and 90D and cross-headings inserted

After section 90B, insert:

Service fees for expenses of Agency as RUC provider

90C Service fees for expenses of Agency as RUC provider

The Agency may charge reasonable fees in respect of the expenses incurred by the Agency, or any agent or delegate of the Agency, in performing services of the Agency as a RUC provider under this Act.

Register of RUC licences and related matters

90D Register of RUC licences and related matters

The RUC collector must maintain a register containing the following information:

(a) the information specified in section 9(2) about each distance licence:

(b) the information prescribed in regulations made under section 89 about each additional licence:

(c) the information prescribed in regulations made under section 89 about each exemption granted by the RUC collector under section 39 or 40 other than an exemption that is revoked or expired:

(d) the information prescribed in regulations made under section 89 about each RUC vehicle registered under an alternative payment scheme.

43 Schedule 1AA amended

In Schedule 1AA,—

(a) insert the Part set out in **Schedule 2** of this Act as the last Part; and

(b) make all necessary consequential amendments.

44 Schedule 1 amended

(1) In the Schedule 1 heading, replace "electronic system providers" with "RUC providers".

(2) In Schedule 1, heading to clause 1, replace "**electronic system providers**" with "**RUC providers**".

(3) In Schedule 1, clause 1(1) and (2), replace "An electronic system provider" with "A RUC provider".

(4) In Schedule 1, clause 1(3), replace "transport" with "vehicle".

(5) In Schedule 1, clause 1(3), replace "an electronic system provider" with "a RUC provider".

(6) In Schedule 1, heading to clause 2, replace "electronic system providers" with "RUC providers".

(7) In Schedule 1, clause 2(1) to (3), replace "An electronic system provider" with "A RUC provider".

(8) In Schedule 1, clause 2(3), replace "transport" with "vehicle" in each place.

(9) In Schedule 1, clause 2(4), replace "an electronic system provider" with "a RUC provider".

(10) In Schedule 1, clause 3(1), replace "An electronic system provider" with "A RUC provider".

(11) In Schedule 1, clause 3(2), replace "electronic system provider" with "RUC provider".

(12) In Schedule 1, clause 3(2)(b), replace "transport" with "vehicle".

(13) In Schedule 1, clause 4(1) and (2), replace "An electronic system provider" with "A RUC provider".

(14) In Schedule 1, clause 4(2), replace "transport" with "vehicle".

Subpart 2—Amendments to regulations relating to road user charging

Amendment to Land Transport Management (Apportionment and Refund of Excise Duty and Excise-Equivalent Duty) Regulations 2004

44A Principal regulations

Section 44B amends the Land Transport Management (Apportionment and Refund of Excise Duty and Excise-Equivalent Duty) Regulations 2004.

44B Regulation 3 amended (Interpretation)

In regulation 3(1), definition of **licensed vehicle**, after "licensed", insert ", or that is registered under an alternative payment scheme,".

Amendments to Road User Charges Regulations 2012

45 Principal regulations

Sections 46 to 50 amend the Road User Charges Regulations 2012.

46 Regulation 9 replaced (Information that must be included on distance licence (except for type H vehicle))

Replace regulation 9 with:

9 Information that must be recorded about distance licence (except for H type vehicle)

The following information must be recorded about a distance licence (except a distance licence for a type H vehicle):

(a) a unique licence number:

(b) the date on which the licence was issued:

(c) an identifier relating to the place, Internet site, or RUC provider at or from which the licence was issued.

47 Regulation 10 amended (Information that must be included on distance licence for type H vehicle)

(1) In the heading to regulation 10, replace "**included on**" with "**recorded about**".

(2) In regulation 10, replace "included on" with "recorded about".

(3) Revoke regulation 10(a).

48 Regulation 11 amended (Information that must be included on additional licence)

(1) In the heading to regulation 11, replace "**included on**" with "**recorded about**".

(2) In regulation 11, replace "included on" with "recorded about".

(3) Revoke regulation 11(a).

49 ~~Heading and regulations~~ Regulations 12 to 15A and cross-heading revoked

Revoke regulations 12 to 15A and the heading above regulation 12.

50 Regulation 16 amended (Requirements for electronic distance recorders)

(1) In the heading to regulation 16, before "**electronic**", insert "**approved**".

(2) In regulation 16(1), before "electronic distance recorder", insert "approved".

(3) Replace regulation 16(1)(b) with:

~~(b) unless otherwise provided in the terms and conditions of approval of the electronic distance recorder under **section 52A** of the Act, have 1 or more display panels that show the amount of distance travelled by the RUC vehicle:~~

(b) indicate how the amount of distance travelled by the RUC vehicle may be viewed on demand (unless the terms and conditions of approval of the electronic distance recorder under **section 52A** of the Act require the distance to be displayed on the electronic distance recorder or to be indicated in any other manner):

(4) Replace regulation 16(2) and (3) with:

(2) An approved electronic distance recorder fitted to a RUC vehicle must be fitted by a representative of the electronic system provider that provides the electronic distance recorder for the vehicle or other person approved for the purpose by the RUC collector.

(3) An electronic distance recorder may be repaired only by a representative of the electronic system provider that provides the electronic distance recorder for the vehicle or other person approved for the purpose by the RUC collector.

Amendment to Road User Charges (Applications for Exemption for Certain Classes of Light RUC Vehicles) Regulations 2013

51 Principal regulations

Section 52 amends the Road User Charges (Applications for Exemption for Certain Classes of Light RUC Vehicles) Regulations 2013.

52 Regulation 6 amended (Terms and conditions of exemption)

Revoke regulation 6(1)(e).

Amendment to Road User Charges (Infringement Offences) Regulations 2012

53 Principal regulations

Section 54 amends the Road User Charges (Infringement Offences) Regulations 2012.

54 Schedule 1 amended

In Schedule 1, revoke the items relating to sections 19(2), 21(2), 24(1), and 25(1).

Schedule 1
Amendments to road tolling scheme orders

s 21

Land Transport Management (Road Tolling Scheme for Northern Gateway) Order 2005 (SR 2005/92)

Replace clause 9(1) and (2) with:

(1) The Agency must, subject to **subclauses (1A) and (1B)**, set a toll that applies each time a vehicle uses the Northern Gateway toll road.

(1A) The Agency must use the power conferred by **subclause (1)** to ensure that by each adjustment date the toll that applies to a vehicle is equal to the base toll amount in **subclause (2)** for that vehicle adjusted by the total percentage increase in the CPI.

(1B) When using the power to set a toll as provided for in **subclause (1A)**, the Agency may (but is not required to)—

(a) round any change in a toll amount up to the nearest 10 cents:

(b) reduce a toll or tolls as at any adjustment date if the change in the CPI since the previous adjustment date is a decrease.

(2) The base toll amounts are,—

(a) for a motor vehicle with a gross vehicle mass of more than 3,500 kilograms, $4.52 excluding goods and services tax; and

(b) for any other motor vehicle, $2.26 excluding goods and services tax.

In clause 9(4), insert in its appropriate alphabetical order:

~~**adjustment date—**~~

~~(a) means 1 July in each year after the date referred to in **paragraph (a)** of the definition of total percentage increase in the CPI; but~~

~~(b) if that date occurs earlier than 1 July in the year in which it occurs, excludes the first 1 July to occur following that date~~

adjustment date means 1 July in each year following the year in which **Part 1** of the Land Transport (Revenue) Amendment Act **2025** came into force

In clause 9(4), definition of **total percentage increase in the CPI**, replace paragraph (a) with:

(a) the last CPI published before the date on which **Part 1** of the Land Transport (Revenue) Amendment Act **2025** came into force; and

Land Transport Management (Road Tolling Scheme for Takitimu Drive (Route K)) Order 2015 (LI 2015/160)

Replace clause 7(1) and (2) with:

Land Transport Management (Road Tolling Scheme for Takitimu Drive (Route K)) Order 2015 (LI 2015/160)—*continued*

(1) The Agency must, subject to **subclauses (1A) and (1B)**, set a toll that applies each time a vehicle uses the Takitimu Drive toll road.

(1A) The Agency must use the power conferred by **subclause (1)** to ensure that by each adjustment date the toll that applies to a vehicle is equal to the base toll amount in **subclause (2)** for that vehicle adjusted by the total percentage increase in the CPI.

(1B) When using the power to set a toll as provided for in **subclause (1A)**, the Agency may (but is not required to)—

(a) round any change in a toll amount up to the nearest 10 cents:

(b) reduce a toll or tolls as at any adjustment date if the change in the CPI since the previous adjustment date is a decrease.

(2) The base toll amounts are,—

(a) for a motor vehicle with a gross vehicle mass of more than 3,500 kilograms, $4.70 excluding goods and services tax; and

(b) for any other motor vehicle, $1.83 excluding goods and services tax.

In clause 7(4), insert in its appropriate alphabetical order—:

~~**adjustment date—**~~

~~(a) means 1 July in each year after the date referred to in **paragraph (a)** of the definition of total percentage increase in the CPI; but~~

~~(b) if that date occurs earlier than 1 July in the year in which it occurs, excludes the first 1 July to occur following that date~~

adjustment date means 1 July in each year following the year in which **Part 1** of the Land Transport (Revenue) Amendment Act **2025** came into force

In clause 7(4), definition of **total percentage increase in the CPI**, replace paragraph (a) with:

(a) the last CPI published before the date on which **Part 1** of the Land Transport (Revenue) Amendment Act **2025** came into force; and

Land Transport Management (Road Tolling Scheme for Tauranga Eastern Link) Order 2015 (LI 2015/43)

Replace clause 8(1) to (3) with:

(1) The Agency must, subject to **subclauses (1A) and ~~(1B)~~ (2)**, set a toll that applies each time a vehicle uses the TEL.

(1A) The Agency must use the power conferred by **subclause (1)** to ensure that by each adjustment date the toll that applies to a vehicle is equal to the base toll amount in **subclause ~~(2)~~ (3)** for that vehicle adjusted by the total percentage increase in the CPI.

Land Transport Management (Road Tolling Scheme for Tauranga Eastern Link) Order 2015 (LI 2015/43)—*continued*

(2) When using the power to set a toll as provided for in **subclause (1A)**, the Agency may (but is not required to)—

(a) round any change in a toll amount up to the nearest 10 cents:

(b) reduce a toll or tolls as at any adjustment date if the change in the CPI since the previous adjustment date is a decrease.

(3) The base toll amounts are,—

(a) for a motor vehicle with a gross vehicle mass of more than 3 500 kilograms, $4.87 excluding goods and services tax; and

(b) for any other motor vehicle, $2.00 excluding goods and services tax.

In clause 8(5), insert in its appropriate alphabetical order~~—~~:

~~**adjustment date—**~~

~~(a) means 1 July in each year after the date referred to in **paragraph (a)** of the definition of total percentage increase in the CPI; but~~

~~(b) if that date occurs earlier than 1 July in the year in which it occurs, excludes the first 1 July to occur following that date.~~

adjustment date means 1 July in each year following the year in which **Part 1** of the Land Transport (Revenue) Amendment Act **2025** came into force

In clause 8(5), revoke the definition of **relative percentage increase in the CPI**.

In clause 8(5), definition of **total percentage increase in the CPI**, replace paragraph (a) with:

(a) the last CPI published before the date on which **Part 1** of the Land Transport (Revenue) Amendment Act **2025** came into force; and~~.~~

Schedule 2
New Part 2 inserted into Schedule 1AA of Road User Charges Act 2012

s 43

Part 2
Provisions relating to Land Transport (Revenue) Amendment Act 2025

4 Interpretation

In this Part, **amendment Act** means the Land Transport (Revenue) Amendment Act **2025**.

5 Electronic system providers

(1) This clause applies to a person who, immediately before the commencement of **section 34** of the amendment Act, was an electronic system provider approved under section 43 (as it read immediately before the commencement of **section 34** of the amendment Act).

(2) On the commencement of **section 34** of the amendment Act,—

(a) the person is treated as a RUC provider approved under **section 43** (as inserted by the amendment Act) who is approved as an electronic system provider under **section 45** (as inserted by the amendment Act); and

(b) the terms of the approval referred to in **subclause (1)** are treated as the terms and conditions of the person's approval for the purposes of **sections 43(4)(b) and 45(4)(b)** (as inserted by the amendment Act).

(3) **Subclause (2)** continues to apply until the earlier of the following:

(a) the date that is 6 months after the date on which **section 34** of the amendment Act commenced:

(b) the date on which the person is approved as a RUC provider under **section 43** (as inserted by the amendment Act) and an electronic system provider under **section 45** (as inserted by the amendment Act).

(4) Despite **subclause (3)**, if, on the date specified in **subclause (3)(a)**, the person has made an application for approval as a RUC provider and an electronic system provider but the application has not been determined, their status continues on the basis described in **subclause (2)** until the application is either granted or declined.

6 Persons acting under delegation from the RUC collector

~~(1) This clause applies to a person who, immediately before the commencement of **section 34** of the amendment Act, was—~~

~~(a) a motor vehicle industry agent, or an agent, as defined in regulation 3 of the Road User Charges (Administration Fees) Regulations 2023 (as those regulations read immediately before the commencement of **section 34** of the amendment Act); or~~

~~(b) a transport operator authorised to use Direct Connect as defined in regulation 3 of the Road User Charges (Administration Fees) Regulations 2023 (as those regulations read immediately before the commencement of **section 34** of the amendment Act).~~

(1) This clause applies to a person who, immediately before the commencement of **section 34** of the amendment Act, was a motor vehicle industry agent, or an agent, as defined in regulation 3 of the Road User Charges (Administration Fees) Regulations 2023 (as those regulations read immediately before the commencement of **section 34** of the amendment Act).

(2) On the commencement of **section 34** of the amendment Act,—

(a) the person is treated as a RUC provider approved under **section 43** (as inserted by the amendment Act); and

(b) the terms of the delegation by the RUC collector to the person referred to in **subclause (1)** are treated as the terms and conditions imposed under **section 43(4)(b)** (as inserted by the amendment Act).

(3) **Subclause (2)** continues to apply until the earlier of the following:

(a) the date that is 6 months after the date on which **section 34** of the amendment Act commenced:

(b) the date on which the person is approved as a RUC provider under **section 43** (as inserted by the amendment Act).

(4) Despite **subclause (3)**, if, on the date specified in **subclause (3)(a)**, the person has made an application for approval as a RUC provider but the application has not been determined, their status continues on the basis described in **subclause (2)** until the application is either granted or declined.

~~**7 References to approved electronic distance recorders**~~

~~In **section 52E** and any other provision of the Act or the regulations, a reference to an approved electronic distance recorder includes an electronic distance recorder that a person described in **clause 5** is authorised to provide during the period in which **clause 5(2)** applies to that person.~~

7 Existing electronic distance recorders treated as approved electronic distance recorders

(1) This clause applies to an electronic distance recorder that, immediately before the commencement of **section 34** of the amendment Act, a person described in **clause 5** was authorised to provide.

(2) On and after the commencement of **section 34** of the amendment Act,—

(a) the electronic distance recorder is treated as if it had been approved under **section 52A**; and

(b) the person described in **clause 5** who was authorised to provide that electronic distance recorder is treated as the holder of the approval.

(3) **Subclause (2)** applies even if—

(a) the person described in **clause 5** is not approved as a RUC provider under **section 43** (as inserted by the amendment Act) and an electronic system provider under **section 45** (as inserted by the amendment Act):

(b) the time period described in **clause 5(3)(a)** has expired.

(4) The approval of the electronic distance recorder continues until it is revoked under **section 52B**.

Legislative history

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