

KiwiSaver (Guardian Consent) Amendment Bill

Member's Bill

Explanatory note

General policy statement

KiwiSaver provides New Zealanders with the ability to save for their retirement, as well as for a deposit on their first home. Opting-in to KiwiSaver should be straightforward to ensure that as many New Zealanders as possible are able to benefit from the scheme. Currently, all guardians are required to consent for a child to be opted-in to KiwiSaver. This means that it can be difficult to opt children into KiwiSaver in situations where one guardian has no contact with their children's other guardian(s).

This Bill amends the KiwiSaver Act 2006 to make it easier for guardians, often single parents, to opt their children under 16 years old into KiwiSaver.

Clause by clause analysis

Clause 1 is the Title clause.

Clause 2 is the commencement clause. It provides for the Bill to come into force on the day after the date on which it receives the Royal assent.

Clause 3 provides that the Bill amends the KiwiSaver Act 2006 (the **principal Act**).

Clause 4 amends section 35 of the principal Act, to remove the requirement for all of the guardians of a child under the age of 16 years to contract with a KiwiSaver provider in order for the child to opt in to becoming a member of a KiwiSaver scheme. Instead only one or more of the child's guardians will be required to contract with a provider.

Clause 5 amends section 59CB of the principal Act to be consistent with the amendment to section 35. It provides that the mechanism for a person aged 16 years or under, who is in KiwiSaver due to a mistake, to opt out of KiwiSaver does not apply if one or more of the guardians of the person (rather than all of the guardians) have contracted directly with a provider in the person's name.

Hon Jan Tinetti

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the KiwiSaver (Guardian Consent) Amendment Act **2024**.

2 Commencement

This Act comes into force on the day after the date on which it receives the Royal assent. 5

3 Principal Act

This Act amends the KiwiSaver Act 2006.

4 Section 35 amended (Opting in by persons under 18)

In section 35(2), replace “all” with “1 or more of”. 10

5 Section 59CB amended (Confirmed back-dated validation for those under 18 years at time of enrolment or opt-in)

In section 59CB(2)(a), replace “all” with “1 or more of the”.

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