

BROADCASTING AMENDMENT BILL (NO. 3)

EXPLANATORY NOTE

GENERAL POLICY STATEMENT

This Bill provides for the public broadcasting fee to be abolished with effect from 1 July 2000. From 1 July 1999 to 30 June 2000, collection of the public broadcasting fee will be phased out, with fees collected on a pro-rated basis during that period.

To give effect to this policy, the Bill amends the Broadcasting Act 1989 by—

- repealing those sections of the Act which relate to the collection of the public broadcasting fee; and
- revoking the Broadcasting (Public Broadcasting Fees) Regulations 1998 on 1 July 2000; and
- setting out the basis for collecting the public broadcasting fee on a pro-rated basis during the transitional period.

Removal of the public broadcasting fee will mean savings for persons currently liable to pay fees, and will reduce compliance costs for sellers and hirers of television sets. The government will provide, on an on-going basis from general taxation, the \$87 million a year currently provided through the fee for public broadcasting. The amount provided from general taxation during the transitional period will be pro-rated.

The roles of the Broadcasting Commission and Te Reo Whakapuaki Irirangi, which have responsibility under the Broadcasting Act 1989 for funding public broadcasting and Maori broadcasting objectives remain unchanged.

CLAUSE BY CLAUSE ANALYSIS

Clause 1 relates to the Short Title and commencement. Other than *Part 2*, this Act comes into force on the day on which this Act receives the Royal assent. *Part 2* comes into force on 1 July 2000.

PART 1

TRANSITIONAL PROVISIONS

Clause 2 provides that any reference to the Fees Regulations in this Part is a reference to the Broadcasting (Public Broadcasting Fees) Regulations 1998.

Clause 3 amends section 47(1) of the principal Act by removing the Commission's power to charge fees after 30 June 2000.

Clause 4 sets out the method of calculating the public broadcasting fees payable after 1 July 1999 by those persons who are not eligible to pay a reduced fee. The clause enables the payment of a fee reduced in proportion to the number of months remaining for which the Commission has the power to collect a public broadcasting fee.

Clause 5 is similar to *clause 4* and sets out the method of calculating the public broadcasting fees payable after 1 July 1999 by those persons who are eligible to pay a reduced fee.

Clause 6 retains the reduction in fees for persons who choose to pay by electronic transfer but who are not eligible to pay a reduced fee.

Clause 7 retains the reduction in fees for persons who are eligible to pay a reduced fee and who choose to pay by electronic transfer.

PART 2

REPEALS

Clause 8 enables the Commission, despite the repeal of section 47 of the principal Act, to continue to collect unpaid public broadcasting fees incurred before the fee was abolished.

Clause 9 gives the Commission power to refund any money paid in error or in excess of the amount required for the purpose for which it was paid.

Clause 10 provides that the funds of the Commission include any public broadcasting fees outstanding as at 1 July 2000.

Clause 11 repeals, on 1 July 2000, all the provisions of the Broadcasting Act 1989 relating to the collection and distribution of the public broadcasting fee.

Clause 12 revokes, on 1 July 2000, the Broadcasting (Public Broadcasting Fees) Regulations 1998.

Hon Maurice Williamson

BROADCASTING AMENDMENT (NO. 3)

ANALYSIS

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A BILL INTITULED

An Act to amend the Broadcasting Act 1989 by abolishing the public broadcasting fee from 1 July 2000

BE IT ENACTED by the Parliament of New Zealand as follows:

- 5 **1. Short Title and commencement**—(1) This Act may be cited as the Broadcasting Amendment Act (No. 3) 1999, and is part of the Broadcasting Act 1989* (“the principal Act”).
- (2) Except for **Part 2**, this Act comes into force on the date on which this Act receives the Royal assent.
- 10 (3) **Part 2** comes into force on **1 July 2000**.

PART 1

TRANSITIONAL PROVISIONS

- 15 **2. Interpretation**—In this Part, unless the context otherwise requires, “Fees Regulations” means the Broadcasting (Public Broadcasting Fees) Regulations 1998.

*R.S. Vol. 38, p. 339
Amendment: 1998, No. 28

3. Public broadcasting fees—Section 47 (1) of the principal Act is amended by inserting, after the words “Commission may”, the expression “, until 30 June 2000,”.

4. Proportion of fee payable for person not eligible to pay reduced fee—(1) A public broadcasting fee, payable after 1 July 1999, is calculated in accordance with this section, instead of Schedule 1 of the Fees Regulations, for a person who—

(a) Is liable to pay a fee in accordance with the Fees Regulations; and

(b) Is not eligible to pay a reduced fee in accordance with regulation 6 (3) of the Fees Regulations; and

(c) Does not pay a fee by electronic transfer in accordance with regulation 7 of the Fees Regulations.

(2) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 1 year must pay a fee calculated in accordance with the following formula:

$$\frac{y}{12} \times \frac{\$110}{1}$$

where—

y is the number of whole months, from the date the fee becomes payable to 1 July 2000.

(3) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 3 months must pay a fee calculated as follows:

(a) A payment of \$30 for each 3-month period; and

(b) If the period of payment from the date a 3-monthly payment becomes payable to 1 July 2000 is less than 3 months, a final payment calculated in accordance with the following formula:

$$\frac{y}{12} \times \frac{\$110}{1}$$

where—

y is the number of whole months, from a date after 1 April 2000 when a 3-monthly payment becomes payable to 1 July 2000.

(4) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 1 month or any multiple of a 1-month period up to 1 July 2000 must pay a fee of \$10.00 for each whole month calculated from the date the fee becomes payable to 1 July 2000.

5. Proportion of fee payable for person eligible to pay reduced fee—(1) A public broadcasting fee, payable after 1 July 1999, is calculated in accordance with this section, instead of Schedule 1 of the Fees Regulations, for a person who—

- 5 (a) Is liable to pay a fee in accordance with the Fees Regulations; and
 (b) Is eligible to pay a reduced fee in accordance with regulation 6 (3) of the Fees Regulations; and
 10 (c) Does not pay a fee by electronic transfer in accordance with regulation 7 of the Fees Regulations.

(2) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 1 year must pay a fee calculated in accordance with the following formula:

$$\frac{Y}{12} \times \frac{\$73}{1}$$

where—

y is the number of whole months, from the date the fee becomes payable to 1 July 2000.

(3) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 3 months must pay a fee calculated as follows:

- (a) A payment of \$20 for each 3-month period; and
 (b) If the period of payment from the date a 3-monthly payment becomes payable to 1 July 2000 is less than 3 months, a final payment calculated in accordance with the following formula:

$$\frac{Y}{12} \times \frac{\$73}{1}$$

where—

y is the number of whole months, from a date after 1 April 2000, when a 3-monthly payment becomes payable, to 1 July 2000.

(4) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 1 month or any multiple of a 1-month period up to 1 July 2000 must pay a fee of \$6.66 for each whole month calculated from the date the fee becomes payable to 1 July 2000.

6. Payment by electronic transfer by person not eligible to pay reduced fee—(1) A public broadcasting fee, payable after 1 July 1999, is calculated in accordance with this

section, instead of Schedule 1 of the Fees Regulations, for a person who—

(a) Is liable to pay a fee in accordance with the Fees Regulations; and

(b) Is not eligible to pay a reduced fee in accordance with regulation 6 (3) of the Fees Regulations; and 5

(c) Pays the fee by electronic transfer in accordance with regulation 7 of the Fees Regulations.

(2) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 1 year must pay a fee calculated in accordance with the following formula: 10

$$\frac{y}{12} \times \frac{\$108.90}{1}$$

where—

y is the number of whole months, from the date the fee becomes payable to 1 July 2000. 15

(3) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 3 months must pay a fee calculated as follows:

(a) A payment of \$29.70 for each 3-month period; and

(b) If the period of payment from the date a 3-monthly payment becomes payable to 1 July 2000 is less than 3 months, a final payment calculated in accordance with the following formula: 20

$$\frac{y}{12} \times \frac{\$108.90}{1}$$

where—

y is the number of whole months, from a date after 1 April 2000, when a 3-monthly payment becomes payable, to 1 July 2000. 25

(4) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 1 month or any multiple of a 1-month period up to 1 July 2000 must pay a fee of \$9.90 for each whole month calculated from the date the fee becomes payable to 1 July 2000. 30

7. Payment by electronic transfer by person eligible to pay reduced fee—(1) A public broadcasting fee, payable after 1 July 1999, is calculated in accordance with this section, instead of Schedule 1 of the Fees Regulations, for a person who— 35

(a) Is liable to pay a fee in accordance with the Fees Regulations; and

- (b) Is eligible to pay a reduced fee in accordance with regulation 6 (3) of the Fees Regulations; and
 (c) Pays the fee by electronic transfer in accordance with regulation 7 of the Fees Regulations.

5 (2) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 1 year must pay a fee calculated in accordance with the following formula:

$$\frac{y}{12} \times \frac{\$72.27}{1}$$

where—

10 y is the number of whole months, from the date the fee becomes payable to 1 July 2000.

(3) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 3 months must pay a fee calculated as follows:

- 15 (a) A payment of \$19.80 for each 3-month period; and
 (b) If the period of payment from the date a 3-monthly payment becomes payable to 1 July 2000 is less than 3 months, a final payment calculated in accordance with the following formula:

$$\frac{y}{12} \times \frac{\$72.27}{1}$$

20 where—

y is the number of whole months, from a date after 1 April 2000 when a 3-monthly payment becomes payable to 1 July 2000.

25 (4) A person who has, in accordance with regulation 5 of the Fees Regulations, chosen to pay a fee in respect of a period of 1 month or any multiple of a 1-month period up to 1 July 2000 must pay a fee of \$6.60 for each whole month calculated from the date the fee becomes payable to 1 July 2000.

30 PART 2

REPEALS

35 **8. Recovery of money**—(1) Despite the repeal by this Act of section 47 of the principal Act, any public broadcasting fee payable in accordance with this Act or regulations made under the principal Act may be recovered from the person liable at the suit of the Commission in any court of competent jurisdiction.

(2) The Commission may from time to time enter into agreements or arrangements, on such terms and conditions as

it thinks fit, with any person to collect or assist in collecting public broadcasting fees.

9. Refund of money paid in excess or error—Any public broadcasting fee paid to the Commission in accordance with this Act or regulations made under the principal Act in error, or in excess of the amount required for the purpose for which it was paid, may be refunded, by the Commission, to that person. 5

10. Funds of Commission—Despite the repeal of section 48 (b) of the principal Act, the Commission's funds include any public broadcasting fee payable under this Act or regulations made under the principal Act and owing at 1 July 2000. 10

11. Repeals—The following provisions of the principal Act are repealed:

- (a) Section 47: 15
- (b) Paragraph (b) of section 48:
- (c) Section 49:
- (d) Section 50:
- (e) Paragraph (b) of section 53K: 20
- (f) Section 53L:
- (g) Section 53M:
- (h) Section 53N:
- (i) Section 82:
- (j) Section 91. 25

12. Revocation of Broadcasting (Public Broadcasting Fees) Regulations 1998—The Broadcasting (Public Broadcasting Fees) Regulations 1998 (S.R. 1998/221) are revoked.