

Student Funds Trust Deposit Exemption Rules 2016

1. Authority

- 1.1 These Rules are made under section 253(1)(pb) and (q) of the Education Act 1989.

2. Commencement

- 2.1 These Rules commence on 13 February 2016.

3. Interpretation

- 3.1 In these Rules, unless the context otherwise requires:

Act means the Education Act 1989.

Funds includes all components of any fee payable by or on behalf of a student (*for example, a component includes accommodation costs and agents' commissions*).

Programme has the same meaning as in section 159(1) of the Act.

PTE means a private training establishment as defined in section 159(1) of the Act.

Training scheme has the same meaning as in section 159(1) of the Act.

Trustee has the same meaning as in section 234C(1) of the Act.

4. Exemptions

- 4.1 Programmes and training schemes of the kind prescribed in Rule 4.2 are exempt from the requirement in section 234E(1) of the Act for the funds paid by or on behalf of students to be deposited with an independent trustee approved by the New Zealand Qualifications Authority.

- 4.2 The programmes and training schemes prescribed for the purposes of Rule 4.1 are those for which the total funds payable by or on behalf of a student for the programme or training scheme is \$500 (GST inclusive) or less.

5. Revocation of historical exemptions

- 5.1 Exemptions for courses which were granted by NZQA under the Student Fee Protection Policy (2005) or under any earlier versions of that Policy (the Policy having been made under the now repealed section 253(1)(ca) of the Act) are revoked as at the close of 30 June 2016.

Explanatory note

This note is not part of these Rules, but is intended to indicate their general effect.

These Rules, which commence on 13 February 2016, are made under section 253(1)(pb) and (q) of the Education Act 1989 and prescribe the exemptions from the requirement in section 234E(1) of the Act for the funds paid by or on behalf of students to be deposited with an independent trustee approved by the New Zealand Qualifications Authority.

These Rules also provide a transition period until the close of 30 June 2016, at which time exemptions for courses that were granted under Student Fee Protection Policy (2005) or earlier versions (“historical exemptions”) are revoked. The Student Fee Protection Policy (2005) expired on the close of 31 December 2012 (*by virtue of section 44(2) of the Education Amendment Act 2011*). This transition period gives reasonable time for PTEs to look at their historical exemptions to check whether they are covered by Rule 4.2 of these Rules. If the historical exemptions are not covered by Rule 4.2, from 1 July 2016 PTEs will no longer be able to use them.

These Rules are administered by the New Zealand Qualifications Authority