



26 May 2026

OC260401

Hon Chris Bishop

Action required by:

Minister of Transport

Wednesday, 27 May 2026

CABINET PAPER AND AMENDMENT RULES AND REGULATIONS: FUEL RESPONSE PLAN 2026 REGULATORY RELIEF – TRANCHE ONE

Purpose

Provide you with a Cabinet paper and final Amendment Rules and Regulations. It also provides you with advice on matters you must consider under section 164(2) of the Land Transport Act 1998 in recommending the amendments.

Key points

- On 8 May 2026, the Ministerial Economic and Security Supply Chains Group (MOG) agreed to regulatory relief measures in response to the conflict in the Middle East (CAB-26-MIN-0164 refers).
- This included accelerating Heavy Vehicle Productivity changes to driver licence weight thresholds and High Productivity Motor Vehicle (HPMV) permitting under Phase One of the Fuel Response Plan 2026. These are changes you have already agreed to as part of your Land Transport Rules Reform programme on 10 May 2026 (OC260152 refers).
- The Amendment Rules and Regulations will amend a range of Rules and Regulations (listed in paragraph 4) to reflect your and the MOG's decisions.
- Before recommending the Governor-General sign the Amendment Rules, you are required to have regard (and give such weight, as you consider appropriate in each case) to the various matters outlined in section 164(2) of the Land Transport Act 1998. This briefing includes our advice on these matters.
- We recommend lodging the Cabinet paper on 28 May 2026, enabling the Amendment Rules and Regulations to be signed on 2 June 2026. The changes will come into effect on 16 July 2026.
- To make efficient use of Cabinet's time and enable swift progress on further heavy vehicle productivity work, the Cabinet paper also seeks Cabinet's authorisation for you to approve consultation materials on a third phase of Heavy Vehicle Productivity. This work is underway and we expect to advise you on proposals for consultation in September 2026.

Recommendations

We recommend you:

- 1 **note** that on 8 May 2026, MOG agreed to regulatory relief measures in response to the conflict in the Middle East (CAB-26-MIN-0164 refers). Yes / No
- 2 **note** that section 152A(2) of the Land Transport Act 1998 (the Act) requires you to have regard, and give such weight as you consider appropriate in each case, to the matters set out in section 164(2) of the Act before making a recommendation to the Governor-General to make or amend any Land Transport Rule. Yes / No
- 3 **confirm** that you have complied with recommendation 2 in regard to the Land Transport (Driver Licensing) (Fuel Response) Amendment Rule 2026 and the Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1). Yes / No
- 4 **note** the Amendment Rules and Regulations are compliant with the principles of the Treaty of Waitangi, the New Zealand Bill of Rights Act 1990, the Human Rights Act 1993, the principles and guidelines of the Privacy Act 2020, and the Legislation Guidelines. Yes / No
- 5 **agree** to seek Cabinet’s authorisation for you to approve consultation materials on a third phase of Heavy Vehicle Productivity. Yes / No
- 6 **agree** for officials to provide an update to industry stakeholders based on the contents of this briefing. Yes / No
- 7 **agree** to proactively release this briefing alongside the final Cabinet paper, following Cabinet’s consideration. Yes / No



Laura Bender
Acting Manager, Regulatory Reform
 25 / 05 / 2026

Hon Chris Bishop
Minister of Transport
 / /

- Minister’s office to complete:**
- Approved Declined
 - Seen by Minister Not seen by Minister
 - Overtaken by events

Comments

Contacts

| Name | Telephone | First contact |
|---|-----------|---------------|
| Laura Bender, Acting Manager, Regulatory Reform | s 9(2)(a) | ✓ |
| Amber Fraser-Mackenzie, Adviser, Safety | | |

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CABINET PAPER AND AMENDMENT RULES AND REGULATIONS: FUEL RESPONSE PLAN 2026 REGULATORY RELIEF – TRANCHE ONE

MOG has agreed to your proposed regulatory relief measures

- 1 On 8 May 2026, the Ministerial Economic and Security Supply Chains Group (MOG) agreed to regulatory relief measures in response to the conflict in the Middle East (CAB-26-MIN-0164 and OC260152 refers).
- 2 This included accelerating existing Heavy Vehicle Productivity changes to licence weight thresholds and HPMV permitting under Phase One of the Fuel Response Plan 2026. These are permanent changes you were already progressing as part of your Land Transport Rules Reform programme and agreed to on 10 May 2026 (OC260152 refers). Specifically, MOG agreed to accelerate changes to:
 - 2.1 Permanently allow Class 1 licence holders to drive heavier vehicles, and Class 2 licence holders to drive heavier electric buses under Phase One, as soon as practicable.
 - 2.2 Remove permit requirements for 50MAX vehicles and for relocating unladen HPMV rental vehicles under Phase One, as soon as practicable.
- 3 MOG also agreed to further tranches of regulatory relief: temporary changes to be implemented under Phase Two and Phase Four of the Fuel Response Plan 2026. Officials are continuing preparatory work on these (e.g. bridge assessments and rule drafting) and will provide you with advice and a Cabinet paper to make the rule changes if and when required by a shift in phase under the Fuel Response Plan 2026
- 4 To give effect to the first tranche (permanent changes to be made as soon as practicable under Phase One), the following Rules and Regulations need to be amended:
 - 4.1 the Land Transport Rule: Vehicle Dimensions and Mass 2016 (the VDAM Rule),
 - 4.2 the Land Transport (Driver Licensing) Rule 1999 (the Driver Licensing Rule),
 - 4.3 the Land Transport: Operator Licensing Rule 2017 (the Operator Licensing Rule),
 - 4.4 the Land Transport (Offences and Penalties) Regulations 1999,
 - 4.5 the Land Transport (Regulatory Fees) Regulations 2023,
 - 4.6 the Road User Charges Regulations 2012, and
 - 4.7 the Road User Charges (Rates) Regulations 2015.
- 5 The VDAM Rule and the Operator Licensing Rule are administered by the New Zealand Transport Agency Waka Kotahi (NZTA). NZTA has drafted changes to these rules through one Amendment Rule, the Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1)..

You must consider matters under section 164(2) of the Land Transport Act 1998

- 6 Section 152A of the Land Transport Act 1998 (the Act) empowers the Governor-General, by Order in Council, on the recommendation of you (as the Minister of Transport), to make, amend, or revoke an ordinary Land Transport Rule.
- 7 Before making a recommendation to the Governor General, section 152A(2) of the Act requires you to have regard (and give such weight, as you consider appropriate in each case) to the various matters outlined in section 164(2) of the Act.
- 8 We provided you with two final Regulatory Impact Statements (RISs) as part of our final policy advice on phases one and two of Heavy Vehicle Productivity (OC260152 refers). The following table summarises key elements of the impact analysis in the RIS and provides advice on other matters not covered by the RIS.

| Matter to be considered | Comment |
|--|--|
| <p>Section 164(2)(a) The level of risk existing to land transport safety in each proposed activity or service</p> | <ul style="list-style-type: none"> • Heavy vehicles pose unique road safety risks, because they are larger, heavier, and less manoeuvrable than light vehicles. They generally need longer stopping distances, have larger blind spots, and can cause more severe harm in a crash due to their mass. • Heavy vehicles are disproportionately represented in fatal crashes. Deaths from crashes with trucks make up around 20 percent of deaths, but only six percent of the total distance travelled. |
| <p>Section 164(2)(b) The nature of the particular activity or service for which the rule is being established</p> | <ul style="list-style-type: none"> • Heavy vehicle licensing and permitting are complementary but distinct regulatory controls. • Licensing requirements ensure driver competence by linking vehicle type and weight to licence classes, ensuring drivers have the skills and experience needed to operate heavier or more complex vehicles safely • Permitting governs vehicle access to the network by allowing vehicles that exceed standard mass or dimension limits, including HPMVs and 50MAX combinations, to operate, subject to route and operating conditions that protect infrastructure and manage safety risks. |
| <p>Section 164(2)(c) The level of risk existing to land transport safety in New Zealand in general</p> | <ul style="list-style-type: none"> • Overall safety outcomes in New Zealand's land transport system have improved from the early 1990s, but deaths remain in the hundreds each year. Organisation for Economic Co-operation and Development (OECD) comparisons show New Zealand remains a relatively high-risk country compared with leading jurisdictions. • Nearly 90 percent of those killed in heavy vehicle crashes are not the occupants, but the other road users involved (noting that truck drivers have the primary responsibility for only about a third of the fatal crashes in which they are involved). • This reflects the fact that, in a collision between a heavy vehicle and a light vehicle or vulnerable road user, there is a much higher probability of death or serious injury than in a collision involving only light vehicles. |
| <p>Section 164(2)(d) The need to maintain and improve land transport safety and security,</p> | <p>For licensing changes:</p> <ul style="list-style-type: none"> • NZTA has advised that there would be minimal noticeable difference when driving heavier zero emissions vehicles compared to equivalent diesel vehicles. |

including (but not limited to) personal security

- Heavier zero emission vehicles generally have extensive safety features, as they tend to be new and built to modern designs. They also generally have improved stability, due to the zero emissions technology (such as heavy batteries) being placed low to the ground. Safety features and stable designs help to reduce the likelihood of a crash occurring.
- However, the slightly higher mass and the fact that fires in battery electric vehicles are harder to extinguish mean the outcome of a crash could be worse for battery electric vehicles.
- In 2025, inquiries were conducted with NZTA, Police, and industry representatives to identify any incidents resulting from the current class exemption allowing electric urban buses to be driven on a Class 2 licence. No crashes or minor collisions were reported where the holding of a Class 2 licence was considered a possible crash contributor.

For permitting changes:

- There is a chance that these changes reduce overall distance travelled by removing unnecessary vehicle trips from the road network. This would reduce safety risks.
- We do not expect the change to weaken enforcement, as penalties for non-compliance will remain the same. NZTA is also expanding the commercial vehicle safety centre network.

Section 164(2)(da) The appropriate management of infrastructure, including (but not limited to) (i) the impact of vehicles on infrastructure; and (ii) whether the costs of the use of the infrastructure are greater than the economic value generated by its use

- The Amendment Rules are not expected to materially affect infrastructure. Amendments to Road User Charge (RUC) rates will ensure that vehicles contribute the same amount toward the costs associated with improving and maintaining the land transport network. Road Controlling Authorities can impose access restrictions for HPMVs to manage wear on the road network.

Section 164(2)(e)(i) Whether the proposed rule assists economic development

- The primary economic effect of the changes is reduced compliance costs for heavy vehicle operators through reducing burdensome administrative requirements. They will also reduce administrative burden for NZTA.
- The direct monetary benefit of removing permitting is low, at approximately \$175,920 per year. However, operators would no longer have to apply for and wait to be granted a permit.
- Rental service operators will be able to more accurately and proactively plan driver availability, book ferry crossings, and 'round trip, or swap vehicle' scenarios that act to reduce vehicle trips and kilometres travelled. This would increase productivity for the sector.
- Other operators would also benefit from more timely delivery of rental or lease stock. This could reduce downtime between trips, also increasing productivity for the sector.
- Codifying the current Class exemptions relating to licence weight thresholds would give operators certainty to invest in heavier zero emission vehicles without having to reduce their payloads or upskill their drivers.

| | |
|--|---|
| | <ul style="list-style-type: none"> If operators increase their uptake of zero emissions vehicles, they would also benefit from the generally lower running cost of zero emissions vehicles. |
| Section 164(2)(e)(ii) Whether the proposed rule improves access and mobility | <ul style="list-style-type: none"> The Amendment Rules are not expected to materially affect access and mobility. |
| Section 164(2)(e)(iii) Whether the proposed rule protects and promotes public health | <ul style="list-style-type: none"> The Amendment Rules are not expected to materially affect public health beyond what is described above (in section 164(2)(d)). |
| Section 164(2)(e)(iv) Whether the proposed rule ensures environmental sustainability | <ul style="list-style-type: none"> The Amendment Rules may slightly improve environmental sustainability through reducing regulatory barriers to uptake of zero emissions vehicles, which is an objective in New Zealand's Second Emissions Reduction Plan. |
| Section 164(2)(ea) The costs of implementing measures for which the rule is being proposed | <ul style="list-style-type: none"> Implementation costs for licence threshold and permitting changes will be absorbed within NZTA's cost estimate of \$960,000 to implement all changes in Heavy Vehicle Productivity (not including the proposals from the 2019 consultation on changes to the Driver Licensing Rule). NZTA does not expect any additional costs from accelerating the changes in this paper. We expect these to be managed within baselines. |
| Section 164(2)(eb) New Zealand's international obligations concerning land transport safety | <ul style="list-style-type: none"> We have not identified any binding international obligations that affect the settings proposed in the Amendment Rule. |
| Section 164(2)(f) The international circumstances in respect of land transport safety | <ul style="list-style-type: none"> We have not identified any relevant international circumstances for you to consider. |
| Section 164(2)(g) Such other matters as you consider appropriate in the circumstances | <ul style="list-style-type: none"> These changes are part of the Fuel Response Plan 2026. |

There are other matters you must consider before recommending a rule change

9 We consider the Amendment Rules and Regulations to be compliant with each of the following:

- 9.1 the principles of the Treaty of Waitangi,
- 9.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993,
- 9.3 the principles and guidelines set out in the Privacy Act 2020,
- 9.4 relevant international standards and obligations, and

- 9.5 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.

Timing and the 28-day rule

- 10 The Amendment Rules and Regulations will be notified in the Gazette in accordance with the Legislation Act 2019. The Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1) will be published on the NZTA website, and the remaining Amendment Rules and Regulations will be published by the Parliamentary Counsel Office (PCO) on the New Zealand Legislation website.
- 11 NZTA is engaging closely with industry and Police to support implementation requirements.
- 12 In 2008, Cabinet agreed that Land Transport Rules should comply with the 28-day rule [CBC Min (08) 17/10 refers], a convention that legislative instruments do not come into force until at least 28 days after notification in the Gazette. However, changes to RUC rates fall under a 42-day commencement requirement under section 85(3)(a) of the Road User Charges Act 2012.
- 13 We recommend that all the changes come into force on 16 July 2026, in line with the later commencement date for RUC rate changes. This would meet both the 28-day and 42-day requirements, and would avoid significant added complexity of drafting and implementation that would arise if some parts of the changes took effect before others.
- 14 Subject to Cabinet's consideration, the Amendment Rules and Regulations will be made through Order in Council by the Governor-General at the Executive Council following Cabinet on 2 June.
- 15 Note that the Road User Charges (Rates) Amendment Regulations will need to be confirmed by an Act of Parliament under s 85(3)(b) of the Road User Charges Act 2012. We will work with PCO to monitor this and will advise when it is time to confirm them through a Secondary Legislation (Confirmation) Bill.

Next steps

- 16 Subject to your feedback and agreement, we will progress the attached Cabinet paper based on the following timeframes:

| Stage | Indicative dates |
|--|------------------|
| Cabinet paper lodged | 28 May 2026 |
| Cabinet, Executive Council, Rules and Regulations signed | 2 June 2026 |
| Gazetting | 4 June 2026 |
| Amendment Rules and Regulations come into force | 16 July 2026 |

- 17 For the remaining changes agreed by MOG as part of Phase Two and Phase Four of the Fuel Response Plan 2026, you have indicated a preference that the changes be made by Order in Council only when required due to a shift in Fuel Response Phase. Officials will continue to work with NZTA and PCO on actions to ensure readiness (e.g. bridge assessments, rule drafting).

We are working at pace on a next wave of permanent changes to improve heavy vehicle productivity

- 18 Officials are also continuing to progress phase three of Heavy Vehicle Productivity (the medium-term review of the VDAM Rule) as part of your Rules Reform programme.
- 19 To build on the momentum gained in fuel response work, and make fast progress, we recommend you seek Cabinet's authorisation for you to approve consultation materials that are broadly aligned with improving productivity. The attached Cabinet paper reflects this.
- 20 We expect to provide you with advice on potential changes in September 2026 and seek your agreement to start public consultation in October 2026.

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Cabinet

Minute of Decision

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Report of the Cabinet Legislation Committee: Period Ended 19 June 2026

On 22 June 2026, Cabinet made the following decisions on the work of the Cabinet Legislation Committee for the period ended 19 June 2026:

Out of Scope



Out of Scope

LEG-26-MIN-0129

**Land Transport Amendment Rules and Regulations:
Fuel Response Plan 2026 Regulatory Relief – Tranche
One**

CONFIRMED

Portfolio: Transport

Out of Scope

Rachel Hayward
Secretary of the Cabinet

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Cabinet Legislation Committee

Minute of Decision

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Land Transport Amendment Rules and Regulations: Fuel Response Plan 2026 Regulatory Relief – Tranche One

Portfolio Transport

On 18 June 2026, the Cabinet Legislation Committee:

- 1 **noted** that on 8 May 2026, the Ministerial Economic and Security Supply Chains Group agreed to accelerate implementation of existing agreed changes to licence weight thresholds and High Productivity Motor Vehicle permitting [CAB-26-MIN-0164];
- 2 **noted** that the following Amendment Rules and Regulations will give effect to the decisions above:
 - 2.1 Land Transport (Offences and Penalties) Amendment Regulations 2026 [PCO 29049/6.0];
 - 2.2 Road User Charges (Rates) (Fuel Response) Amendment Regulations 2026 [PCO 29050/8.0];
 - 2.3 Land Transport (Driver Licensing) (Fuel Response) Amendment Rule 2026 [PCO 29019/11.0];
 - 2.4 Land Transport (Regulatory Fees) (Fuel Response) Amendment Regulations 2026 [PCO 29047/6.0];
 - 2.5 Road User Charges (Fuel Response) Amendment Regulations 2026 [PCO 29048/8.0];
 - 2.6 Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1) (attached under LEG-26-SUB-0129);
- 3 **noted** that section 152A(2) of the Land Transport Act 1998 requires the responsible Minister to have regard to the criteria specified in section 164(2) of that Act before recommending the making of a rule, by Order in Council, under section 152A(1) of the Act;
- 4 **noted** that the Minister of Transport has been advised on, had regard, and given such weight as he considered appropriate, to the criteria noted in paragraph 3 in recommending the proposed changes to rules and regulations;
- 5 **authorised** the submission of the Amendment Rules and Regulations in paragraph 2 to the Executive Council;

- 6 **noted** that the Amendment Rules and Regulations in paragraph 2 will come into force on 6 August 2026;
- 7 **authorised** the Minister of Transport to approve materials for public consultation on a third phase of Heavy Vehicle Productivity.

Sam Moffett
Committee Secretary

Present:

Hon David Seymour
Rt Hon Winston Peters
Hon Nicola Willis
Hon Paul Goldsmith
Hon Louise Upston (Chair)
Hon Tama Potaka
Hon Brooke van Velden
Hon Nicole McKee
Hon Casey Costello
Hon Cameron Brewer
Hon Mike Butterick
Hon Andrew Hoggard

Officials present from:

Office of Hon Chris Bishop
Office of Hon Tama Potaka
Officials Committee for LEG

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Cabinet Legislation Committee

Summary

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Land Transport Amendment Rules and Regulations: Fuel Response Plan 2026 Regulatory Relief – Tranche One

Portfolio Transport

Purpose This paper seeks authorisation to submit six Amendment Rules and Regulations to the Executive Council, to give effect to Tranche One of the regulatory relief changes under the Fuel Response Plan 2026, and seeks authority for the Minister to approve consultation material on a third phase of Heavy Vehicle Productivity work.

Previous Decisions In May 2026, Cabinet noted that the Ministerial Economic and Security Supply Chains Group had agreed to regulatory relief measures in response to the conflict in the Middle East, including to:

- permanently allow Class 1 driver licence holders to drive heavier vehicles, and Class 2 driver licence holders to drive heavier electric buses under Phase One, as soon as practicable;
- remove permit requirements for 50MAX vehicles and for relocating unladen High Productivity Motor Vehicle rental vehicles under Phase One, as soon as practicable.

[CAB-26-MIN-0164].

Proposal The Amendment Rules and Regulations give effect to the decisions above, by implementing the permanent changes to be made under Phase One of the Fuel Response Plan 2026.

Officials are progressing work on what further changes can be made to improve heavy vehicle productivity in the medium term, without waiting for research on the impact of heavier vehicles on roads to be complete. Authorisation is sought for the Minister to approve consultation materials on this work.

Impact Analysis Regulatory Impact Assessments were submitted to Cabinet following approval of the policy decisions relating to these amendments.

Compliance On 10 June 2026, Parliamentary Counsel certified the Amendment Regulations as being in order for submission to Cabinet, and certified the Land Transport (Driver Licensing) (Fuel Response) Amendment Rule 2026 for submission, subject to it being made on the Minister's recommendation after having had regard to the matters specified in section 164(2) of the Land Transport Act 1998.

On 11 June 2026, the Ministry of Transport's Chief Legal Advisor certified the Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1) as being in order for submission to Cabinet.

- Timing Matters** The Amendment Rules and Regulations come into force on 6 August 2026, except for changes relating to increased infringement fees, which come into force on 1 November 2026.
- Communications** NZTA will support implementation through public communications and guidance material.
- Consultation** Paper prepared by MoT, MoJ, Police, the Treasury (Infrastructure), NZTA, and MfR were consulted. DPMC was informed.
- The Minister indicates that the Minister for Regulation, Minister of Finance, Minister of Justice, Minister of Police, Associate Minister for Energy, and all Government parties were consulted.

The Minister of Transport recommends that the Committee:

- 1 note that on 8 May 2026, the Ministerial Economic and Security Supply Chains Group agreed to accelerate implementation of existing agreed changes to licence weight thresholds and High Productivity Motor Vehicle permitting [CAB-26-MIN-0164];
- 2 note that the following Amendment Rules and Regulations will give effect to the decisions above:
 - 2.1 Land Transport (Offences and Penalties) (Fuel Response) Amendment Regulations 2026 [PCO 29049/6.0];
 - 2.2 Road User Charges (Rates) (Fuel Response) Amendment Regulations 2026 [PCO 29050/8.0];
 - 2.3 Land Transport (Driver Licensing) (Fuel Response) Amendment Rule 2026 [PCO 29019/11.0];
 - 2.4 Land Transport (Regulatory Fees) (Fuel Response) Amendment Regulations 2026 [PCO 29047/6.0];
 - 2.5 Road User Charges (Fuel Response) Amendment Regulations 2026 [PCO 29048/8.0];
 - 2.6 Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1) (attached under LEG-26-SUB-0129);
- 3 note that section 152A(2) of the Land Transport Act 1998 requires the responsible Minister to have regard to the criteria specified in section 164(2) of that Act before recommending the making of a rule, by Order in Council, under section 152A(1) of the Act;
- 4 note that the Minister of Transport has been advised on, had regard, and given such weight as he considered appropriate, to the criteria noted in paragraph 3 in recommending the proposed changes to rules and regulations;

- 5 authorise the submission of the Amendment Rules and Regulations in paragraph 2 to the Executive Council;
- 6 note that the Amendment Rules and Regulations in paragraph 2 will come into force on 6 August 2026;
- 7 authorise the Minister of Transport to approve materials for public consultation on a third phase of Heavy Vehicle Productivity.

Tom Kelly
Committee Secretary

Hard-copy distribution:
Cabinet Legislation Committee

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Cabinet Legislation Committee

Land Transport Amendment Rules and Regulations: Fuel Response Plan 2026 Regulatory Relief – Tranche One

Proposal

- 1 I seek Cabinet's authorisation for submission to the Executive Council of the following rules and regulations (the Amendment Rules and Regulations):
 - 1.1 the Land Transport (Driver Licensing) (Fuel Response) Amendment Rule 2026;
 - 1.2 the Land Transport (Offences and Penalties) (Fuel Response) Amendment Regulations 2026;
 - 1.3 the Land Transport (Regulatory Fees) (Fuel Response) Amendment Regulations 2026;
 - 1.4 the Road User Charges (Fuel Response) Amendment Regulations 2026;
 - 1.5 the Road User Charges (Rates) (Fuel Response) Amendment Regulations 2026;
 - 1.6 the Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1).
- 2 I seek Cabinet's authorisation to approve consultation material on a third phase of Heavy Vehicle Productivity work, as part of my Land Transport Rules Reform Programme (Rules Reform).

Relation to Government priorities

- 3 The Amendment Rules and Regulations are Tranche One of regulatory relief changes under the Fuel Response Plan 2026. They are also part of the Heavy Vehicle Productivity workstream of Rules Reform. The Programme supports the commitments in the Government Policy Statement on Land Transport 2024 to review the vehicle regulatory system to reduce regulatory burdens (among other objectives).

Executive Summary

- 4 On 8 May 2026, the Ministerial Economic and Security Supply Chains Group (MOG) agreed to regulatory relief measures in response to the conflict in the Middle East (CAB-26-MIN-0164 refers). This paper covers the first tranche of Land Transport Amendment Rules and Regulations that will give effect to the agreed permanent changes to be made under Phase One of the Fuel Response Plan 2026.

- 5 I seek Cabinet's authorisation to submit the Amendment Rules and Regulations to the Executive Council. These will come into effect on 6 August 2026.
- 6 I intend to bring further tranches of agreed regulatory relief changes under Phase Two and Phase Four of the Fuel Response Plan 2026 at a later date, as and when required by a change in phase under the Fuel Response Plan 2026.
- 7 I also seek Cabinet's agreement to delegate me the authority to approve consultation materials on a third phase of Heavy Vehicle Productivity as part of Rules Reform. This is intended to make efficient use of Cabinet's time and enable business-as-usual work on permanent changes to improve productivity to progress at pace.

Policy

I seek Cabinet's authorisation to submit Amendment Rules and Regulations to the Executive Council

- 8 On 8 May 2026, the Ministerial Economic and Security Supply Chains Group (MOG) agreed to regulatory relief measures in response to the conflict in the Middle East (CAB-26-MIN-0164 refers)
- 9 This included accelerating changes that have already been agreed to in the Heavy Vehicle Productivity workstream of Rules Reform. Specifically, MOG agreed to:
 - 9.1 Permanently allow Class 1 driver licence holders to drive heavier vehicles, and Class 2 driver licence holders to drive heavier electric buses under Phase One, as soon as practicable.
 - 9.2 Remove permit requirements for 50MAX vehicles and for relocating unladen High Productivity Motor Vehicle rental vehicles under Phase One, as soon as practicable.
- 10 The driver licensing changes codify existing class exemptions issued by the Director of Land Transport that allow heavier zero emissions vehicles to be driven on the same licence class as similar diesel vehicles. This will give industry certainty to invest in heavier zero emissions vehicles, without having to reduce their payloads or upskill their drivers. This change is not expected to risk road safety.
- 11 Changes related to driver licence weight thresholds will be implemented through amendments to the Land Transport (Driver Licensing) Rule 1999 and the Land Transport Rule: Operator Licensing 2017.
- 12 The permitting changes will reduce administrative burden for industry and the New Zealand Transport Agency Waka Kotahi (NZTA), for vehicles that are now common on our roads. The changes have been designed to manage road wear and safety risks.
- 13 Changes related to permitting will be implemented through amendments to the Land Transport Rule: Vehicle Dimensions and Mass 2016. Consequential amendments to the Land Transport (Offences and Penalties) Regulations 1999, the Land Transport (Regulatory Fees) Regulations 2023, the Road User Charges Regulations 2012, and the Road User Charges (Rates) Regulations 2015 will remove the permit application

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fees and ensure that penalties and Road User Charge (RUC) rates that are currently tied to permits remain the same for 50MAX vehicles.

I seek Cabinet's agreement to delegate me authority to approve consultation materials on a third phase of Heavy Vehicle Productivity

- 14 When Cabinet considered the Rules Reform Programme in June 2025, I signalled a review of the Land Transport Rule: Vehicle Dimension and Mass 2016. This review was planned on a longer timeframe than other workstreams due to the research required to assess the impact of larger, heavier vehicles on our roads.
- 15 Officials are progressing this work, including assessing what changes could be made to improve productivity in the medium term, without waiting for the research to be complete. These changes would constitute a third phase of Heavy Vehicle Productivity and could include things like:
 - 15.1 changes to requirements for overdimension vehicles;
 - 15.2 codifying Individual and Class exemptions issued by the Director of Land Transport;
 - 15.3 modest changes to dimension requirements for both general and permit-based access to the road network; and
 - 15.4 changes to the permitting regime for vehicles that exceed general network access limits.
- 16 To build on the momentum gained in fuel response work, make fast progress, and to make efficient use of Cabinet's time, I seek Cabinet's agreement to delegate me authority to approve consultation materials on a third phase of Heavy Vehicle Productivity, in line with the intent above. This will likely be during the election period.

Timing and the 28-day rule

- 17 Subject to Cabinet's consideration, the Amendment Rules and Regulations will be made as Orders in Council when the Governor-General signs them at a meeting of the Executive Council. This will be notified in the New Zealand Gazette in accordance with the Legislation Act 2019.
- 18 The Amendment Rules and Regulations are intended to come into force on 16 July 2026, to align with the 42-day commencement requirement in the Road User charges Act 2012. This means the changes will come into force more than 28 days after being notified in the Gazette.

Compliance

- 19 The Amendment Rules and Regulations comply with each of the following:
 - 19.1 the Principles of the Treaty of Waitangi,

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- 19.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993,
- 19.3 the principles and guidelines set out in the Privacy Act 2020,
- 19.4 relevant international standards and obligations, and
- 19.5 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.
- 20 Section 152A(2) of the Land Transport Act 1998 (the Act) requires the Minister of Transport to have regard to the criteria specified in section 164(2) of the Act before recommending that the Governor-General make a rule under section 152A(1). The Ministry of Transport has provided advice to me covering the criteria in section 164(2) of the Act. I can confirm that I have had regard, and have given such weight as I considered appropriate, to those criteria in recommending the Governor-General make the Amendment Rules.

Regulations Review Committee

- 21 I have been advised that it is unlikely there are grounds for the Regulations Review Committee to draw the Amendment Rules to the attention of the House of Representatives under the Standing Orders.

Certification by Parliamentary Counsel

- 22 The Amendment Rules and Regulations were drafted by the Parliamentary Counsel Office (PCO) and NZTA and have been reviewed by the Ministry of Transport. The Chief Legal Adviser, Ministry of Transport, has certified the Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1) as being in order for submission to the Executive Council. PCO has certified the remaining Amendment Rule and Regulations as being in order for submission to the Executive Council.

Impact analysis

- 23 Regulatory Impact Assessments were prepared in accordance with the Government's impact analysis requirements. They were submitted to Cabinet following approval of the policy decisions relating to these amendments and will be available on the Ministry of Transport website.
- 24 The Regulatory Impact Assessments were reviewed by an internal quality assurance panel. The panel considered that the analyses meet the Quality Assurance criteria for the purpose of informing Cabinet decisions.

Publicity

- 25 I announced regulatory relief changes under the Fuel Response Plan 2026 on 20 May 2026. NZTA will support ongoing implementation through public communications and guidance material.

Proactive release

- 26 This paper will be proactively released within 30 business days of the Amendment Rules and Regulations being signed, subject to any appropriate redactions under the Official Information Act 1982.

Consultation

- 27 The policy underlying the Amendment Rules and Regulations was developed through the Rules Reform Programme and informed by public consultation and agency and industry engagement over October 2025 to March 2026. All proposals received majority support in public consultation. The main themes from submissions were that they were practical changes to reduce uncertainty and administrative burdens.
- 28 The Ministry of Transport consulted the Ministry for Regulation, Ministry of Justice, NZTA, New Zealand Police, and the Treasury on the regulatory relief changes agreed by MOG.
- 29 The Department of the Prime Minister and Cabinet was informed (Policy Advisory Group).

Recommendations

I recommend that the Cabinet Legislation Committee:

- 1 **note** that on 8 May 2026 the Ministerial Economic and Security Supply Chains Group agreed to accelerate implementation of existing agreed changes to licence weight thresholds and High Productivity Motor Vehicle permitting [CAB-26-MIN-0164];
- 2 **note** that the following Amendment Rules and Regulations will give effect to the decisions referred to in recommendation 1:
 - 2.1 the Land Transport (Driver Licensing) (Fuel Response) Amendment Rule 2026;
 - 2.2 the Land Transport (Offences and Penalties) (Fuel Response) Amendment Regulations 2026;
 - 2.3 the Land Transport (Regulatory Fees) (Fuel Response) Amendment Regulations 2026;
 - 2.4 the Road User Charges (Fuel Response) Amendment Regulations 2026;
 - 2.5 the Road User Charges (Rates) (Fuel Response) Amendment Regulations 2026;
 - 2.6 the Land Transport Rule: Heavy Vehicle Productivity Reform Amendment 2026 (No 1).
- 3 **note** that section 152A(2) of the Land Transport Act 1998 requires the responsible Minister to have regard to the criteria specified in section 164(2) of that Act before

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recommending the making of a rule, by Order in Council, under section 152A(1) of the Act;

- 4 **note** that the Minister of Transport has been advised on, and had regard, and given such weight as he considered appropriate, to the criteria noted in recommendation 3 in recommending the proposed changes to rules and regulations;
- 5 **authorise** the submission of the Amendment Rules and Regulations referred to in recommendation 2 to the Executive Council;
- 6 **note** that the Amendment Rules and Regulations referred to in recommendation 2 will come into force on 6 August 2026; and
- 7 **authorise** the Minister of Transport to approve materials for public consultation on a third phase of Heavy Vehicle Productivity.

Authorised for lodgement

Hon Chris Bishop

Minister of Transport

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Annex 1: Summary of changes to licence weight thresholds and High Productivity Motor Vehicle permitting

| Proposal | Description |
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| <p>Remove the requirement for a 50MAX permit</p> | <p>Since 2013, 50MAX trucks have required special permits to operate on routes that have been approved for 50MAX vehicles. 50MAX vehicles are a type of HPMV that can carry 6 more tonnes of freight than standard 44-tonne trucks by having an extra axle (totalling 9) to better distribute the additional load weight.</p> <p>NZTA now issues thousands of 50MAX permits every year, with very few declined (95% acceptance rate), each with a processing time of seven working days. The application fees alone cost the sector \$346,841.39 over 2 years, plus the administration costs. Removing the requirement for a 50MAX permit will reduce the sector’s administrative burden and codify existing practices</p> <p>50MAX vehicles would still be subject to access restrictions as set out in the currently used 50MAX network map. Instead of permits, 50MAX vehicles would need to comply with design specifications and safety requirements provided in proforma documentation available from the NZTA website.</p> <p>Police would retain their ability to enforce these vehicles to prevent safety risks and damage to the network. We will be introducing new penalties for non-compliance to mitigate the fact that the permit-based penalties no longer apply.</p> |
| <p>Remove the requirement for a permit for unladen HPMV rental service vehicles being repositioned between depots or to customers</p> | <p>Heavy vehicle operators, including rental service operators, are required to obtain HPMV permits for new truck and trailer combinations that exceed general mass or length limits, to manage wear on the road network.</p> <p>The processing time to obtain an HPMV permit for any new truck and trailer combination (up to 10 business days) makes it challenging for operators to plan driver availability, book ferry crossings, and plan vehicle swap scenarios that reduce the number of trips required.</p> <p>Removing the requirement for a HPMV permit when delivering unladen combinations between depots and to customers will improve the timeliness of vehicle rental supply and ease logistical challenges.</p> |

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| <p>Allow Class 1 licence holders to drive heavier zero emission vehicles (including light freight vehicles) up to 7,500 kgs</p> | <p>Batteries in zero emission versions of light commercial vehicles increase the gross laden weight of many of these vehicles above 6,000 kg, meaning they cannot be driven on a Class 1 licence. This means operators of these vehicles either need to reduce their payloads or incur the one-off and ongoing costs of a Class 2 licence.</p> <p>Reviewing this regulatory barrier to uptake of electric vehicles has been included in New Zealand’s second emissions reduction plan and requested by industry groups.</p> <p>In early 2025, following public consultation, the Director of Land Transport issued a class exemption for two years allowing battery electric vehicles up to 7,500kg that are similar to a diesel equivalent to be operated on a Class 1 licence. Making this permanent will codify the current class exemption, support long term decarbonisation of light commercial vehicles, and reduce compliance costs on industry with minimal safety risk.</p> |
| <p>Allow Class 2 licence holders to drive heavier electric buses up to 22,000 kgs</p> | <p>Holders of a Class 2 or 2L driver licence are only allowed to drive rigid vehicles with more than two axles, including buses, with a gross laden weight of not more than 18,000 kg.</p> <p>Due to improving availability, range, ease of recharging and cost, electric buses are becoming increasingly viable for urban services to replace diesel fuelled buses. However, electric buses have increased weights from the batteries they carry to ensure adequate range between charges. This added weight places electric buses in the 18,000 – 22,000 kg weight categories, which require a Class 4 licence to drive.</p> <p>In March 2023, the Director of Land Transport issued a Class exemption to allow Class 2 or 2L driver licence holders to drive electric public transport service buses (with more than two axles) and a gross laden weight of up to 22,000kg. A new three-year exemption was granted in 2025.</p> <p>Making the existing allowance permanent will give operators greater certainty to invest in electric buses, make it easier to recruit and train drivers, and reduce barriers to uptake of zero emission heavy vehicles. This aligns with one of the actions in New Zealand’s second emissions reduction plan.</p> |