



COVERSHEET

Minister	Hon Andrew Bayly	Portfolio	Commerce and Consumer Affairs
Title of Cabinet paper	Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024	Date to be published	17 July 2024

List of documents that have been proactively released		
Date	Title	Author
May 2024	Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024	Office of the Minister of Commerce and Consumer Affairs
30 May 2024	Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 LEG-24-MIN-0117 Minute	Cabinet Office

Information redacted

NO

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.



Cabinet Legislation Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024

Portfolio **Commerce and Consumer Affairs**

On 30 May 2024, the Cabinet Legislation Committee:

- 1 **noted** that in March 2024, the Cabinet Expenditure and Regulatory Review Committee agreed to:
 - 1.1 remove the detailed requirements for assessing the affordability of lending to the borrower from the Credit Contracts and Consumer Finance Regulations 2024 (the Regulations);
 - 1.2 give effect to the decision in paragraph 1.1 above by revoking the substance of the provisions relating to affordability, other than regulation 4AO, from the Regulations;
 - 1.3 revoke redundant COVID-19 exemptions, namely regulations 18D and 18E, from the Regulations;

[EXP-24-MIN-0010]
- 2 **noted** that the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 give effect to the decisions in paragraph 1 above;
- 3 **noted** that section 138(1A) of the Credit Contracts and Consumer Finance Act 2003 (CCCFA) requires the Minister of Commerce and Consumer Affairs (the Minister) before recommending that regulations be made under section 138(1)(ab), to:
 - 3.1 have regard to the purposes of the CCCFA;
 - 3.2 be satisfied that the exemptions are no longer appropriate because they are now redundant;
- 4 **noted** that section 138(1BA) of the CCCFA provides that the Minister may recommend regulations under section 138(1)(abd) only after consulting the persons or representatives of the persons who the Minister considers will be substantially affected by the regulations;
- 5 **noted** the advice of the Minister that the statutory requirements have been met;

- 6 **noted** that a waiver of the 28-day rule is sought:
- 6.1 so that regulation 6, which revokes redundant COVID-19-related regulations, can come into force on the day after the date on which the Regulations are notified in the Gazette;
- 6.2 on the grounds that regulation 6 will have little or no effect on the public;
- 7 **agreed** to waive the 28-day rule so that the Regulations can come into force on the day after their notification in the Gazette, with the exception of regulations 4, 5, and 7, which will come into force on 31 July 2024, coinciding with the commencement of amendments to the Responsible Lending Code;
- 8 **authorised** the submission to the Executive Council of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 [PCO 26147/4.0].

Janine Harvey
Committee Secretary

Present:

Rt Hon Winston Peters
Hon David Seymour
Hon Chris Bishop (Chair)
Hon Dr Shane Reti
Hon Brooke van Velden
Hon Shane Jones
Hon Simeon Brown
Hon Louise Upston
Hon Todd McClay
Hon Tama Potaka
Hon Nicole McKee
Hon Casey Costello
Hon Simon Watts
Hon Andrew Bayly
Hon Scott Simpson, MP
Jamie Arbuckle, MP
Todd Stephenson, MP

Officials present from:

Office of the Leader of the House
Office of the Minister of Revenue
Officials Committee for LEG