

Proclamation—Building Units and Group Titles and Other Legislation Amendment Act 2022

Explanatory notes for SL 2022 No. 167

made under the

Building Units and Group Titles and Other Legislation Amendment Act 2022

General Outline

Short title

Proclamation commencing remaining provisions of the Building Units and Group Titles and Other Legislation Amendment Act 2022.

Authorising law

Section 2 of the *Building Units and Group Titles and Other Legislation Amendment Act 2022*.

Policy objectives and the reasons for them

The *Building Units and Group Titles and Other Legislation Amendment Act 2022* (Amendment Act) was passed by the Legislative Assembly on 8 November 2022 and received Royal Assent on 21 November 2022. The objective of the Proclamation is to commence Parts 2, 4 and 5 and Schedule 1 of the Amendment Act.

The *Building Units and Group Titles Act 1980* (BUGT Act), and *Mixed Use Development Act 1993* (MUD Act), provide for establishment and regulation of several complex multi-owner developments in Queensland. Collectively, the parts of the Amendment Act to be commenced by the Proclamation improve the operation of the BUGT Act and MUD Act with a focus on making body corporate governance arrangements fairer for proprietors (for example, unit owners) of relevant developments.

Part 2 of the Amendment Act amends the BUGT Act, Part 4 amends the MUD Act and Part 5 and Schedule 1 make minor editorial and technical amendments to the BUGT Act and MUD Act. In accordance with section 2 of the Amendment Act, Parts 2, 4 and 5 and Schedule 1 are to commence on a day to be fixed by Proclamation.

The remaining parts of the Amendment Act that make unrelated amendments to the *Fair Trading Act 1989* commenced upon assent.

Achievement of policy objectives

The policy objective is achieved by fixing 1 December 2022 as the commencement date for Part 2, Part 4, and Part 5 and Schedule 1 of the Amendment Act.

Consistency with policy objectives of authorising law

The Proclamation is consistent with the policy objectives of the authorising law.

Inconsistency with policy objectives of other legislation

The Proclamation is not inconsistent with the policy objectives of other legislation.

Alternative ways of achieving policy objectives

There are no alternative means to achieve the policy objectives.

Benefits and costs of implementation

The Proclamation will have the effect of commencing Parts 2, 4, and 5 and Schedule 1 that amend the BUGT Act and MUD Act on 1 December 2022. Expediting the commencement of reforms that make body corporate governance arrangements fairer for proprietors will ensure the benefits of the reforms are not delayed and reduce the likelihood of further detriment being experienced prior to the reforms commencing.

The Amendment Act will allow the Office of the Commissioner for Body Corporate and Community Management (BCCM Office) to provide information and education services to assist proprietors in developments to which the BUGT Act, or its dispute resolution provisions, apply. Implementation of these services is supported by additional budgetary allocations starting in the 2022-23 financial year.

Consistency with fundamental legislative principles

The proclamation is consistent with fundamental legislative principles.

Consultation

Consultation was undertaken on the development of reforms to the BUGT Act and MUD Act through the Community Titles Legislation Working Group (CTLWG), which is comprised of representatives from the Department of Justice and Attorney-General and stakeholder groups representing the community titles sector. In addition, an exposure draft of the Bill was released for a three-week period of public consultation. Stakeholders generally agreed on the need to improve the BUGT Act and MUD Act.

No direct consultation on the Proclamation was undertaken given its machinery nature, however, some proprietors of developments affected by deficiencies of the BUGT Act and MUD Act have called for the urgent commencement of the amendments.

A self-assessment undertaken by the Department of Justice and Attorney-General under the Queensland Government Guide to Better Regulation determined that further regulatory impact analysis is not required as the Proclamation falls within the agency-assessed exclusion category (g) '*regulatory proposals that are of a machinery nature*'. Accordingly, the Office of Best Practice Regulation was not consulted in relation to the Proclamation.