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Keith Locke

Land Transport Management (National Land Transport Fund and Financial Assistance Rate) Amendment Bill 2006

Member's Bill

Explanatory note

The purposes of this Bill are to specify that the national land transport fund be spent mainly on travel demand management and infrastructure and services supporting transport modes other than the private motor vehicle; and to include a new section identifying the Minister's responsibilities.

Clause 5 inserts two new subsections into section 19 specifying that specific percentages of the national land transport fund are to be spent on particular activity classes.

Clause 6 amends Schedule 1 to ensure that Transit New Zealand includes in its land transport programme only those proposed State highway system activities for which confirmation of support, including an agreed level of financial support, has been received from all local authorities within whose geographical area the activity occurs, either in whole or in part.

Clause 7 amends section 5 to include a definition of "financial assistance rate".

Clause 8 amends the Act to include a new section identifying the responsibilities of the Minister.

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Contents

The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Land Transport Management (National Land Transport Fund and Financial Assistance Rate) Amendment Act 2006.

2 Commencement

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

3 Principal Act amended

This Act amends the Land Transport Management Act 2003.

4 Purpose

The purposes of this Act are to:

- (a) specify that the national land transport fund be spent mainly on travel demand management and infrastructure and services supporting transport modes other than the private motor vehicle; and
- (b) to include a new section identifying the Minister's responsibilities.

Part 1

Amendments to principal Act

5 New subsections 19(6) and 19(7) added

Section 19 is amended by adding the following new subsections after section 19(5):

“(6) The Authority must ensure that the national land transport programme includes allocation of the total annual spend of the national land transport fund in the proportions specified at subsection 7 to the activities within the following activity classes—

- “(a) Public transport operations and services;
- “(b) Public transport infrastructure excluding state highway infrastructure;

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- “(c) Walking and cycling;
 - “(d) Rail freight operations and services;
 - “(e) Rail infrastructure for freight and/or passenger purposes;
 - “(f) Coastal shipping infrastructure; and
 - “(g) Travel demand management including education and information.
- (7) The proportion of the national land transport fund to be spent on activities within the activity classes specified in subsection 6 shall be no less than—
- “(a) 20% in the first year after this Act comes into force;
 - “(b) 35% in the second year after this Act comes into force;
 - “(c) 50% in the third year after this Act comes into force;
 - “(d) 60% in the fourth year after this Act comes into force; and
 - “(e) 67% after the fifth year after this Act comes into force.”

6 Amendment to Schedule 1

Clause 2 of Schedule 1 is amended by adding the following new subclause after clause 2(4):

- “(5) When identifying the activities and safety administration outputs in subclauses (1)-(4) of this clause, Transit New Zealand must include only proposed State highway system activities for which confirmation of support, including an agreed level of financial support, has been received from all local authorities within whose geographical area the activity occurs, either in whole or in part.”

Part 2 Additions to principal Act

7 Interpretation

Section 5 is amended by inserting the following definition in the appropriate alphabetical order:

“**financial assistance rate** means the proportion of the publicly funded costs of an activity met from the national land transport account.”

8 New section 6A inserted

The Act is amended by inserting the following new section after section 6:

“6A Responsibilities of Minister

- “(1) The Minister is responsible for—

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- “(a) developing the Government's policy on the promotion in New Zealand of a safe, integrated, responsive and sustainable land transport system;
 - “(b) land transport funding, planning and management, including the setting of financial assistance rates;
 - “(c) promoting public awareness in New Zealand of the importance of safety and sustainability in respect of land transport by—
 - “(i) providing information and advice; and
 - “(ii) fostering education programmes;
 - “(d) promoting practices and technologies that help achieve a safe, integrated, responsive and sustainable land transport system;
 - “(e) arranging for the conduct of such research, assessments, demonstrations, and studies as the Minister thinks fit;
 - “(f) monitoring and reviewing the state of land transport in New Zealand, including the operation of this Act, in relation to the goal of a safe, integrated, responsive and sustainable land transport system; and
 - “(g) publishing such relevant information, research, and other material as the Minister thinks fit.
- “(2) No later than 1 April each year, the Minister must notify all approved organisations of the financial assistance rates that will apply in respect of activities and activity classes included in the national land transport programme, such national land transport programme to be published by 30 June that year.
- “(3) The Minister must be satisfied that the financial assistance rates specified in subsection (2) of this section will assist to—
- “(a) achieve a safe, integrated, responsive and sustainable land transport system; and
 - “(b) ensure that the requirements of subsections 19(6) and 19(7) of this Act are met.
- “(4) Notice given under subsection (2) of this section must include:
- “(a) the financial assistance rate that will normally apply to all activities within the geographical area of each regional council; and
 - “(b) the basis on which a regional council may apply to vary the financial assistance rates for particular activities, while maintaining in aggregate the overall financial assistance rate for activities specified in paragraph (a) of this subsection; and
 - “(c) any special financial assistance rates that apply to particular activities or activity classes; and
 - “(d) justification for the matters specified in paragraphs (a), (b) and (c) of this subsection in terms of achieving a safe, integrated, responsive and sustainable

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land transport system and ensuring the requirements of subsections 19(6) and 19(7) are met.”

9 Consequential amendments

Any consequential amendments to this or any other Act can be deemed to have been made should such be required to ensure that the purposes of this Act are upheld.