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Background

On April 8, 2025, the Government of Alberta released Bill 50: the <u>Municipal Affairs Statutes Amendment Act, 2025</u>, which proposes amendments to the Local Authorities Election Act (LAEA), <u>Municipal Government Act</u> (MGA), the <u>New Home Buyer Protection Act</u> (NHBPA) and the <u>Safety Codes Act</u>.

Prior Consultation

Some of the proposed legislative changes are informed based on the province's consultation of municipalities in spring 2024 on how to improve the current rules for intermunicipal collaboration frameworks (ICFs). That consultation involved written submissions and in-person and virtual sessions with municipal administrators. Alberta Municipalities (ABmunis) provided input based on our <u>Recommendations on the Future of Intermunicipal</u> Collaboration, which we had released in August 2023.

In December 2024 and early 2025, ABmunis and RMA were engaged by Municipal Affairs to explore opportunities to overcome implementation challenges with the government's planned changes with ICFs. The Government of Alberta also had a working group which reviewed aspects of the *New Home Buyer Protection Act*, which ABmunis participated in.

ABmunis' Perspective

We appreciate that Municipal Affairs engaged municipalities in 2024 to inform changes to ICFs and that Municipal Affairs proactively engaged ABmunis and the Rural Municipalities of Alberta in late 2024 on the government's vision for ICF rules so that implementation challenges could be addressed before the legislation was drafted.

ABmunis is supportive of some of the proposed changes in Bill 50, but it also falls short in many ways from what ABmunis had recommended to the province such as:

- Stormwater is excluded from the proposed list of mandatory services in ICF agreements.
- Libraries appear to be excluded from cost-sharing through an ICF.
- Non-mandatory services that benefit all residents of a region will be excluded from the arbitration of an ICF.
- Council code of conduct bylaws will be repealed instead of ABmunis recommendation that the province create an independent integrity commissioner to investigate code of conduct complaints and recommend sanctions when justified.

ABmunis also notes that we were **not consulted** on many aspects of Bill 50 including:

- The elimination of council code of conduct bylaws.
- Specific changes designed to alter the arbitration of ICFs.
- Requirement for the CAO to report when a municipality exercises natural person powers.
- A simple majority to appoint or revoke a CAO's appointment.
- Timelines for the CAO to share information with all of council.
- All proposed changes to the Local Authorities Election Act.

Next Steps and Change Management

ABmunis is raising our questions and concerns with Municipal Affairs so they are fully informed about what these proposed changes would mean for municipalities. If passed, Bill 50 will require significant work by ABmunis, the Rural Municipalities of Alberta, the Government of Alberta and municipalities including:

- Further engagement will be needed to inform the development of new regulations on provincial standards for meeting procedures and treatment of capital costs for new facilities.
- Updates will be required to the existing ICF Workbook to support municipalities.
- Tools need to be developed to support municipalities with cost calculation models and data collection.
- The inclusion of data to drive ICF decisions and the varying sophistication of municipal asset inventories will require a greater focus on asset management for municipalities.

Changes to the Municipal Government Act

The proposed changes to the Municipal Government Act will come into force upon Royal Assent.

Intermunicipal Collaboration Frameworks (ICFs)

Proposed Change	ABmunis analysis
Definition of ICF Costs Add a definition of "costs for intermunicipal services" meaning "operating, capital, and other non-operating costs required to deliver the services." (section 708.29(0.1)(a)	Support ABmunis is supportive of this addition to the MGA to bring clarity for municipalities and that it includes capital costs, which has been a source of disagreement for some municipalities.
List of Mandatory Services for ICFs Add provision that all ICFs must address the following services: • Transportation • Water and wastewater • Solid waste • Emergency services • Recreation (section 708.29(1.1))	Support in principle In August 2023, ABmunis published our Recommendations on the Future of Intermunicipal Collaboration where we called for the MGA to include a clear list of services that are mandatory for each ICF. Bill 50 follows ABmunis' recommendations of the mandatory services except that stormwater is excluded. This is disappointing as there is a clear case to include stormwater as a mandatory service and when its not applicable to a community, the ICF can just acknowledge this. Municipalities can still include stormwater in an ICF if all parties agree but ABmunis will advocate for the inclusion of stormwater in any amendments made to Bill 50. Section 708.27 confirms that ICFs are about stewarding scarce resources to efficiently and fairly serve all residents that benefit from a local service no matter which boundary they live within. While some services such as cemeteries, school sites, and social services are not included on the mandatory list, councils that act in good faith will understand that these services benefit residents of both municipalities and can still include them in an ICF.
Option for Non-Mandatory Services If all municipalities party to an ICF agree, then additional (non-mandatory) services may be included in an ICF, except for third-party services. (section 708.29(1.2))	Support and Oppose ABmunis supports that municipalities will have the option to include other services in an ICF as this aligns with our recommendations to enable broader collaboration between municipalities. We oppose the proposed rule that third-party services may not be included in an ICF. Fortunately, Bill 50 adds a definition of "third-party services" to the MGA as outlined below so that municipalities will have more clarity. Unfortunately, the definition of a third-party service appears to target libraries as a service that may not be included in an ICF. Under natural person powers, municipalities can still agree to cost-share a third-party service, but it would be outside the legislative parameters that apply to ICFs.

ABmunis analysis Proposed Change Third-Party Services Concerns, but further details required Add a definition of "third party services" meaning a The proposed definition appears to be targeted at libraries because library boards are often the "only service provided by: service provider authorized under an enactment" to provide library services. This is concerning (i) a corporation independent from the because it goes against ABmunis 2023 resolution that libraries should be within scope of ICFs. municipalities to whom the services are provided, and In Woodlands (County) v Whitecourt (Town), 2024 ABKB 388, the Court of King's Bench ruled that (ii) the only services provider authorized under operational library costs should not be included in their ICF, but it found that capital and an enactment to provide the services it maintenance costs of the building that is borne by the municipality should be considered as part of provides in or to the municipalities that are the ICF process. The Court made a similar ruling that operational costs under a Municipal Police Service Agreement or Provincial Police Service Agreement should not be included in ICFs but that parties to a framework. (section 708.29(0.1)(b)) capital costs borne by municipalities related to building detachments should be included. It is unclear how such costs would be treated under the proposed definition of "third-party services". Despite third-party services being excluded from ICFs, ABmunis is supportive that Bill 50 adds a definition of a third-party service to offer clarity to municipalities. At minimum, the definition clarifies that municipalities can include third-party services in an ICF when the third-party corporation is not the only service provider authorized under an enactment. This suggests that ICFs could be used to help fund third-party organizations to operate a cemetery, a recreation service, or other local service. **Outstanding Questions** 1. Does the proposed definition prevent municipalities from including capital costs in ICFs for facilities that are used for third-party services? 2. Does the proposed definition prevent ICF cost-sharing of other types of services that benefit the region when delivered by a separate corporation under an enactment (e.g. seniors housing)? Capital Costs for a New Facility Member feedback required Capital costs for a new facility can only be included Infrastructure and capital costs are an essential pre-requisite for providing services and we support in an ICF if all municipalities have participated in the that the MGA will clarify that ICFs include capital costs. It is reasonable to expect that municipalities design and decision to construct the facility. This should discuss and agree about the vision for a new facility and each municipality's cost-sharing requires a prior agreement detailing the nature of portion prior to construction proceeding. This proposed requirement will encourage municipalities to participation by each municipality. (section come to the table to share their respective visions and have frank conversations about the needs of 708.29(1.7)) all residents from the region. This provision only applies to ICFs entered into after **Differing Visions for Capital Needs** Bill 50 comes into force. This proposed change doesn't overcome the potential scenario where two or more councils have different visions about what facilities are needed for the region or different expectations about what financial contribution should be made by each municipality. If the municipalities cannot come to an agreement and a municipality opts to proceed with construction, it could opt to charge different user

Proposed Change	ABmunis analysis
	fees depending on where a user lives as long as this practice isn't restricted under their ICF. We acknowledge that this option is much more challenging to implement and may limit access to those that would benefit from the service. As user fees rarely offset new facilities, it is more likely that facilities that do not have the support of all councils will not be constructed, to the detriment of the broader region.
	Control Over Design ABmunis also foresees potential conflicts where one municipality has a small minority stake in the costs of a new capital project but expects equal control over the design of the facility. ABmunis had recommended that if one municipality is only responsible for a small percentage of the project costs, the MGA could prescribe a threshold for when a municipality does not have design authority but maintains the right to be consulted.
	Definition of a New Facility Bill 50 does not include a definition of what qualifies as a "new facility", which may be a source of confusion, but the Minister will gain authority to make regulations related to the treatment of capital costs under ICFs which could bring further clarity for municipalities.
	 Outstanding Questions 1. If municipalities cannot reach agreement on the capital costs for a new facility that is a mandatory service, do the legislative requirements for arbitration apply or can one municipality decline to cost-share a new facility without an independent review? 2. Will the planned regulations provide guidance, such as thresholds, on what level of control a municipality has over the design phase when they have a small minority interest in the cost of the capital build?
Regulations Related to Capital Costs Adds a provision that the Minister may make regulations relating to the treatment of capital costs in ICFs. (section 708.29(1.91))	Support in principle We expect that municipalities may need further guidance on the treatment of capital costs in ICFs so it is positive that the Minister will have the ability to create regulations as needed.
Cost Calculation Model Municipalities may establish a cost calculation model within their ICF. (section 708.29(1.4))	Support ABmunis is supportive of this enabling feature for transparency purposes. ABmunis has advocated for the development of potential models and tools to support municipalities with determining a fair cost-sharing model.
Sharing of Data	Support In the spirit of collaboration, it is reasonable to expect that municipalities are transparent in sharing all information and assumptions when proposing cost sharing models. This is critical to building trust.

Proposed Change	ABmunis analysis
Municipalities must disclose all information, data, or assumptions used for its proposal for cost calculation. (section 708.29(1.5))	That said, ABmunis understands that each municipality has different capacity and functionality in data collection and financial tracking systems and that the expectations of municipalities may differ when it comes to the quantity and/or quality of available data. To support effective intermunicipal collaboration, municipalities may want to consider shared
	systems (e.g. financial, IT, asset management) for cost efficiency and collaboration on data management for ICFs. Having apple-to-apple comparisons of data can mean the difference between getting to an agreement or stalling out. As the province is requiring more data driven decision making for ICFs, it is our hope that there will be additional support and funding for the practice of asset management made available to municipalities so they are able to collect and manage data related to their infrastructure with a standardized approach.
Definition of "Act in Good Faith" Add a definition of "act in good faith" as it relates to ICFs meaning to: (a) act honestly, respectfully and reasonably, (b) communicate appropriately, (c) share necessary information, (d) meet through authorized representatives, and (e) be willing and prepared to discuss all issues and explain all rationale. (section 708.33(0.1))	Support ABmunis supports this addition to the MGA and municipalities may find value adding these principles to any intermunicipal agreement or using it as a framework to support effective discussions.
Exceptions for Municipal Districts and Counties Municipal districts and counties that share a common boundary may opt out of an ICF by mutual agreement. (section 708.28(1.1))	 Support Currently, every municipality including municipal districts must create an ICF if they share a common boundary. The proposed changes will allow municipal districts that share a boundary to opt out of an ICF if they follow these requirements: The municipal districts must review the existing agreements between them prior to agreeing that an ICF is not required. Both municipalities must send the council resolution to the Minister. Both municipalities must publish the reasons for not having an ICF on their website. A municipal district may revoke its decision at any time and must enter into an ICF with the other municipal district within one year.

Arbitration of Intermunicipal Collaboration Frameworks

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Services Out of Scope of Arbitration Services that are not in the mandatory list of ICF services will not be subject to arbitration. (section 708.34 and 708.35(1))	ABmunis is opposed to the proposed restriction that arbitrators must limit their scope only to mandatory ICF services as there may be situations where municipalities would benefit from arbitration on other services. For example, municipalities may have historically collaborated on the provision of a service not considered mandatory and now find themselves in a dispute with regards to that service. For many municipalities, there will be municipal services that are not in the mandatory list but still benefit residents of two or more municipalities and therefore, those municipalities should jointly contribute funding (section 708.27(c)). Outstanding Questions 1. ABmunis is seeking clarity from Municipal Affairs on whether municipalities will be able to go to arbitration under the MGA rules in situations when disagreement has arisen after the parties already have had an existing cost-share agreement for a non-mandatory service. For example, if a council changes its willingness to cost-share a non-mandatory service, can they ignore any previous agreement on the cost-sharing of a non-mandatory service without consequence? 2. What is the justification that arbitration under the MGA provisions will not be available to municipalities to resolve disputes on non-mandatory services that clearly benefit residents from both municipalities? 3. If the absence of legislative parameters to deal with these types of situations, should municipalities take action to have their own arbitration process outlined in their ICF for non-mandatory services?
Responsibility and Timeline for an Arbitrated ICF If an arbitrator makes an award, the arbitrator must prepare the ICF within 30 days and the municipalities are bound by the award and have 60 days to adopt the ICF. (section 708.4(1))	Support Currently, municipalities are required to develop an ICF that is in accordance with the arbitrator's award. ABmunis supports the proposed change, which removes the burden for the municipalities to develop the ICF and instead place that responsibility on the arbitrator. This removes the potential for further disagreements between the municipalities in forming an ICF that accurately reflects the arbitrator's award.
Payment of the Arbitrator's Costs If a municipality fails to pay its proportion of the arbitrator's costs, the Minister may order the municipality to pay its proportion. (section 708.41(3))	Support This issue is currently not addressed in the MGA. ABmunis supports the proposed addition to provide the Minister with authority to force payment by a municipality, which may include suspending council's bylaw-making authority, withholding of money, or requiring other actions as defined in section 708.43.

Force Compliance with an Arbitrator's Award

Update section 708.43(2) to clarify that the Minister may take necessary action if a municipality does not comply with an arbitrator's award or does not adopt an ICF that reflects the arbitrator's award.

Limitations of an Arbitrator

An arbitrator may not make an award that:

- negates a matter that the municipalities have agreed to, unless that matter is beyond the municipalities' jurisdiction. (section 708.36(7)(d.1))
- addresses a matter not previously discussed by the municipalities. (section 708.36(7)(d.2))

Support

Currently, the MGA only prescribes the Minister's authority when a municipality has not complied with a framework and so municipalities whose neighbours are non-compliant must resort to applying for an order from the Court of King's Bench. The proposed change adds clarity of the Minister's power when a municipality does not comply with the decision of an arbitrator. We are supportive of the change as it aligns with ABmunis recommendations to Municipal Affairs.

Further review required

ABmunis is supportive that arbitrators will not be able to undo a matter that has already been agreed to by the municipalities. This will provide comfort to municipalities of what is in scope when going into arbitration.

ABmunis understands the intent of preventing an arbitrator from addressing a matter not previously discussed by the municipalities as it will encourage municipalities to take the time to work out all issues before going to arbitration. However, ABmunis is concerned about how this provision could be weaponized during an arbitration. Whether a matter was previously discussed before arbitration is highly subjective. There is no guidance on what level of discussion is required on a matter prior to arbitration and there is a risk of information loss leading up to arbitration due to turnover of municipal staff or council and how it could be argued that specific matters were not previously discussed between the current representatives of the municipality.

Councillor Code of Conduct and Council Meeting Procedures

Proposed Change

Elimination of Code of Conduct Bylaws and Resolutions Related to Behaviours

Any municipal bylaw or portion of a bylaw or previous resolution that provides for a code of conduct or addresses the behaviour or conduct of a councillor(s) or members of council committees who are not elected officials are repealed. (section 145(10))

ABmunis Analysis

Concerned and further details are required

ABmunis did not advocate for the elimination of code of conduct bylaws. We recognize there have been challenges with the implementation of codes, but in most cases, municipalities have used them appropriately. Both ABmunis and RMA had advocated for enhancements to the codes and that municipalities be supported by an independent integrity commissioner to investigate code of conduct complaints, which would prevent weaponization and support procedural fairness.

The removal of codes of conduct for councils undercuts the autonomy of municipal governments to manage internal challenges with damaging behaviour by elected officials. ABmunis is concerned about the transition period after the repeal of codes of conduct bylaws where municipalities will have no mechanism to encourage accountability of council members in their behaviour towards other members of council, municipal staff, or the public, particularly outside of council meetings.

We understand the province is committing to replacing code of conduct bylaws with a provincial standard for council meeting procedures and the possible creation of a municipal ethics commissioner. However, we foresee a few challenges:

- Experience has shown that when a councillor is unruly towards staff or other council members, it often takes place outside of council meetings, which we understand won't be captured by a new provincial standard for council meeting procedures.
- The timeline for creation of a municipal ethics commissioner could be several years away, and in the meantime, councils will have no mechanism to hold councillors or unelected committee members accountable for damaging behaviour.

The Minister of Municipal Affairs stated during his April 16, 2025, town hall that the government wants to repeal codes of conduct now because all court cases related to codes are now resolved and if a new case were to come before the courts it would prevent the province from proceeding to make changes or engaging on potential changes. The Minister stated that he is committed to creating the municipal ethics commissioner as soon as possible.

Unelected Members of Council Committees

Council committees often rely on the participation of residents who volunteer to be appointed to committees and local boards. Municipalities often have respectful workplace policies that apply to these council committees to support the safety of municipal staff and all committee members. The proposed amendment appears to force the repeal of these types of policies when they apply to members of council or unelected members of a board or committee that are established by council. ABmunis is concerned that councils will not have a tool to deal with unruly behaviour by unelected committee members as per the proposed amendment.

Proposed Change	ABmunis Analysis
	 Outstanding Questions How does the province plan to support municipalities during this transition if there is serious misconduct by a councillor or an unelected member of a council committee? Despite the proposed addition of section 145(9) that prevents a council from making a bylaw or resolution that addresses the behaviour of a councillor, is there an opportunity to remove council from the decision process and allow the municipality to hire an independent investigator? Overall, we are hearing from ABmunis members that there could be a wide range of unintended consequences with the full repeal of bylaws related to codes of conduct and any prior resolutions that relate to the behaviour or conduct of individuals.
	As part of our Fostering a Culture of Respect initiative, ABmunis intends to create new tools to support councils to build constructive relationships and proactively address issues before it turns into a larger problem.
Termination of Current Complaints or Sanctions Any existing complaint or imposed sanctions related to a code of conduct bylaw are terminated.	Further details are required Although code of conduct bylaws are proposed to be repealed, this does not mean that current complaints that are under investigation do not have merit or that sanctions that were properly imposed by councils for past transgressions be universally set aside. This may create an environment where a councillor who was previously sanctioned believes that there was no harm in their past behaviour and may feel comfortable repeating it. Councils should be able to document damaging behaviours by council to ensure the safety of both
Behaviour of Councillors or Committee Members A council may not make a bylaw or a resolution that addresses the behaviour of a councillor(s) or members of council committees. (section 145(9))	Further details are required By removing the process in which councils are able to deal with inappropriate behaviours made by council members, and enforceable sanctions, there will be a lack of accountability both inside and outside of council chambers. ABmunis recognizes that there are concerns with how sanctions have been used, but taking away the option for municipalities to use codes of conduct is an affront to municipal autonomy and removes any mechanism for council to handle complex, repetitive, and damaging behaviours and leaves room for additional conflict and strain on municipal staff.
	Municipal Affairs has alluded to the fact that Alberta's occupational health and safety (OHS) legislation will be able to deal with instances of harassment, however there are currently gaps in this legislation which do not allow for councillors to be covered under the legislation as they are not employees of the municipality. ABmunis had recommended that code of conduct provisions be amended to specifically address OHS violations but now that is no longer possible with the

Proposed Change	ABmunis Analysis
	elimination of codes of conduct. In recent months, ABmunis has raised concerns with the gaps in OHS legislation regarding councillor actions but the province has not yet taken action to address these gaps.
	Protection of the Well-Being of CAOs and Municipal Staff As an employer, the municipality has a duty under occupational health and safety legislation to protect the physical and mental well-being of all employees including the CAO. If a councillor harasses an employee, ABmunis is concerned that the municipality will not have any tools at its disposal.
	ABmunis is committed to developing a toolkit for councils to self-assess their conduct and performance. As well, ABmunis will be hosting training for mayors and councillors to develop skills related to how to run meetings and developing leadership skills. We hope to collaborate with Municipal Affairs and other stakeholders as appropriate.
Meeting Standards Add provisions for the Minister to set standard meeting procedures for council meetings and council committee meetings. (section 145)	Further details are required Councils will still have the ability to have a procedural bylaw so long as the provisions in the procedural bylaw do not conflict with the standard meeting procedures that are set out by the Minister. Our understanding is that Municipal Affairs plans to engage municipalities on the creation of the meeting standards this spring. It is not clear when the meeting standards will be ready but once the Minister has made a Ministerial Order on this matter, municipalities will have six months to update their bylaws to align with the meeting procedures. (section 145(11))
	A Ministerial Order on meeting procedures related to section 145 will not apply to a board.

Creation of a Municipal Ethics Commissioner

While not addressed in Bill 50, the Minister of Municipal Affairs has indicated that the ministry will engage municipalities in 2025 on the potential creation of a municipal ethics commissioner. Both ABmunis and RMA have long-called for the province to create an independent office to advise and investigate council code of conduct complaints including a <u>resolution passed by ABmunis members in 2024</u>.

Depending on the scope of authority that the municipal ethics commissioner has, this may meet the expectations of municipalities. However, initial statements by the Minister of Municipal Affairs at his April 16, 2025, town hall suggest the province's initial vision for a municipal ethics commissioner may not include authority over activities that take place outside of council chambers. This would be highly concerning based on past experiences where councillors have bullied or inappropriately directed municipal staff or displayed unruly behaviour towards other members of council outside of council meetings resulting in an unsafe environment for staff and council members.

ABmunis understands that the creation of a municipal ethics commissioner will require new legislation in 2026, meaning the ethics commissioner may not be in operation for at least a year. This is problematic unless the province is willing to delay the removal of codes of conduct until the officer of the ethics commissioner is operational.

Municipalities may also reserve concerns about how the municipal ethics commissioner will be funded, particularly if municipalities are required to cost-share the expense.

At this time, ABmunis is supportive of the overall intent to have a municipal ethics commissioner, but more details are needed and ABmunis looks forward to being engaged on how the commissioner's office is structured.

Accountability of the Chief Administrative Officer (CAO)

Proposed Change	ABmunis Analysis
Number of CAOs A municipality may only appoint one CAO. (section 205(2))	Support Currently, councils may appoint one or more persons to carry out the duties of the CAO. ABmunis supports the proposed change of only one appointed CAO for setting clear parameters for the relationship between council and administration through one appointed administrator.
Appointment of a CAO Council decisions to appoint, suspend, or revoke the appointment of a CAO must be by simple majority of the whole council. (section 206(1))	Member Input Required The proposed amendments suggest that some municipalities may have a bylaw that sets a different requirement for what is considered a majority vote for a decision regarding the appointment or termination of a CAO. The proposed amendments will force the repeal of related provisions in a municipal bylaw and set the standard requirement at a simple majority of the whole council. Section 1(1)(cc) defines that "whole council" means all of the councillors that comprise the council, regardless of whether they are present at the meeting when the vote takes place.

Proposed Change

Use of Natural Person Powers

Add provision that when the municipality exercises its natural person powers, the CAO must notify council in writing within 72 hours. (section 208(3))

ABmunis Analysis

Opposed

Per section 6 of the MGA, municipal governments have the rights, powers, and privileges of a natural person and can exercise powers that are not explicitly set out in legislation. These powers address daily operational matters such as:

- entering contracts,
- using a credit card,
- acquiring property,
- hiring, disciplining, or terminating staff,
- legal matters, and
- the general exercising of management rights like any other employer.

Adding a provision which requires every use of natural person powers to be reported to council will add a significant burden to municipal administrations. This provision also blurs the lines of council's role as a governing body versus administration's role in the management of operations. ABmunis and many municipalities have raised this concern with Municipal Affairs, and they are exploring a possible amendment to narrow the scope of circumstances when this requirement would apply.

Duty to Provide Information to a Councillor

Add provision that a CAO will be responsible for providing information as soon as practicable when requested by a councillor (when the request is specific to the operation or administration of the municipality). (section 208.1(1))

Support in principle

Section 153(d) states that councillors have the duty "to obtain information about the operation or administration of the municipality from the chief administrative officer or a person designated by the chief administrative officer" but there is no current provision that indicates when the CAO must provide the information to the councillor. The proposed addition of section 208.1(1) will make it clear that the CAO must respond "as soon as is practicable." This still enables the CAO to have sufficient time to research the issue without unreasonable time parameters, but it is possible that the interpretation of what is considered "practicable" may result in potential conflicts between the CAO and councillors.

Onerous Requests for Information

Some municipalities have experienced challenges when an individual councillor feels entitled to continually request information based on personal interests to the point that it ties up significant time and costs for staff to research and respond to each request. Some municipalities have addressed this by implementing procedures so that an individual councillor does not have the authority to consume municipal resources for items that are outside of the authority prescribed by council.

Outstanding Question

1. Does the combination of section 153(d) and proposed section 208.1(1) create a potential environment where a councillor could be a strain on the municipality's administrative resources through frequent and frivolous requests for information and council have no power to curtail the

Proposed Change	ABmunis Analysis
	behaviour? Or do councils have the authority to pass a procedure that provides parameters for information requests by individual councillors while still remaining compliant with the MGA?
	NOTE: The proposed requirement to provide information to council within 72 hours does not apply to the original request for information. Only once the CAO has completed the original request for information, then the CAO will have 72 hours to share that same information with the rest of council.
Refusal to Share Information with Council The CAO may decline to provide information in specific circumstances (e.g. personal information) but the CAO must provide the reason for the refusal to all councillors. (section 208.1(4))	Support in principle For transparency purposes, it is reasonable for the CAO to be required to explain why specific information cannot be shared with council. We still foresee situations where there will be disagreement on when there is justification to withhold information from council for privacy or legal matters.
Sharing Information with all of Council When the CAO, or designate, provides information about the operation or administration of the municipality to one councillor, the information must be shared with all other councillors within 72 hours. (section 208.1(3))	Concerns Currently, section 153.1 states that when a CAO provides information to a councillor about the administration or operation of the municipality (section 153(d)), then the CAO must provide the information to the rest of council "as soon as is practicable". Bill 50 proposes to repeal section 153.1 and add section 208.1(3) that changes the timeframe that the CAO provide the information to council from "as soon as practicable" to "within 72 hours".
	The reality is its common for the CAO to have more regular contact with the mayor/reeve and it may be challenging for the CAO to communicate every detail that is shared with one councillor with all of council within 72 hours. Often times, the information is a low priority and there is efficiency in sharing low priority information through a briefing or CAO report in the next council agenda instead of being forced to share all details within 72 hours.
	ABmunis is also concerned that 72 hours may not be an adequate period to share information with all of council after it has been provided to one councillor. This is particularly relevant in small municipalities where the CAO works part-time and is only in the office two or three days a week. Or there are municipalities where the CAO works full-time but there are no other staff to designate this responsibility to when the CAO is ill, takes vacation, or is tied up with higher priority business.
	A timeline of 72 hours can also be problematic where information has been shared with a councillor late on a Friday, which means the CAO or designated staff would have less than one business day to provide the information to council. Some members have questioned how the proposed rule would apply when the deadline lands on a weekend or holiday and in that case, then section 22 of the <i>Interpretation Act</i> should apply to give administration until the next business day to complete the requirement, but few municipal leaders may be aware of that legislation.

Proposed Change	ABmunis Analysis
	Setting a 72-hour timeframe adds red tape for administration and in some cases, may be an annoyance for council members who prefer to receive information through regular agenda packages instead of ongoing emails or texts that are necessary to meet the 72-hour timeline.
	Recommendation Regarding the Timeline Each council will have a different expectation for when and how information should be shared by their CAO depending on their local environment. ABmunis recommends that the proposed addition of section 208.1(3) be amended to change the timeline from "within 72 hours" to require that municipalities pass a bylaw that prescribes the timelines in which their CAO, or designate, must share information with council after the information has been provided to a councillor under section 153(d).
	The Realities of Section 208.1(3) Regardless of the timelines that are set, the review of this section highlights the overall challenges with expecting the CAO to provide information to the rest of council based on one councillor's request for information. The provision impedes on a CAO's expertise and judgement to determine when information provided to one councillor must be shared with the remaining members of council depending on the importance and relevance of the information. It may be that a councillor is seeking information that is specific only to their ward, or the information being requested by one councillor is already known to be understand by the rest of council.

We note the general focus of giving council higher expectations to receive information about the operation or administration of the municipality may create an environment that draws council into the weeds of focusing on administration rather than on council's role in governing. This has the potential to create greater conflict between the roles of council and administration and could potentially make CAOs more vulnerable to abuse or termination.

Some members have questioned why Bill 50 doesn't define the consequences if a CAO is not compliant with the requirements for information sharing. Councils may consider addressing those concerns through their regular performance management process.

Authority of Official Administrators

The Minister of Municipal Affairs may appoint an individual to serve as an <u>official administrator</u> of a municipality in extraordinary circumstances wherein the official administrator has the power to act as council. The most common situations are when:

- Members of council have been dismissed or resigned resulting in the loss of quorum of council.
- A municipality is restructuring through amalgamation or dissolution.
- An official administrator is appointed to supervise a municipality and its council where there are concerns about the governance of the municipality. In these circumstances, councils still make all decisions, and the official administrator is responsible to review.

Proposed Change	ABmunis Analysis
Notification of Meetings An Official Administrator must be notified of any council meeting and may be present for any meeting of council that is closed to the public except in cases of legal privilege. (section 575(2(c)(i)) and 575(2)(c)(ii))	Support The proposed change is in alignment with the role of an Official Administrator to ensure they are able to perform their duties effectively with full knowledge of all decisions being made by a council that is under supervision by an Official Administrator.
Request for Information Provide authority for the Official Administrator to direct the municipality to provide a copy of any records, except records that are subject to legal privilege. (section 575(2(c)(iii))	Support The proposed change is in alignment with the role of an Official Administrator and allows them to perform their duties effectively.
Approval An Official Administrator must sign or authorize agreements, cheques, and other negotiable instruments of the municipality in addition to the person authorizing. (section 575(2(c)(iv)))	More details required The proposed change is in alignment with the role of an Official Administrator to ensure they are able to perform their duties effectively with full knowledge and final authorization on all municipal business. ABmunis notes that the Official Administrator rarely resides in or near the municipality that it is temporarily serving so this new rule may create delays if a physical signature is required.

Defining "Public Interest" and "Policy of Government"

In Spring 2024, the Government of Alberta passed Bill 20, the *Municipal Affairs Statues Amendment Act*, which amended the MGA to provide power to the Lieutenant Governor (via provincial Cabinet) to:

- order the CAO to conduct a vote of the electors to determine if a councillor should be removed from council. One of the possible criteria to make that order is based on the determination that a vote of the electors is in the "public interest" (section 179.1(2)).
- order a municipality to amend or repeal a bylaw if the Lieutenant Governor is in the opinion that the bylaw is contrary to a "policy of the Government" (section 603.01(e)).

Since the passing of Bill 20, ABmunis has noted the terms "public interest" and "policy of the government" need to be defined to provide clarity for the public and all stakeholders.

Proposed Change	ABmunis Analysis
Public Interest Add authority for the Lieutenant Governor in Council to make regulations that define the term "public interest". (section 179.2)	Concerns remain ABmunis still reserves concerns with the passing of Bill 20, the Municipal Affairs Statutes Amendment Act, 2024, that provincial Cabinet may order the CAO to conduct a vote of the electorate to remove a councillor from office without requirement of an independent investigation into the matter so that all facts are available to residents before the recall vote.
	ABmunis understands that the province does not plan to create a regulation to define "public interest" in the near future. Therefore, if Cabinet orders a CAO to conduct a vote of electors on the removal of a councillor on the basis of "public interest", it will likely raise a legal challenge until the term is defined.
Policy of the Government Add authority for the Lieutenant Governor in Council to make a regulation that defines the term "policy of the government." (section 603.02)	Concerns remain and more details required Municipal Affairs has communicated that the Minister intends to create a regulation this year that defines "policy of the government" to mean publicly available legislative instruments such as acts, regulations, Orders in Council, and Ministerial Orders that have been formally approved by the Premier, a Minister, or Cabinet. This aligns with the recommendations made by ABmunis in 2024, but ABmunis will wait to review the actual regulation when it comes forward.
	ABmunis still reserves concerns with the passing of Bill 20, the <i>Municipal Affairs Statutes Amendment Act</i> , 2024, where section 603.01 was added to provide the province authority to amend or appeal or municipal bylaw. This impedes on municipal autonomy and the independent vision of council to best serve their community.

Changes to the Local Authorities Election Act

The proposed changes to the Local Authorities Election Act will come into force upon Royal Assent.

Election Voting, Recounts, and Withdrawal by Candidates

Proposed Change	ABmunis Analysis
Candidate Withdrawal A candidate may withdraw their name during the nomination period or within 24 hours after the close of nominations, regardless of whether there is a sufficient number of nominations for council. (section 32)	Support in principle but further details are required Currently, a candidate may only withdraw their nomination after the nomination period if there is more than the required number of nominations for the particular office. ABmunis supports the proposed change recognizing that a candidate's personal circumstances or commitment may change. Outstanding Questions 1. If there were sufficient nominations received on nomination day and the returning officer has closed nominations and then a candidate withdraws their nomination within the next 24 hours, what process is the returning officer to follow? Is the returning officer enabled to reopen nominations for 6-days as per section 31(1)? Is a further amendment required to clarify the process to be followed as it relates to the proposed amendment to section 32?
Displaced Residents of Jasper Add provisions to allow residents of Jasper who remain temporarily displaced to vote and run in the upcoming local election, provided they intend to return to the community. (section 48.1 and 53.03)	Support These proposed provisions are necessary to support residents of the Municipality of Jasper who are temporarily displaced from their home community due to the 2024 wildfire. The new provisions require a candidate or elector to sign a written statement that confirms they were a resident prior to July 22, 2024, and that they intend to resume residence in Jasper as soon as reasonably practicable. A person who wishes to vote in the Jasper election will need to produce a government issued ID that contains their photograph. ABmunis is reaching out to Jasper to confirm that the rules adequately meet the needs of their displaced residents.
Permanent Electors Register Add and amend provisions for how a permanent elector register may be used. (section 49(7.1) and 49(8)	Support The proposed amendments make it clear that a permanent electors register may only be used by the returning officer and only for the purposes in performing requirements under the LAEA.
Voter Assistance Terminals Allow municipalities to use elector assistance terminals so voters with visual or physical impairment can mark their election ballot independently. (section 78.1 and 84.1)	Support In 2024, the province made legislative changes to prohibit municipalities from using electronic tabulators, voting machines or similar equipment for local elections. This change clarifies that elector assistance terminals may be used as long as it creates a paper ballot which can then be counted by hand with all other ballots. Elector assistance terminals do not count ballots and must not be connected to the internet or other network.

Proposed Change	ABmunis Analysis
	Municipalities who wish to offer an elector assistance terminal in the 2025 election will need to pass a bylaw by June 30, 2025.
	While ABmunis would prefer that municipalities still have the <u>option to use electronic vote counting</u> <u>systems</u> , we support this change to ensure all Albertans can participate in the local election process.
Recount Process Split up the provisions of the current recount processes into separate sections. (section 98)	Support in Principle The proposed change is intended to allow different requirements and timelines to be more easily understood.
School Board Use of Electors Register Provide authority for a school board to request a permanent electors register from the relevant municipality. (section 49.1)	Support Some school boards run their own election for school trustees, so the proposed change supports those school boards to have adequate tools for managing their election.

Campaign Finances (the amendments are only applicable to Calgary and Edmonton)

ABmunis will seek clarity from Municipal Affairs to ensure that the Election Commissioner is engaged in the proposed changes as the Election Commissioner will be accountable for enforcement. The proposed changes are also being brought forward during the current election period so ABmunis will request that Municipal Affairs immediately update their information guides for candidates to reflect these changes if Bill 50 passes.

In addition to the following amendments under Bill 50, the Government of Alberta plans to amend the Local Political Parties and Slates Regulation in spring 2025. The amendments to the Local Political Parties and Slates Regulation are expected to deal with financial reporting requirements for local political parties and fines for those who exceed campaign expense limits.

Proposed Change	ABmunis Analysis
Definition of Campaign Expense Update the definition of "campaign expense" to include references to a local political party or slate. (section 147.1(1)(a)) Definition of Contribution Update the definition of "contribution" to include references to a local political party. (section 147.1(1)(c))	Member feedback required The current LAEA definitions do not reference local political parties or slates. The proposed change helps ensure that funds expended or contributions received by local political parties and slates to support or oppose other local political parties or candidates are fully captured in financial disclosures.
Advising of Prospective Contributors	Member feedback required

Proposed Change	ABmunis Analysis
Clarify that local political parties are required to advise prospective contributors of the rules relating to contributions. (section 147.13(2))	Currently the LAEA only requires candidates to advise prospective contributors about the rules relating to contributions to their campaign. The proposed change makes it clear that the same rule also applies to local political parties.
Transfers Between Local Political Parties and Candidates Add provisions for transfers between local political parties and their endorsed candidates. (section 147.25)	Concerns remain The proposed change enables a local political party and their endorsed candidate to transfer or accept from each other: • Money or real property • Debt incurred during a campaign period • Goods or services The above-mentioned transfers are not considered a contribution or campaign expense but must be recorded and must be accounted for in annual disclosure statements. During the April 16 town hall, the Minister of Municipal Affairs stated that this change is to create alignment with how transfers are treated under provincial and federal rules involving political parties. As outlined in previous communications, ABmunis remains concerned that the implementation of local political parties and the rules regarding the operation of local political parties provides a significant financial advantage to candidates who run under a political party versus independent candidates. This proposed amendment appears to further broaden that disadvantage.

Changes to the New Home Buyer Protection Act

The initial legislation, passed in 2014, made home warranty coverage mandatory for new homes in Alberta. The Act applies to single-family homes, multi-family homes, duplexes, condominiums, manufactured homes and recreational properties where permits were pulled starting February 1, 2014. All new homes must have a minimum warranty coverage of one year on labour and materials, two years on delivery and distribution systems, five years for the building envelope, and ten years for major structural components. The proposed changes in Bill 50 are focused on owner-builders and would come into force on proclamation by Cabinet. Engagement is anticipated later in 2025 on builder competencies and claims dispute resolution.

Overall, ABmunis supports the proposed changes but it is not yet clear if the amendments will adequately address the challenges with new home buyer warranties so ABmunis will continue to monitor the issue.

Proposed Change	ABmunis Analysis
Digital Confirmation in Place of Notarized Statutory Declarations Allows for the requirement for a statutory declaration to be replaced with a simple confirmation for owner-builders by regulation. (section 5(1))	Support in principle but further review is required Simplified digital confirmation in place of notarized statutory declarations for owner-builders will expedite approvals and construction. This change will not be implemented until the New Home Protection (General) Regulation is updated, which we expect to happen later this year.
Selling a New Home without Warranty Coverage Allows owners who have been granted an exemption to sell a home without warranty coverage provided they provide the prospective owner with a disclosure notice, in a form satisfactory to the Registrar. (section 3.01(1))	Support in principle but further review is required This will provide more flexibility to owner-builders while ensuring potential buyers are required to be made aware that the property has an exemption.
Exemptions From Warranty Coverage Due to Hardship Adds financial hardship as one of the grounds for receiving an exemption from warranty coverage. (section 3.01(2))	Support in principle but further review is required Currently, a person may be granted an exemption to obtain warranty coverage if the Registrar deems that the person would suffer undue hardship if the exemption were not granted. The proposed amendment adds financial hardship as an additional ground to qualify for an exemption. This provides greater flexibility in warranty exemptions and will ease the financial burden on owner-builders. While this is a step in the right direction, it does not solve all of the financial obstacles that owner-builders face such as high insurance costs.
Caveat Against Certificate Adds responsibility for the Registrar to register a caveat against the certificate of title to the land on which the new home is the subject of the warranty exemption. (section 3.01(4))	Support in principle but further review is required For consumer protection, the Registrar will register a caveat on a home built by an owner-builder without a warranty in place as soon as practicable. A process for discharge of the caveat is also added.

Proposed Change	ABmunis Analysis
Appeals	Support
Provides a mechanism to allow a person to appeal a	This will expand the appeal process for homebuyer-related decisions through the Land and Property
Registrar decision related to definition, exemptions,	Rights Tribunal, ensuring homebuyers can challenge Registrar decisions related to exemptions,
and rental use designations. (section 17(1)(d))	definitions, and rental-use designations.

Changes to the Safety Codes Act

The proposed amendments to the Safety Codes Act are related to the amendments to the New Home Buyer Protection Act and will come into force upon proclamation by Cabinet.

Proposed Change	ABmunis Analysis
Safety Codes Council Advice Establishes areas the Minister may seek advice from the council on. (section 8.01(2))	Support The section clarifies that the Minister may request advice and recommendations from the council on any matter to which this Act applies, including the building or construction of a new home, the requirements applicable to a home warranty insurance contract and the licensing requirements applicable to a residential builder.
Persons Appointed to the Safety Codes Council Adds a provision that persons appointed to the Safety Codes Council include persons who are experts in or have experience with new home warranty coverage under the New Home Buyer Protection Act. (section 16(4))	Support The council is currently comprised of experts in fire protection, buildings, barrier-free building design, electrical systems, elevating devices, gas systems, plumbing systems, private sewage disposal systems or pressure equipment. The type of expertise is being expanded to include additional appointees who are representatives of builders, warranty providers, insurers and specifically persons who are experts in or have experience with new home warranty coverage under the New Home Buyer Protection Act. Transparent criteria for appointees and ensuring a broader range of expertise is available should produce better advice to support regulatory decisions made by the Government.
Duties of the Safety Codes Council Adds a provision that requires the Council to provide advice and recommendations to the Minster regarding New Home Buyer Protection Act if requested. (section 18(d.01))	Support Adding this responsibility to the Safety Codes Council's mandate appears reasonable given the changes to Section 16(4) to expand the expertise of the Safety Codes Council, to include representatives with experience with new home warranty coverage under the New Home Buyer Protection Act.



Connect

300, 8616 51 Avenue Edmonton, AB T6E 6E6 780.433.4431 ■ 310.MUNI

abmunis.ca

