



New South Wales

Road Transport Amendment (Demerit Points Reduction) Bill 2026

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 scheme for the reduction of demerit points recorded in the NSW demerit points register against a driver following the end of a period without committing a relevant driving offence.

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 on the date of assent to the proposed Act.

Schedule 1 Amendment of Road Transport Act 2013 No 18

Schedule 1[1] and [3] amend the *Road Transport Act 2013* (*the Act*) to allow for statutory rules under the Act to establish a demerit points reduction scheme.

Schedule 1[2] omits the Act, section 32A, which establishes a demerit points reduction trial.

Schedule 1[4] inserts a savings and transitional provision in the Act to continue the effect of the current trial provisions in the Act, section 32A for a trial period starting before 1 February 2026.

Schedule 2 Amendment of Road Transport (Driver Licensing) Regulation 2017

Schedule 2 substitutes the *Road Transport (Driver Licensing) Regulation 2017*, clause 72 to establish a demerit points reduction scheme (the *scheme*) under the provisions of the Act. The scheme requires Transport for NSW to reduce the number of demerit points recorded in the NSW demerit points register against a driver by 1 point if the driver does not commit a relevant driving offence within a 1-year period starting on 1 February in a year. The scheme applies to a person holding an unrestricted driver licence who has had a demerit point recorded against the person within the last 3 years.



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This PUBLIC BILL, originated in the LEGISLATIVE ASSEMBLY and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

Legislative Assembly

Clerk of the Legislative Assembly



New South Wales

Road Transport Amendment (Demerit Points Reduction) Bill 2026

No. _____, 2026

A Bill for

An Act to amend the *Road Transport Act 2013* regarding the reduction of demerit points; and for related purposes.

The LEGISLATIVE COUNCIL has this day agreed to this Bill with/without amendment.

Legislative Council

Clerk of the Parliaments

Tabling copy

The Legislature of New South Wales enacts—

1

1 Name of Act

2

This Act is the *Road Transport Amendment (Demerit Points Reduction) Act 2026*.

3

2 Commencement

4

This Act commences on the date of assent to this Act.

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Schedule 1	Amendment of Road Transport Act 2013 No 18	1
[1]	Section 31 NSW demerit points register	2
	Omit “under section 32A” from section 31(5)(b).	3
	Insert instead “by a demerit points reduction scheme established by the statutory rules”.	4
[2]	Section 32A Demerit points reduction trial	5
	Omit the section.	6
[3]	Schedule 1 Examples of statutory rule-making powers	7
	Omit “relating to the NSW demerit points register” from clause 1(2)(j).	8
	Insert instead “relating to the register, including establishing a demerit points reduction scheme”.	9 10
[4]	Schedule 4 Savings, transitional and other provisions	11
	Insert at the end of the schedule, with appropriate part and clause numbering—	12
Part	Provision consequent on enactment of Road Transport Amendment (Demerit Points Reduction) Act 2026	13 14 15
	Demerit points reduction trial	16
	Section 32A, as in force immediately before its repeal by the <i>Road Transport Amendment (Demerit Points Reduction) Act 2026</i> , continues to apply to a trial period starting before 1 February 2026.	17 18 19

Schedule 2 Amendment of Road Transport (Driver Licensing) Regulation 2017

Clause 72

Omit the clause. Insert instead—

72 Demerit points reduction scheme—the Act, s 31(5)(b) and Sch 1, cl 1(2)(j)

- (1) This clause establishes a demerit points reduction scheme for the Act, section 35(1)(b).
- (2) If an eligible driver for a reduction period has not committed a relevant offence during the reduction period, Transport for NSW must reduce the number of demerit points recorded in the NSW demerit points register against the driver by 1 point as soon as practicable after the reduction period ends.
- (3) Subclause (1) does not require the number of demerit points recorded against a driver to be reduced to a number less than zero.
- (4) To avoid doubt, this clause does not apply to a reduction period starting before 1 February 2026.
- (5) In this clause—

eligible driver, for a reduction period, means a person who had demerit points recorded in the NSW demerit points register against the person within the 3 years before the start of the reduction period, but only if the person—

 - (a) held an unrestricted driver licence for the duration of the reduction period, or
 - (b) held an unrestricted driver licence that, during the reduction period, was suspended or cancelled on medical grounds, or
 - (c) held an unrestricted driver licence and, during the reduction period, had an application to renew the licence refused on medical grounds, or
 - (d) held an unrestricted driver licence that, during the reduction period, was suspended for a failure to pay a fine or other penalty if the total period of the suspension was less than 3 months, or
 - (e) held an unrestricted driver licence and, during the reduction period, had an application to renew the licence refused for a failure to pay a fine or other penalty, or
 - (f) held an unrestricted driver licence that expired during the reduction period and was renewed less than 6 months after the expiry of the licence, or
 - (g) held an unrestricted driver licence that was suspended during the reduction period by the Commissioner of Police or another police officer if—
 - (i) the charge that resulted in the suspension was withdrawn, or
 - (ii) a decision was made not to enforce the penalty notice that resulted in the suspension.

reduction period means the period—

- (a) starting on 1 February in a year, and
- (b) ending on 31 January in the following year.

relevant offence—

- (a) means an offence—

- (i) for which Transport for NSW must, under the Act, section 31(2), record demerit points against a person in the NSW demerit points register, or 1
 - (ii) as a result of which a person is disqualified from holding or obtaining a driver licence, or 4
 - (iii) against the Act, section 53, and 6
 - (b) includes an offence of a kind mentioned in paragraph (a), including an offence that would incur a disqualification period if the driver were convicted, in relation to which the court makes an order under the *Crimes (Sentencing Procedure) Act 1999*, section 10. 7
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