



AIDE MEMOIRE

Background on MIQ charges legislation going to Executive Council on Monday 14 February 2022

Date:	11 February 2022	Priority:	High
Security classification:		Tracking number:	2122-2686

Information for Minister(s)
Hon Chris Hipkins Minister for COVID-19 Response

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

The following departments/agencies have been consulted

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments



AIDE MEMOIRE

Background on MIQ charges legislation going to Executive Council on Monday 14 February 2022

Date:	11 February 2022	Priority:	High
Security classification:		Tracking number:	2122-2686

Purpose

You are unable to attend Executive Council on Monday 14 February 2022. This aide memoire provides background information on the Managed Isolation and Quarantine (MIQ) charges legislation that will be considered at Executive Council, for your office to provide to the Minister who will take this legislation through in your absence.

Privacy of natural persons

Acting Manager, MIQ Policy
MBIE

11 / 02 / 2022

Fees provision in the COVID-19 Public Health Response Amendment Act

1. The COVID-19 Public Health Response Amendment Act (No 2) 2021 (the Amendment Act) received Royal Assent on 20 November 2021.
2. The Amendment Act includes one section (Section 18) relating to MIQ charges, which is yet to be enacted. Section 18 does the following:
 - reverses the starting point for MIQ charges, meaning that everyone who enters MIQ is liable for charges default, unless they are exempt in the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 (the Regulations)
 - shifts the exemption from MIQ charges for diplomats and their families from the COVID-19 Public Health Response Act 2020 (the Act) into the Regulations, so all exemptions can be found in one place.

Rationale for changes

3. Currently, for MIQ charges to be payable, a person must fall into one of the categories set in the Regulations. If they are not a person described in the Regulations, then they are not liable for fees.
4. This setting is largely reflectively of the border context at the time MIQ cost recovery provisions were made. New Zealand's border restrictions were very tight, the majority of people arriving were New Zealanders returning home, and otherwise only a few critical purpose visa holders (e.g. critical workers) were being permitted entry.

5. The change to the default fee liability position in the Act will reduce the need to update the Regulations each time the border settings change and new groups are allowed into the country.
6. The change to the location of the fees exemptions for diplomats and their families was recommended by the Legislation Design and Advisory Committee during consultation on the Amendment Act, to support clarity and transparency of the law.

MIQ legislative package for Executive Council on Monday 14 February

7. Section 18 of the Amendment Act only comes into force by Order in Council, so as to align with the introduction of Amendment Regulations consistent with the above changes.
8. The Cabinet Business Committee agreed to amend the Regulations to reflect these changes on 15 September 2021 [CBC-21-MIN-0104].
9. On 10 February 2022, the Cabinet Legislation Committee authorised [LEG-22-MIN-0001] the submission to the Executive Council of the:
 - COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Amendment Regulations 2022
 - COVID-19 Public Health Response Amendment Act 2021 Commencement Order 2022.
10. The **Amendment Regulations**:
 - ensure that current liability settings for New Zealanders are preserved when the liability starting point is reversed in the Act.
 - shift the exemption for diplomats and their families from the Act to the Regulations.
11. These are technical changes to preserve current liability settings when section 18 comes into force. They do not change who is currently liable to pay for MIQ or how much is charged.
12. The **Commencement Order** brings section 18 of the Amendment Act into effect on 17 February 2022.

Waiver of 28-day rule

13. As the Reconnecting New Zealanders strategy progresses, ensuring that our fees settings apply to everyone (with appropriate exemptions), including visa classes not envisaged when the fees regime was first introduced, will become even more important.
14. To ensure that the new liability starting point is in place to support the border reopening, Cabinet Legislation Committee agreed to waive the 28-day rule so that the Commencement Order and Amendment Regulations can come into force on 17 February 2022 [LEG-22-MIN-0001].