

The Treasury

LEG-22-SUB-0071: Order in Council and Regulations Relating to the Reserve Bank of New Zealand Act 2021

September 2022

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No information has been withheld.

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Cabinet Legislation Committee

Minute of Decision

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Reserve Bank Act 2021: Order in Council and Regulations

Portfolio **Finance**

On 19 May 2022, the Cabinet Legislation Committee:

Order in Council

- 1 **noted** that on 11 December 2019 the Cabinet Economic Development Committee (DEV) made substantive policy decisions on what is now the Reserve Bank of New Zealand Act 2021 and authorised the Minister of Finance to further clarify and develop policy matters [DEV-19-MIN-0345];
- 2 **noted** the Minister of Finance (the Minister), under the delegated authority referred to in paragraph 1 above, has decided that the Reserve Bank of New Zealand Act 2021 shall have a main commencement date of 1 July 2022;
- 3 **noted** that the Reserve Bank of New Zealand Act 2021 Commencement Order 2022 will give effect to the decision referred to in paragraph 2 above;
- 4 **authorised** the submission to the Executive Council of the Reserve Bank of New Zealand Act 2021 Commencement Order 2022 [PCO 24671/2.0];
- 5 **noted** that the Reserve Bank of New Zealand Act 2021 Commencement Order 2022 will bring the remainder of the Act into force on 1 July 2022;

Regulations

- 6 **noted** that on 18 March 2020, DEV agreed that:
 - 6.1 a person who fails to supply required information to the Reserve Bank be subject to an infringement offence;
 - 6.2 an operator of devices that test the quality and authenticity of banknotes who does not comply with a notice from the Reserve Bank, or who operates a machine that does not comply with the standard set by the Reserve Bank, be liable for an infringement fee;

[DEV-20-MIN-0041]
- 7 **noted** that the Reserve Bank of New Zealand Act 2021 (once in force) will give effect to the decisions referred to in paragraphs 6 and 7 above;

- 8 **noted** that, under section 278 of the Reserve Bank of New Zealand Act 2021, an infringement notice relating to the infringement offences described in paragraphs 6 and 7 above must be in the form set out in regulations;
- 9 **noted** that the Reserve Bank of New Zealand (Infringement Notice and Reminder Notice) Regulations 2022 provides the form of those notices;
- 10 **authorised** the submission to the Executive Council of the Reserve Bank of New Zealand (Infringement Notice and Reminder Notice) Regulations 2022 [PCO 24685/4.0];
- 11 **noted** that the Reserve Bank of New Zealand (Infringement Notice and Reminder Notice) Regulations 2022 come into force on 1 July 2022;
- 12 **noted** that section 291(2) of the Reserve Bank of New Zealand Act 2021 requires the Minister to consult with the Reserve Bank on any regulations prescribing information to be included in infringement notices and reminder notices and the form of notices;
- 13 **noted** the advice of the Minister for section 291(2) is that this requirement has been met.

Rebecca Davies
Committee Secretary

Present:

Hon Andrew Little (Chair)
Hon Carmel Sepuloni
Hon David Parker
Hon Kris Faafoi
Hon Jan Tinetti
Hon Kiri Allan
Hon Dr David Clark
Hon Dr Ayesha Verrall
Hon Aupito William Sio
Hon Meka Whaitiri
Keiran McAnulty, MP (Senior Government Whip)

Officials present from:

Office of the Prime Minister
Officials Committee for LEG