



New South Wales

Environmental Planning and Assessment Amendment (Housing and Productivity Contributions) Bill 2023

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to establish a housing and productivity contribution scheme to facilitate the provision of regional infrastructure that supports and promotes housing and economic activity.

Outline of provisions

Clause 1 sets out the name, also called the short title, of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Schedule 1 **Amendment of Environmental Planning and Assessment Act 1979 No 203**

Schedule 1[8] substitutes Division 7.1, Subdivisions 4 and 5 to establish a housing and productivity contributions scheme. **Schedule 1[1]–[7] and [9]** make consequential amendments.

A Ministerial planning order made by the Minister for Planning and Public Spaces (the **Planning Minister**) may require a housing and productivity contribution from developers to provide for regional infrastructure. **Regional infrastructure** includes public amenities or public services, affordable housing, transport infrastructure, regional or State roads and measures to conserve or enhance the natural environment.

The purpose of the housing and productivity contribution is to facilitate the provision of regional infrastructure that supports and promotes housing and economic activity. The contributions

imposed on development in a region must be used to provide regional infrastructure that benefits the region.

A Ministerial planning order must specify the level and nature of the regional infrastructure contribution, the components of the contribution, including transport project components or strategic biodiversity components, and other matters set out in proposed section 7.26. Before making the order, the Planning Minister must obtain the concurrence of the Treasurer.

If a Ministerial planning order requires a housing and productivity contribution in relation to development, a consent authority or certifier must impose a condition on a development consent or a complying development certificate, respectively, for the development to require the contribution.

Two funds are proposed to be established for housing and productivity contributions in the Special Deposits Account—

- (a) the Strategic Biodiversity Contributions Fund administered by the Planning Secretary, and
- (b) the Housing and Productivity Fund (the *HAP Fund*) administered by the Secretary of the Treasury.

The purpose of the HAP Fund is to support housing and promote economic activity in each region for which a housing and productivity contribution is required.

Schedule 1[11] inserts savings and transitional provisions in relation to the continuation of special infrastructure contributions under the substituted provisions of the Act.

Schedule 1[1]–[7] and [9] make consequential amendments.

Schedule 1[10] enables contributions, including housing and productivity contributions, to be recovered as a debt.