

**ROAD TRANSPORT AND OTHER LEGISLATION AMENDMENT (MICROMOBILITY  
VEHICLES AND SMARTCARDS) BILL 2025**

**STATEMENT OF PUBLIC INTEREST**

**Need: Why is the policy needed based on factual evidence and stakeholder input?**

Currently, sharing service operators do not require any approval to provide micromobility shared devices in NSW. This has resulted in operators deploying large numbers of shared devices (mostly e-bikes) in inner-city areas. Poorly parked and abandoned shared devices create safety, amenity and environmental issues, and impact pedestrians' access on footpaths and in public spaces. This can be particularly challenging for people with disabilities or other mobility needs.

While powers to require devices to be moved or taken into government possession and disposed of exist under the *Public Spaces (Unattended Property) Act 2021*, councils and the community have continued to press for further Government action to address these issues.

Engagement with key stakeholders in late 2023 identified a need for a stronger regulatory framework to support good community outcomes in relation to the provision of shared devices. Through ongoing consultation and collaboration with councils, operators and other agencies, the Government has developed a framework for micromobility sharing services, which includes vehicle and service safety standards, state-wide approval for operators who comply with those standards, and authorisation by local land authorities (including councils) to permit a sharing service to operate in a particular location.

**Objectives: What is the policy's objective couched in terms of the public interest?**

The NSW Government wants walking and bike riding, known as active transport, to be the preferred way to make short trips and a viable, safe and efficient option for longer trips. The Active Transport Strategy supports emerging technology choices such as e-bikes and other micromobility devices to enable people to ride further and more often and undertake tasks usually done by car.

Micromobility sharing services can offer these vehicles to users for a low per hire cost as compared to the cost of buying and maintaining privately owned e-bikes or e-scooters. The ability to pick up and return the vehicle anywhere in the service area adds to the convenience of these services.

Sharing services need to be properly regulated to ensure a proper balance between ensuring the availability, accessibility and connectivity of shared services on the one hand, and the management of safety risks and public amenity on the other. These arrangements need to take proper account of the impact of the service on the area in which it is intended to operate.

**Options: What alternative policies and mechanisms were considered in advance of the bill?**

The selected option: Statewide regulatory framework with two-tiered approvals. Transport for NSW approves sharing scheme operators and ensure they meet minimum standards prescribed in regulations. Councils and State Government land managers authorise operators to provide services in areas they manage.

Do nothing. Transport considered maintaining the current 'light-touch' approach, with shared e-bike services continuing to operate without regulatory oversight or local controls. The same approach would apply in the event of shared e-scooters being legalised.

This option was rejected as it fails to address the core issues identified above and does not provide a sustainable long-term solution. Introduction of e-scooters is also likely to exacerbate existing issues and compound community concerns about these services.

Non-regulatory approaches. Options such as a state-wide voluntary code of conduct, public education campaigns, and informal agreements with operators were explored.

While useful as complementary measures, non-regulatory approaches alone were deemed inadequate to ensure public safety and accountability.

Local regulation. This option would introduce local council-led regulation, supported by state-level guidance and coordination. This approach was considered but ultimately rejected due to the potential for local decision making to impact riders' ability to take continuous, cross-LGA trips and the regulatory burden of each council setting and verifying service standards that could/should apply statewide consistency.

Statewide regulation and operational oversight. Under this option, Transport would directly regulate micromobility sharing services statewide through operator agreements, bypassing the need for local council approvals. This approach was considered but ultimately rejected because it removes council autonomy, imposes high costs and administrative burdens on Transport for NSW, and poses significant reputational and implementation risks for the state government.

#### **Analysis: What were the pros/cons and benefits/costs of each option considered?**

In the absence of a legislated framework, councils would continue to have limited power to deal with shared devices. This would be exacerbated when e-scooters use is legalised, and operators may inundate the market. Councils would be left with dealing with unattended and abandoned share devices with only the limited powers available under the *Public Spaces (Unattended Property) Act*, but without appropriate powers to manage where and how sharing services are provided in their area.

A statewide agreement managed by NSW Government would require significant time and resources to establish and implement. In order to effectively take account of local concerns, it would need to involve extensive consultation with local land authorities, who would have no control over the central decision-making process.

The final legislative design allows for statewide standards dealing with safety of vehicles, equipment and services to be established, and for Transport for NSW to assess operators against these standards. Local authorities will then have power to decide whether an operator should be authorised to offer its service in the area under the authority's control. The authority will not need to spend time assessing the safety of services and vehicles because that will have been assessed by Transport for NSW in deciding whether to grant an operator approval. The authority will be in a better position than Transport for NSW to assess the local impact of an application to operate in its area, and to apply appropriate conditions such as designating places for use, collection or return of vehicles, the number of vehicles, and any speed limit requirements. An opportunity for a final review by Transport for NSW of any decision to not authorise an operator in a particular area ensures that the need for people to have access to micromobility opportunities is given due consideration. There will be a power to set fees for operators that will help defray the costs of administering the new framework.



A legislative approach means that the vehicle safety standards, operator approvals and operating authorisations all have the force of law and are enforceable. Penalties of up to 500 penalty units will apply to contraventions of these requirements.

**Pathway: What are the timetable and steps for the policy's rollout and who will administer it?**

Commencement of the enabling provisions for sharing scheme reform will be on Assent. The requirement to be an approved and authorised operator will commence later, by proclamation, after the establishment of the regulatory functions and the application and approvals processes. Regulations will be made to prescribe the vehicle sharing service standards, maximum fees, and standard conditions for local authorisations. These regulations will be consulted on before they are finalised.

Full commencement of the new framework and the regulations is anticipated for Q1-Q2 2026.

**Consultation: Were the views of affected stakeholders sought and considered in making the policy?**

Transport for NSW has engaged throughout the policy development process, using stakeholder feedback to establish:

- the need for reform.
- target outcomes and stakeholder needs.
- options
- refinements to the preferred option.

Key stakeholders from across government, local councils, public land managers, major events teams, bicycle industries, business advocacy groups, sharing scheme operators, road user groups and disability advocates have been engaged throughout.

**Additional statement regarding amendments to the *Passenger Transport Act 2014* for changes to smartcards**

**Need, objective, options and pathway:**

There are currently over 17 million Opal Cards with positive balances where the cards have not been used for five years or more. The total funds held on these dormant cards is estimated at roughly \$70 million.

Where an Opal Card is unregistered, it is not possible to identify or contact the card holder. Unregistered cards are often held by short term visitors to NSW, or people who have died or moved out of the Opal area and are therefore unlikely to use their card again.

The terms and conditions for Opal Card use have been updated to allow for forfeiture of long-term unused funds, but updates to the terms and conditions only take effect by being 'accepted' when a smartcard is activated (ie tapped on). This means these changes do not apply to cards that have not been used since before the changes were made. A legislative solution is required to release these funds, which are unlikely to ever be claimed by the card holder.

The Bill provides for funds on cards that have not been used for five years to be forfeited to the Transport for NSW fund established under section 77 of the *Transport Administration Act 1988*. These funds are proposed to be used for active transport-related initiatives, including more Opal bike lockers and first- and last-mile connections to public transport.

In order to give the holders of dormant unregistered cards an opportunity to retrieve their funds, it is proposed to conduct a 12-month communications campaign before commencing this provision.

A related amendment will empower Transport for NSW to set out the terms and conditions for smartcard use by notice published in the NSW Government Gazette. This will ensure, when changes are made to the terms and conditions of use of Opal Cards, those changes can be quickly implemented and notified to the travelling public and will have force as part of the law and not merely as contractual terms.