

Legislative statement: Digital Identity Services Trust Framework Bill – Third Reading

The Digital Identity Services Trust Framework Bill (the Bill) establishes a legal framework for the provision of secure and trusted digital identity services.

Digital identity services support digital transactions by enabling secure user-authorised sharing of personal or organisational information with third parties to prove identity and attribute information. These include services that check the accuracy of information and its connection to a user, and those that facilitate secure sharing.

The Bill establishes the Digital Identity Services Trust Framework (the Trust Framework) – an opt-in accreditation scheme for digital identity services that can demonstrate they meet requirements for handling information. The Trust Framework is designed to put the user in control of their own information, deciding what information they want to share and how they want to share it. The Bill does not demand that any person has a digital identity credential, uses any digital identity services, or that any personal or organisational information be shared, collected or used.

The Bill is now ready for the third reading stage. Following Committee of the Whole House, the following substantive change was made through a Supplementary Order Paper:

Amendment relating to a review of the operation of the Trust Framework Board

- An additional matter is added that will require the review of the Trust Framework Board to include consideration of whether the Trust Framework Board should be established as a Crown entity (new clause 104(3)(c))

Amendment relating to the commencement date of the Bill

- In clause 2(1)(b), 1 January 2024 has been replaced with 1 July 2024

Participation in the Trust Framework is optional

Several submitters expressed concerns and subsequently misunderstandings that the Trust Framework establishes a centralised identity system. To be clear, the Trust Framework is a rules-based, opt-in accreditation scheme for digital identity services. The Trust Framework does not establish a centralised identity system, or create any new powers for the government to collect or share people's information without their consent. Instead, the Trust Framework consists of a set of minimum standards for security, privacy, information and identification management that must be met when people choose to share their information online. Participation in the Trust Framework is optional – no one will be required to get a digital identity to access services, and the government will continue to make services available to people in-person. The Bill itself is also subject to the Privacy Act 2020.

The Bill supports key Government priorities for the digital economy

As the digital identity sector continues to grow and evolve rapidly since the emergence of Covid-19, the need to ensure that Kiwis can access services that will protect their information and serve their interests has grown in importance. This Bill is a part of a wider programme of initiatives that support key Government priorities for the digital economy and the Digital Strategy for Aotearoa. We are also working with the Australian Government to fulfil mutual recognition of digital identity services between our nations, as this has been signalled as a priority for the Single Economic Market agenda by the New Zealand and Australian Prime Ministers (in their annual Leaders' Meetings in 2019 and 2020).

Commencement

The provisions of the Bill will commence either by one or more dates set by Order in Council or (if not brought into force sooner) on 1 July 2024.