

Legislative Statement: Electoral Amendment Bill – Second Reading

Presented to the House of Representatives in accordance with Standing Order 272

Introduction

1. The Electoral Amendment Bill (the Bill) makes a number of changes to the Electoral Act 1993 (the Act) to increase public trust in the transparency of the political donations and loans framework, and to extend the eligibility of overseas voters to enrol to vote in the 2023 General Election.

Provisions of the Electoral Amendment Bill

2. The Bill makes the following amendments to the political donations and loans framework:
 - lowering the public disclosure threshold for donations and contributions to political parties from \$15,000 to \$5,000;
 - amending the reporting requirements for donations by reducing the threshold from \$30,000 to \$20,000, and requiring disclosures of donations above this threshold within 10 working days only within a general election year;
 - requiring party secretaries to report donations under \$1,500 that are not made anonymously;
 - requiring party secretaries to disclose their annual financial statements;
 - requiring a return of party donations to specify the total amount of all donations received in money and the total amount of all donations received other than in money;
 - requiring candidates to publicly report on loans from unregistered lenders received to support their campaign;
 - amending the definition of ‘party donation’ in section 207(2) of the Act to ensure a donation made for the benefit of a party is considered a ‘party donation’; and
 - adding an offence for failing to comply, without a reasonable excuse, with the existing obligation in section 207B of the Act to transmit a political donation to the intended recipient (being a candidate or party secretary) within 10 working days.
3. The Bill clarifies that:
 - all reporting requirements in the Bill relating to political donations and loans only apply from the start of the 2023 calendar year, and do not apply to the 2022 party donation and loan returns, which are covered by the existing reporting requirements in the Act; and
 - the requirement for registered parties relating to annual financial statements only applies to annual financial statements for financial years beginning on or after 1 January 2023 to avoid the requirement inadvertently having retrospective effect.
4. The Bill extends the eligibility period for overseas voters in response to COVID-19 travel restrictions. Currently New Zealand citizens who are living overseas must have been in New Zealand within the last three years to be eligible to vote, and permanent residents must have been in New Zealand within the past 12 months. The Bill extends the eligibility period for overseas voters to six years for citizens and four years for permanent residents. This is a temporary measure for the 2023 General Election.

5. The Bill amends the Act to clarify when the regulated period starts if polling day is changed. The regulated period is defined in the Act as the period immediately before an election where election expenditure limits and disclosure rules apply. Under the Bill, if the polling day changes, the new regulated period is the lesser of either:
 - from the day after the announcement of the new polling day to polling day; or
 - from three months before the (new) polling day.
6. The Bill also makes minor changes to the Act to ensure it is fit for purpose.