

VEHICLE LICENSING REFORM TERMS OF REFERENCE: POLICY DEVELOPMENT & IMPLEMENTATION PLANNING PHASE

<p>Introduction</p>	<ul style="list-style-type: none"> • The Vehicle Licensing Reform project covers: <ul style="list-style-type: none"> ○ the in-service warrant of fitness (WoF) and certificate of fitness (CoF) regime ○ the annual (continuous) vehicle licensing regime ○ the transport services licensing regime • The project will include three main phases: policy development and implementation planning; legislation, and implementation
<p>Objectives</p>	<ul style="list-style-type: none"> • The objectives of the Vehicle Licensing Reform project are to: <ul style="list-style-type: none"> ○ support the government's economic growth and regulatory reform agendas by reducing regulatory burdens while achieving similar or improved safety and environmental outcomes ○ align the costs of regulatory intervention for operator and vehicle licensing, and vehicle inspection systems to safety risks and benefits ○ reduce associated compliance and administrative costs ○ support the establishment of a sustainable and flexible business model and system for administering the land transport system ○ achieve net benefit from any change and avoid unintended consequences
<p>Rationale</p>	<ul style="list-style-type: none"> • The three regimes are characterised by large volumes of transactions for households and businesses (more than 14 million each year). The quality of those transactions could be improved, which could include reducing the number of transactions. • There is a significant opportunity to contribute to economic growth because each transaction involves administrative and compliance costs that cumulatively have a substantial economic impact. These regimes are potentially ineffective or inefficient due to the following issues: <ul style="list-style-type: none"> ○ the rationale for these regulatory systems is not always clear and, as a consequence, the extent of the intervention may not be justified ○ the level of safety risk may not justify the level of intervention ○ there may be more efficient ways to collect revenue or achieve regulatory objectives due to changes in technologies, practices and policies

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In scope	<ul style="list-style-type: none"> • The scope and purpose of annual vehicle licensing, including its associated collection mechanisms and compliance • Options that would allow for the continued collection of the ACC levy currently collected through annual vehicle licensing and compliance • The scope and purpose of the warrant of fitness and certificate of fitness regimes, such as how to better match inspection rigour and frequency to risk and alternative mechanisms for achieving compliance • The scope and purpose of the transport services licensing regime, including a possible reduction in scope or possible removal • Analysing and reporting on the economic and social impacts of any proposed changes for organisations, individuals, households and businesses • Analysing and reporting on justice system implications • Identifying legislative, rule or operational changes needed to implement any decisions • Recommendations for consequential changes to other systems, e.g. driver licensing • Identifying implications for the NZ Transport Agency's business processes, systems and agency contracts • Mechanisms to ensure the effective recovery of costs for administering the relevant regulatory interventions • Recommendations that could involve changes to existing fees, charges or taxes • The continued integrity of data used by enforcement agencies, which is provided by these systems
Out of scope	<ul style="list-style-type: none"> • Reviewing the vehicle register that links vehicles to registered persons, except for changes that may be consequential • Reviewing the driver licensing system, except for changes that may be consequential • Interventions that are solely designed to improve safety or environmental outcomes, which increase regulatory burden • Implementing changes to organisational structure, business processes and contractual arrangements • Agricultural vehicles compliance, which is subject to a separate review, except for changes that may be consequential • Reviewing approved taxi organisations • Reviewing the NZ Transport Agency's Operator Rating System • Reviewing the Commercial Vehicle Investigation Unit and NZ Transport Agency taxi enforcement officers
Project governance	<ul style="list-style-type: none"> • The project is being jointly undertaken by the Ministry of Transport and the NZ Transport Agency
Timeline	<ul style="list-style-type: none"> • Decisions are expected by the end of 2012