



## BRIEFING

### Amendments to the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020

<b>Date:</b>	5 November 2021	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	2122-1698

Action sought		
	Action sought	Deadline
Hon Chris Hipkins <b>Minister for COVID-19 Response</b>	<b>Agree</b> to Ministerial consultation and lodgement of the Cabinet paper for consideration by Cabinet on Thursday 18 November 2021	9 November 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Privacy of natural persons	Policy Manager, MIQ	Privacy of natural persons	✓
	Policy Advisor, MIQ Policy		

The following departments/agencies have been consulted

Minister's office to complete:

- |   |  |
|---|--|
| <input type="checkbox"/> Approved             | <input type="checkbox"/> Declined            |
| <input type="checkbox"/> Noted                | <input type="checkbox"/> Needs change        |
| <input type="checkbox"/> Seen                 | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn           |

Comments



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### Purpose

This briefing provides the draft LEG paper: COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Amendment Regulations 2020 (No. 3) 2021 for ministerial consultation and seeks your agreement to lodge the final LEG paper for consideration by the Cabinet Legislation Committee on 18 November 2021.

### Recommended action

- 1 **Note** that on 15 September 2021, the Cabinet Business Committee agreed to a number of minor and technical amendments to COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 (the Regulations) [CBC-21-MIN-0104 refers], including:
  - 1.1 Allowing MBIE to issue invoices to returnees any time after they enter MIQ;
  - 1.2 Charging families of up to 12 people based on their travel group as registered in the Managed Isolation Allocation System (MIAS);
  - 1.3 Widening the definition of who is considered a 'family member';
  - 1.4 Amending the list of groups exempted from MIQ charges;
  - 1.5 Clarifying the definition of a 'supporting agency' to include a New Zealand-based industry body (such as Horticulture New Zealand in the case of RSE workers);
  - 1.6 Creating a new Ministerial power to exempt classes of people from MIQ charges in specific circumstances.

*Noted*

- 2 **Agree** to take a paper to LEG on 18 November seeking agreement to amend the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 to give effect to these decisions.

Agree /  Disagree

- 3 **Agree** to amend the Regulations to allow for a new Ministerial power to exempt classes of people from MIQ charges to include people who enter New Zealand as part of, or for the purpose of assisting with, an international humanitarian relief event, where the Minister of COVID-19 Response deems it appropriate.

Agree /  Disagree

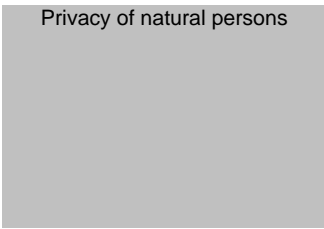
4 **Agree** to circulate the draft LEG paper (attached in Annex One) to Ministers for consultation along with the Amendment Regulations (attached in Annex Two).

Agree /  Disagree

5 **Agree** to lodge the final paper for consideration by the Cabinet Legislative Committee (LEG) on 18 November 2021.

Agree /  Disagree

Privacy of natural persons



**Policy Director,**  
MIQ Policy, MBIE

..... / ..... / .....

A handwritten signature in blue ink.

Hon Chris Hipkins  
**Minister for COVID-19 Response**

09 / 11 / 2021

## Background

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1. The COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 (the Regulations) came into force in August 2020. This was at a time when New Zealand's border settings were more restrictive, the majority of people arriving in New Zealand were New Zealanders returning home, and it was uncertain how long Managed Isolation and Quarantine (MIQ) would be required or what the ongoing costs to Government would be.
2. This context meant that the Regulations were designed so that groups of people who are liable to pay MIQ charges must be specified in the Regulations for MIQ charges to apply.
3. Earlier this year, we undertook a review of the MIQ fees regime to ensure that the settings remain fit for purpose and align with Government objectives. We evaluated the performance of the fees system against its two key objectives. These are:
  - a. Primary objective: recovering some of the costs of MIQ services; and
  - b. Secondary objective: reducing demand for MIQ relating to short-term travel.
4. During the review, we recommended a third objective of creating a simple and streamlined cost recovery system. Overall, we consider that the system is functioning relatively well, but some elements could be streamlined.
5. On 15 September 2021, the Cabinet Business Committee agreed to a set of minor and technical changes to the Regulations to give effect to your decisions following the fees review [CBC-21-MIN-0104 refers]. These are set out below.

## Overview of proposed amendments

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6. The draft LEG paper and Amendment Regulations set out the following changes to the fees regime:
  - a. enabling MBIE to issue invoices at any time from when a returnee arrives in a managed-isolation facility (MIF);
  - b. enabling families to be charged for MIQ charges based on their travel group (instead of based on the number of rooms they occupy);
  - c. amending the Regulations to exempt from MIQ charges all caregivers entering MIQ to provide support for children and returnees who are elderly or who have a disability, regardless of whether the returnee receiving care is liable for charges;
  - d. amending the list of people who are exempt from MIQ charges (to create consistency, simplify and streamline the MIQ fees regime);
  - e. creating a new power for the Minister for COVID-19 Response to exempt classes of people for MIQ charges where people enter New Zealand to assist with a national emergency or to respond to a nationally significant event;
  - f. amending the Regulations to define the first person in a room as the adult who would be charged the least (for avoidance of doubt);
  - g. clarifying the definition of RSE workers' 'supporting agency', so that it reflects Cabinet's original policy intent; and

- h. amending the Regulations so that New Zealand citizens and residents who left New Zealand before 11 August 2020 and who are visiting for more than 180 days are added to the list of groups who are exempt from MIQ charges, so that current fee liability settings are maintained when the liability starting point is reversed (so that people entering MIQ are liable for MIQ charges unless exempt) as part of the changes proposed in the COVID-19 Public Health Response Amendment Bill.
7. Attached is a draft LEG paper (Annex One) and the draft Amendment Regulations with the changes to the Regulations (Annex Two) for ministerial consultation. We recommend that the final LEG paper is lodged for the 18 November LEG meeting.
8. In the course of our ongoing examination of the fees regime, we have identified a further change to the Regulations for consideration. As noted above, the draft LEG paper provides a recommended change to the Regulations to allow for a new Ministerial power to exempt in the case of national significance.
9. On 1 November 2021, the Cabinet Business Committee agreed to proposals relating to the recent Afghanistan resettlement response, and agreed to a new Ministerial power to waive fees for groups of people included in the Afghanistan resettlement response [CBC-21-MIN-0122]. If Cabinet agrees to this decision, we will provide you with advice on how to exercise this power once it comes into effect. To ensure that you are able to more quickly and effectively respond to future situations similar to the Afghanistan evacuation, we recommend a further change to the Regulations to allow for a Ministerial power to exempt classes that are of a humanitarian nature.
10. The draft LEG paper has been drafted to seek Cabinet's agreement, in anticipation of you agreeing to this recommendation. This change has also been provided in the draft Regulations. If you or Cabinet do not agree to this recommendation, we will provide you with further advice on this through another vehicle (e.g. the process for the Ministerial power to waive fees for Afghan evacuees, or the next fees review which is currently underway and well advanced).

## Next steps

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11. We will provide you with further advice on timing for implementation and Order changes in due course.
12. CBC also agreed to changes to fee liability as a result of the COVID-19 Amendment Bill. The changes will allow for New Zealand citizens and residents who left New Zealand before 11 August 2020 and who are visiting for more than 180 days to be added to the list of groups who are exempt from MIQ charges. We will provide you with further advice on these once the Select Committee reports back after 11 November 2021.
13. We will provide you with recommendations from our latest fees review by the end of November 2021. This will include options for fee levels (particularly, now that the duration of MIQ stay has been shortened to 7 days from 14 November 2021), and the liability to pay fees.

The Cabinet minute of the decision is available here: <https://www.mbie.govt.nz/dmsdocument/18915-amendments-to-the-covid-19-public-health-response-managed-isolation-and-quarantine-charges-regulations-2020-minute-of-decision-proactiverelease-pdf> - The Cabinet paper is available here: <https://www.mbie.govt.nz/dmsdocument/26154-proactive-release-of-cabinet-paper>