

2015 Bill 1

First Session, 29th Legislature, 64 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 1

AN ACT TO RENEW DEMOCRACY IN ALBERTA

THE MINISTER OF JUSTICE AND SOLICITOR GENERAL

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 1

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2015

AN ACT TO RENEW DEMOCRACY IN ALBERTA

(Assented to , 2015)

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:

Amends RSA 2000 cE-2

1 The *Election Finances and Contributions Disclosure Act* is amended by this Act.

2 Section 1(1) is amended

(a) by renumbering clause (a) as clause (a.02) and by adding the following before clause (a.02):

(a) “Alberta employee organization” means any organization that bargains collectively for employees in Alberta, and for the purposes of this Act all branches in Alberta of an employee organization are deemed to be one employee organization;

(a.01) “Alberta trade union” means a trade union as defined by the *Labour Relations Code*, the *Public Service Employee Relations Act* or the *Canada Labour Code* (Canada) that holds bargaining rights for employees in Alberta, and for the purposes of this Act all locals of a trade union are deemed to be one trade union;

(b) by repealing clause (g) and substituting the following:

Explanatory Notes

1 Amends chapter E-2 of the Revised Statutes of Alberta 2000.

2 Section 1 presently reads in part:

1(1) In this Act,

- (a) “audited financial statement” means a financial statement that has been independently examined by a person authorized to perform such examinations under the Regulated Accounting Profession Act for the purpose of expressing an opinion as to whether financial information is presented fairly;*
- (g) “employee organization” means any organization other than a trade union that bargains collectively for any employees in Alberta and for the purposes of this Act all branches in Alberta of an employee organization are deemed to be one organization;*
- (j) “person” does not include a corporation, employee organization or trade union;*
- (p) “trade union” means a trade union as defined by the Labour Relations Code, the Public Service Employee Relations Act*

(g) “employee organization” means an organization, other than a trade union, that bargains collectively for employees;

(c) by repealing clause (j) and substituting the following:

(j) “person” means an individual;

(d) by adding the following after clause (l):

(l.01) “prohibited person or entity” means a person not ordinarily resident in Alberta, a corporation and an unincorporated association or organization;

(e) by repealing clause (p) and substituting the following:

(p) “trade union” means an organization of employees that has a written constitution, rules or bylaws and has as one of its objects the regulation of relations between employers and employees;

(f) by adding the following after clause (p):

(q) “unincorporated association or organization” includes a trade union and an employee organization.

3 Section 9.1(5)(c) is repealed and the following is substituted:

(c) a trade union or employee organization that is not an Alberta trade union or Alberta employee organization;

4 Section 13(2) is amended by striking out “, corporation, trade union or employee organization”.

or the Canada Labour Code (Canada), and that holds bargaining rights for employees in Alberta and for the purposes of this Act all locals in Alberta of a trade union are deemed to be one trade union.

3 Section 9.1(5) presently reads in part:

(5) The following are not eligible to be registered under this section:

(c) a trade union or employee organization that is not a trade union or employee organization as defined in this Act;

4 Section 13(2) presently reads:

(2) Money or goods provided by any person, corporation, trade union or employee organization that do not exceed \$50 in the aggregate are not a contribution for the purposes of this Act but shall be recorded as to the gross amount by the chief financial officer of the recipient unless the donor specifically requests that the amount be considered a contribution.

5 Section 16 is repealed and the following is substituted:

Contributions only by persons

16(1) Only a person ordinarily resident in Alberta may make a contribution to a registered party, registered constituency association or registered candidate.

(2) A prohibited person or entity shall not make a contribution to a registered party, registered constituency association or registered candidate.

6 Section 17(1) is amended by striking out “any person, corporation, trade union or employee organization to registered parties, registered constituency associations or registered candidates” and substituting “a person ordinarily resident in Alberta”.

7 Section 18(1) is amended by striking out “any person, corporation, trade union or employee organization to registered parties or registered candidates” and substituting “a person ordinarily resident in Alberta”.

5 Section 16 presently reads:

16 No prohibited corporation, person ordinarily resident outside Alberta or trade union or employee organization other than a trade union or employee organization as defined in this Act shall make any contributions to a registered party, registered constituency association or registered candidate.

6 Section 17(1) presently reads:

(1) Contributions by any person, corporation, trade union or employee organization to registered parties, registered constituency associations or registered candidates shall not exceed

(a) in any year,

(i) \$15 000 to each registered party, and

(ii) \$1000 to any registered constituency association, and \$5000 in the aggregate to the registered constituency associations of each registered party,

and

(b) in any campaign period,

(i) \$30 000 to each registered party less any amount contributed to the party in that calendar year under clause (a)(i), and

(ii) \$2000 to any registered candidate, and \$10 000 in the aggregate to the registered candidates of each registered party.

7 Section 18(1) presently reads:

18(1) For the purposes of an election under the Senatorial Selection Act, contributions by any person, corporation, trade union or employee organization to registered parties or registered candidates shall not exceed

8 Section 26 is repealed.

9 Section 27 is repealed.

- (a) *in any year, \$15 000 to each registered party, and*
- (b) *in any campaign period,*
 - (i) *in respect of a registered party, the maximum amount determined in accordance with subsection (3) less any amount contributed to the party in that calendar year under clause (a), or*
 - (ii) *in respect of a registered candidate, \$30 000 less, if the candidate was nominated by a registered political party for endorsement as the official candidate of that party, any amount contributed to that party in that calendar year under clause (a).*

8 Section 26 presently reads:

26(1) Contributions of not more than \$0.15 per month by any member of a trade union or employee organization through payroll deductions are not contributions from the member for the purposes of this Act, but any amounts contributed to a registered party, registered constituency association or registered candidate from the funds so collected are contributions from the trade union or employee organization, as the case may be.

(2) Contributions of more than \$0.15 per month by any member of a trade union or employee organization through payroll deductions are contributions by the member for the purposes of this Act.

9 Section 27 presently reads:

27(1) If a contribution to a registered party, registered constituency association or registered candidate is made through an unincorporated association or organization other than a trade union or employee organization, the unincorporated association or organization shall provide to the registered party, registered constituency association or registered candidate the individual sources and amounts making up the contribution.

(1.1) If an unincorporated association or organization fails to comply with subsection (1), the registered party, registered constituency association or registered candidate shall return the contribution to the unincorporated association or organization.

10 Section 34(1) is repealed and the following is substituted:

Contributions not belonging to contributor

34(1) No person shall contribute to a registered party, registered constituency association or registered candidate

- (a) funds not actually belonging to that person, or
- (b) funds that have been given or furnished to the person by another person or any prohibited person or entity for the purpose of making a contribution of those funds to that registered party, registered constituency association or registered candidate.

(1.1) No person and no prohibited person or entity shall give or furnish funds to another person for the purpose of having that other person make a contribution of those funds to a registered party, registered constituency association or registered candidate.

11 Section 35 is repealed and the following is substituted:

Prohibited contributions

35(1) No registered party, registered constituency association or registered candidate shall, directly or indirectly,

- (a) solicit or accept a contribution if the registered party, registered constituency association or registered candidate knows or ought to know that the prospective contributor is a prohibited person or entity, or
- (b) contribute or transfer funds to any political party, constituency association or candidate not registered under this Act.

(2) If the chief financial officer learns that a contribution from a prohibited person or entity was accepted by or on behalf of the political party, constituency association or candidate for

(2) The amounts making up a contribution under subsection (1) that are attributable to any person, corporation, trade union or employee organization are contributions of that person, corporation, trade union or employee organization for the purposes of this Act.

10 Section 34(1) presently reads:

34(1) Subject to section 26, no person, corporation, trade union or employee organization shall contribute to any registered party, registered constituency association or registered candidate funds not actually belonging to that person, corporation, trade union or employee organization, or any funds that have been given or furnished to the person, corporation, trade union or employee organization by any persons or groups of persons or by a corporation, trade union or employee organization for the purpose of making a contribution of those funds to that registered party, registered constituency association or registered candidate.

11 Section 35 presently reads:

35(1) No registered party, registered constituency association or registered candidate shall, directly or indirectly,

(a) solicit or accept a contribution if the registered party, registered constituency association or registered candidate knows or ought to know that the prospective contributor is

(i) a person ordinarily resident outside Alberta,

(ii) a prohibited corporation, or

(iii) a trade union or employee organization other than a trade union or employee organization as defined in this Act,

or

whom the chief financial officer acts, the chief financial officer shall, within 30 days after learning of it, advise the Chief Electoral Officer in writing of the fact and circumstances.

12 Section 40 is repealed and the following is substituted:

Borrowing

40(1) A registered party, registered constituency association or registered candidate

- (a) may borrow money only from a financial institution other than a treasury branch, and
- (b) shall record all loans and their terms and shall report accordingly to the Chief Electoral Officer.

(2) Only the following may make a payment on behalf of the borrower in respect of a loan to which subsection (1) applies:

- (a) a person ordinarily resident in Alberta;
- (b) a corporation that is not a prohibited corporation;
- (c) an Alberta trade union;
- (d) an Alberta employee organization.

(b) contribute or transfer funds to any political party, constituency association or candidate not registered under this Act.

(2) In subsection (1), “during an election” has the meaning given to it in the Canada Elections Act (Canada).

(3) Notwithstanding subsection (1)(b), a registered party may not contribute or transfer to a federal political party any funds that were contributed in respect of an election under the Senatorial Selection Act.

(4) If the chief financial officer learns that a contribution was accepted by or on behalf of the political party, constituency association or candidate for whom the chief financial officer acts from a person normally resident outside Alberta or from a prohibited corporation, or from a trade union or employee organization other than a trade union or employee organization as defined in this Act, the chief financial officer shall, within 30 days after learning of it, advise the Chief Electoral Officer in writing of the fact and circumstances.

12 Section 40 presently reads:

40(1) A registered party, registered constituency association or registered candidate

(a) may borrow money only from a financial institution other than a treasury branch, and

(b) shall record all loans and their terms and shall report accordingly to the Chief Electoral Officer.

(2) Any payment in respect of a loan to which subsection (1) applies is considered a contribution by the person, corporation, trade union or employee organization or the unincorporated association or organization that made the payment unless that person, corporation, trade union or employee organization or the unincorporated association or organization is reimbursed by the borrower prior to the filing by the borrower of the financial statement next required to be filed pursuant to section 42 or 43.

(3) This section does not apply to the borrowing of money by a registered candidate for purposes unrelated to the candidate’s campaign.

(3) Any payment in respect of a loan to which subsection (1) applies made by a person or entity referred to in subsection (2) becomes, for the purposes of this Act, including, without limitation, sections 16, 17 and 35,

- (a) a contribution by that person or entity, and
- (b) a contribution accepted by the borrower,

if the person or entity is not reimbursed by the borrower before the borrower is next required to file a financial statement pursuant to section 42 or 43.

(4) This section does not apply to the borrowing of money by a registered candidate for purposes unrelated to the candidate's campaign.

(5) In subsections (6) and (7), "former Act" means the *Election Finances and Contributions Disclosure Act* as it read immediately before the coming into force of this subsection.

(6) Notwithstanding subsections (2) and (3) but subject to subsection (7), with respect to a loan entered into before June 15, 2015 under section 40 of the former Act, a payment made by an entity referred to in subsection (2)(b), (c) or (d) on behalf of a borrower before December 31, 2015 that is not reimbursed by the borrower before the borrower is next required to file a financial statement pursuant to section 42 or 43 is a contribution by that entity, and

- (a) that contribution is not a contravention of section 16(2) by that entity, and
- (b) the registered party, registered constituency association or registered candidate is considered to have accepted the contribution in contravention of section 35(1)(a).

(7) Subsection (6) does not apply in respect of a payment that was considered under section 40(2) of the former Act to be a contribution.

13 Section 41 is repealed and the following is substituted:

Guarantees

41(1) Only the following may sign, co-sign or otherwise guarantee or provide collateral security for any loan, monetary obligation or indebtedness on behalf of or in the interest of any registered party, registered constituency association or registered candidate:

- (a) a person ordinarily resident in Alberta;
- (b) a corporation that is not a prohibited corporation;
- (c) an Alberta trade union;
- (d) an Alberta employee organization.

(2) Any payment required to be made on behalf of or in the interest of a registered party, registered constituency association or registered candidate by a person or entity acting under subsection (1) becomes, for the purposes of this Act, including, without limitation, sections 16, 17 and 35,

- (a) a contribution by that person or entity, and
- (b) a contribution accepted by the borrower,

if the person or entity is not reimbursed by the borrower before the borrower is next required to file a financial statement pursuant to section 42 or 43.

(3) This section does not apply to payments made on behalf of a registered candidate for purposes unrelated to the candidate's campaign.

(4) In subsections (5) and (6), "former Act" means the *Election Finances and Contributions Disclosure Act* as it read immediately before the coming into force of this section.

(5) Notwithstanding subsections (1) and (2) but subject to subsection (6), with respect to a guarantee given or security provided before June 15, 2015 under section 41 of the former Act, a payment made by an entity acting under subsection (1)(b), (c) or (d) before December 31, 2015 that is not reimbursed by the borrower before the borrower is next

13 Section 41 presently reads:

41(1) Any person, corporation, trade union, employee organization or unincorporated association or organization may sign, co-sign or otherwise guarantee or provide collateral security for any loan, monetary obligation or indebtedness on behalf of or in the interest of any registered party, registered constituency association or registered candidate.

(2) When a person, corporation, trade union, employee organization or any unincorporated association or organization acting pursuant to subsection (1) is required to make any payment on behalf of or in the interest of any registered party, registered constituency association or registered candidate, the payment is to be considered a contribution by the person, corporation, trade union or employee organization or the unincorporated association or organization that made the payment unless that person, corporation, trade union or employee organization or the unincorporated association or organization is reimbursed by the borrower prior to the filing by the borrower of the financial statement next required to be filed pursuant to section 42 or 43.

(3) This section does not apply to payments made on behalf of a registered candidate for purposes unrelated to the candidate's campaign.

required to file a financial statement pursuant to section 42 or 43 is a contribution by that entity, and

- (a) the contribution is not a contravention of section 16(2) by that entity, and
- (b) the registered party, registered constituency association or registered candidate is considered to have accepted the contribution in contravention of section 35(1)(a).

(6) Subsection (5) does not apply in respect of a payment that was considered under section 41(2) of the former Act to be a contribution.

14 Section 44.2(5)(d) is repealed and the following is substituted:

- (d) a trade union or employee organization that is not an Alberta trade union or Alberta employee organization.

15 Section 44.93 is repealed and the following is substituted:

Contributions only by persons

44.93(1) Only a person ordinarily resident in Alberta may make a contribution to a registered leadership contestant.

(2) A prohibited person or entity shall not make a contribution to a registered leadership contestant.

(3) No person shall contribute to a registered leadership contestant

- (a) funds not actually belonging to that person, or
- (b) funds that have been given or furnished to the person by another person or any prohibited person or entity for the

14 Section 44.2(5) presently reads:

(5) The following shall not make an election advertising contribution:

- (a) a person ordinarily resident outside Alberta;*
- (b) a prohibited corporation;*
- (c) a registered charity;*
- (d) a trade union or employee organization other than a trade union or employee organization as defined in this Act.*

15 Section 44.93 presently reads:

44.93(1) No prohibited corporation, person ordinarily resident outside Alberta or trade union or employee organization other than a trade union or employee organization as defined in this Act shall make any contributions to a registered leadership contestant.

(2) No person, corporation, trade union or employee organization shall contribute to a registered leadership contestant

- (a) funds not actually belonging to that person, corporation, trade union or employee organization, or*
- (b) funds that have been given or furnished to the person, corporation, trade union or employee organization by any person or group of persons or by a corporation, trade union*

purpose of making a contribution of those funds to that registered leadership contestant.

(4) No person and no prohibited person or entity shall give or furnish funds to another person for the purpose of having that other person make a contribution of those funds to a registered leadership contestant.

(5) No registered leadership contestant and no person acting on behalf of a registered leadership contestant shall solicit or accept a contribution if the registered leadership contestant or person knows or ought to know that the contribution is made contrary to subsection (3).

(6) No registered leadership contestant shall, directly or indirectly, solicit or accept a contribution if the registered leadership contestant knows or ought to know that the prospective contributor is a prohibited person or entity.

(7) If a chief financial officer learns that a contribution was accepted in contravention of subsection (5) or (6) by or on behalf of the registered leadership contestant for whom the chief financial officer acts, the chief financial officer shall, within 30 days after learning of it, advise the Chief Electoral Officer in writing of the fact and circumstances.

16 Section 44.94(6) is amended by striking out “, 24, 26 and 27” and substituting “and 24”.

17 Section 49(1) is amended by striking out “, trade union or employee organization” and substituting “, unincorporated organization or association”.

or employee organization for the purpose of making a contribution of those funds to that registered leadership contestant.

(3) No registered leadership contestant and no person acting on behalf of a registered leadership contestant shall solicit or accept a contribution if the registered leadership contestant or person knows or ought to know that the contribution is made contrary to subsection (2).

(4) No registered leadership contestant shall, directly or indirectly, solicit or accept a contribution if the registered leadership contestant knows or ought to know that the prospective contributor is

(a) a person ordinarily resident outside Alberta,

(b) a prohibited corporation, or

(c) a trade union or employee organization other than a trade union or employee organization as defined in this Act.

(5) If a chief financial officer learns that a contribution was accepted in contravention of subsection (3) or (4) by or on behalf of the registered leadership candidate for whom the chief financial officer acts, the chief financial officer shall, within 30 days after learning of it, advise the Chief Electoral Officer in writing of the fact and circumstances.

16 Section 44.94(6) presently reads:

(6) Sections 21.1, 22, 23, 24, 26 and 27 apply with the necessary modifications with respect to registered leadership contestants.

17 Section 49(1) presently reads:

49(1) A corporation, trade union, employee organization or prohibited corporation that contravenes this Act is guilty of an offence and liable to a fine of not more than \$10 000.

18 Section 51.01(1) and (2) are repealed and the following is substituted:

Administrative penalties

51.01(1) In subsections (2) and (3) and section 51.03, “person or entity” means the person, corporation, trade union, employee organization, prohibited corporation, political party, constituency association or third party, as the case may be, on whom a notice of administrative penalty or letter of reprimand is served under this section.

(2) If the Chief Electoral Officer is of the opinion that

- (a) a person has made one or more contributions in excess of a limit prescribed by section 17(1) or 18(1),
- (b) a prohibited person or entity has made a contribution in contravention of section 16 or 44.93(2),
- (c) a prohibited corporation, a person ordinarily resident outside Alberta or a trade union or employee organization that is not an Alberta trade union or Alberta employee organization has made an election advertising contribution in contravention of section 44.2(5), or
- (d) a person, a prohibited person or entity, a political party, a constituency association or a third party has contravened a provision of this Act, otherwise than as referred to in clause (a), (b) or (c),

the Chief Electoral Officer may serve on the person or entity either a notice of administrative penalty requiring the person or entity to pay to the Crown the amount set out in the notice, or a letter of reprimand.

19 Section 52(1) and (2) are amended by striking out “, trade union or employee organization” wherever it occurs and substituting “or unincorporated organization or association”.

18 Section 51.01(2) presently reads:

(2) If the Chief Electoral Officer is of the opinion that

- (a) a person, corporation, trade union or employee organization has made one or more contributions in excess of a limit prescribed by section 17(1) or 18(1),*
- (b) a prohibited corporation, a person ordinarily resident outside Alberta or a trade union or employee organization other than a trade union or employee organization as defined in this Act has made a contribution in contravention of section 16, 44.2(5) or 44.93(1), or*
- (c) a person, political party, constituency association or third party has contravened a provision of this Act, otherwise than as referred to in clause (a) or (b),*

the Chief Electoral Officer may serve on the person or entity either a notice of administrative penalty requiring the person or entity to pay to the Crown the amount set out in the notice, or a letter of reprimand.

19 Section 52 presently reads in part:

52(1) A prosecution for an offence under this Act may be instituted against a political party, constituency association, trade union or employee organization in the name of the political party, constituency association, trade union or employee organization and for the purposes of prosecution, a political party, constituency association, trade union or employee organization is deemed to be a person.

20 This Act is deemed to have come into force on June 15, 2015.

(2) Any act or thing done or omitted by an officer, official or agent of a political party, constituency association, trade union or employee organization within the scope of the officer's, official's or agent's authority to act on behalf of the political party, constituency association, trade union or employee organization is deemed to be an act or thing done or omitted by the political party, constituency association, trade union or employee organization.

20 Coming into force.

