



Road Vehicle Standards Bill 2017

Proposed Cost Recovery Arrangements

The Road Vehicle Standards Bill 2017 is intended to replace the *Motor Vehicle Standards Act 1989* (MVSA) to implement the Australian Government's announced Reforms to the regulatory framework for the safety, environmental and anti-theft performance of all road vehicles being provided to the Australian market for the first time – both new and used. The reforms will deliver modernised legislation to increase community safety and remove unnecessary processes for businesses.

The Australian Government has released an Exposure Draft of the Road Vehicle Standards Bill for public information. The Bill will need to be debated and passed by both Houses of Parliament before it becomes law. This is expected to happen in 2018. More details are below.

Consistent with the Australian Government Charging Framework, the Government proposes to recover the costs of activities undertaken by the Department of Infrastructure and Regional Development (the Department) that are related to administering the proposed *Road Vehicle Standards Act* (RVSA).

A new cost recovery model is being finalised and options for charging structures will be outlined in detail in a draft Cost Recovery Implementation Statement (CRIS) that is currently under development. Although this is a new model, it is not expected that costs for small business will increase – and may be reduced overall.

Fees and charges will not change before 2019.

Consultation

The public consultation process on the Road Vehicle Standards Bill and draft Road Vehicle Standards Rules will also explore options for cost recovery with industry. A draft CRIS will be released by the end of January 2018 to underpin this process. The outcomes of the consultation process will inform the Government's decision on the fees and charges to apply under the RVSA.

Cost Recovery Framework

The *Australian Government Charging Framework* and *Australian Government Cost Recovery Guidelines* establish the framework under which the Australian Government may charge the non-government sector for specific government activities, including the provision of goods, services and/or regulation. The Government's charging policy is:

“Where specific demand for a government activity is created by identifiable individuals or groups, they should be charged for it unless the government has decided to fund that activity. Where it is appropriate for the Australian Government to participate in an activity, it should fully utilise and maintain public resources, through appropriate charging. The application of charging should not, however, adversely impact disadvantaged Australians.”

Transitional arrangements

- Charging under the *RVSA* will commence 12 months after the Bill is passed by the Parliament.
- Fees payable under the *MVSA* will continue to apply to transactions under the saved provisions of the *MVSA* during the 12-month transitional period after commencement of the *RVSA*.
- Fees and charges under the *MVSA* will not change.

For further information

Please visit our website https://infrastructure.gov.au/vehicles/mv_standards_act/