

BULLETIN

March 18, 2021

Government of Alberta Introduces Several Bills Important for Rural Municipalities

If passed, Bills 51, 52, and 56 would impact RMA members

Over the past week, the Government of Alberta has introduced three bills with potential impacts on rural municipalities. Although none of the bills have passed third reading or received royal assent, it is important that RMA members are aware of their progress and their potential impacts should they become law. This bulletin provides a short summary of each.

Bill 51: Citizen Initiative Act

Bill 51: *Citizen Initiative Act* allows any Albertan to bring forward a constitutional, legislative, or policy initiative for consideration by the Government of Alberta. To begin the initiative process, an individual is required to apply to the province's chief electoral officer to start a petition. They would then have 90 days to gather the required number of signatures in support of the initiative for it to be forwarded to the Government of Alberta for consideration. For constitutional initiatives, petitioners would require signatures from 20% of Alberta's voting population, including 20% support in at least two-thirds of Alberta's constituencies. For legislative and policy initiatives, petitioners would require signatures from 20% of voters provincewide.

If a petition receives the required support, a legislative committee is formed to review the initiative and determine whether to introduce or amend legislation to address the issue. If the legislative committee does not recommend action, the issue may be further addressed through a non-binding referendum. The details of the process that could lead to a referendum vary based on whether the issue is focused on constitutional, policy, or legislative change.

Citizen initiatives are common in the United States, and frequently used in California and Oregon. Although it is unknown how similar the use of citizen initiatives in those states would be to their use in Alberta, they provide interesting case studies for consideration.

Municipal Impacts

For municipalities, the impacts of Bill 51 are indirect. Bill 51 does not allow citizen initiatives to proceed at the municipal level, only at the provincial level. Bill 51 may make the inclusion of referendum questions on municipal election ballots more commonplace, which will have administrative and political impacts on municipalities. At this point, it is unknown how frequently citizen initiatives would be used should Bill 51 come into force. It is also important to note that referendums are not automatically tied to municipal elections. Under the *Referendum Act*, the Government of Alberta may hold referendums in conjunction with municipal elections, provincial election, or as standalone events.

Bill 52: Recall Act

Bill 52: *Recall Act* allows any Albertan to bring forward a petition to recall an elected official at the provincial, municipal, or school board level. Bill 52 would introduce standalone legislation to establish a recall process for provincial politicians. It would also amend the *Education Act* and *Municipal Government Act* (MGA) to include a recall process for school board trustees and municipal elected officials.

2510 Sparrow Drive Nisku, AB T9E 8N5 Office: 780.955.3639 | Fax: 780.955.3615 RMAlberta.com

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For all levels of government, recalls would originate through a petition process.

At the provincial level, a petition is filed with the chief electoral officer, and the petitioner then has a set time to gather the signatures of 40% of the total number of electors (individuals of legal voting age) in the electoral division named in the petition. If the chief electoral officer declares that the requisite number of signatures has been gathered, a recall vote would be held. The recall vote would occur within six months of the petition being declared valid and would be open to the electorate in the impacted electoral division. If the recall vote is successful, the individual named in the petition is recalled from their role as an MLA, and a by-election is held as per the terms of the *Legislative Assembly Act*. A recall petition may not be submitted within 18 months of an individual's election, or within six months prior to the legislated range of possible provincial election dates as per s. 38.1(2) of the *Election Act*.

At the municipal level, the recall process would differ in some important ways. Firstly, a petitioner would be required to submit an application for a recall petition to the chief administrative officer (CAO) of the impacted municipality. A recall petition must be posted on a municipality's website, although digital signatures are not permitted. To be accepted as valid, a recall petition must be signed by a number of electors in the municipality or ward that is equal to 40% of the population of the municipality or ward. Once the petition is submitted to the CAO by the petitioner, the CAO is responsible for confirming the validity of the petition and the signatures by confirming that all signatories have included required identifying information and are eligible signatories. If 5000 or more petitioners are necessary to make the petition sufficient, the CAO may use a random statistical sampling method. If a recall petition is confirmed as valid, the impacted elected official will be immediately recalled from their position, and the position is declared vacant. The municipality is then required to hold a by-election under s. 163 or 164 of the MGA. A municipal recall petition may not be submitted within 18 months of the impacted elected official's election to office, or within the period commencing January 1 of a municipal election year.

Municipal Impacts

The introduction of municipal recall legislation could have significant impacts on municipal elected officials, as well as municipal administrative capacity. During the 2020 review of the *Local Authorities Election Act*, RMA advocated in opposition of the development of a recall process for municipal elected officials, arguing that the MGA already has sufficient accountability mechanisms in place, and adding a recall process will increase red tape.

After reviewing Bill 52, RMA has identified several concerns with the municipal recall process. Firstly, requiring CAOs to manage the petition process creates a significant administrative burden, increases red tape for municipalities, and places CAOs in an unfair position, as they are facilitating the process that will potentially remove a member of the council to whom they report. Additionally, unlike at the provincial level, a valid recall petition will not lead to a recall vote, but rather to the immediate dismissal of the impacted elected official. This lack of consistency in accountability linked to the recall process is concerning and indicates that provincial elected officials are more insulated from the impacts of a recall petition than municipal elected officials under Bill 52. In some municipalities with low populations, it may require well under 100 signatures to immediately remove a democratically elected official. This not only has the potential to undermine the local democratic process but may also lead to a decreased interest in municipal office.

RMA is currently in the process of working with the Government of Alberta to clarify the recall process and recommend changes to Bill 52.

Bill 56: Local Measures Statutes Amendment Act, 2021

Bill 56: Local Measures Statutes Amendment Act makes changes to the Emergency 911 Act and the Local Government Fiscal Framework Act.

The changes to the *Emergency 911 Act* focus on expanding the scope of facilities eligible to receive a share of revenues collected by the Government of Alberta through the monthly 911 levy applied to all wireless subscribers in the province. Previously, the levy was only distributed to the 20 primary 911 call centres in the province, but through the changes in Bill 56, levy revenues will also be shared with the nine secondary 911 centres. The second significant change is not the Act itself, but rather to the Emergency 911 Levy Regulation. The regulation will be amended to increase the monthly levy amount from \$0.44 to \$0.95 per wireless subscriber.

Bill 56 also amends the *Local Government Fiscal Framework Act* to reflect the changes made to the planned replacement of the Municipal Sustainability Initiative (MSI) with the Local Government Fiscal Framework (LGFF) that were previously announced through Budget 2021-22. Specifically, the changes delay the implementation of the LGFF until the 2024 - 2025 fiscal year and reduce the overall baseline funding amounts committed to in the Act to reflect the changes announced in the budget.

Municipal Impacts

Although the changes to the *Emergency 911 Act* and the increased 911 levy are positives for RMA members responsible for contributing to the operating costs of 911 call centres, several questions remain outstanding on this issue. The Government of Alberta has projected that the levy increase will provide an extra \$23 million in annual revenue, but primary and secondary 911 call centres are required to upgrade to accommodate next generation (NG) 911 service by 2023, with this transition expected to carry an annual ongoing operating cost increase of over \$40 million for Alberta's primary and secondary call centres. This means that although the increased levy will cover some of the increased costs associated with NG 911, the remaining costs will have to be covered by call centre operators, many of which are municipalities. Additionally, the levy will be shared among 29 facilities, rather than 20, meaning primary call centres may receive a smaller portion of levy funding.

The changes to the *Local Government Fiscal Framework Act* are also concerning, as they delay the implementation of the LGFF and provide a much lower baseline funding amount for municipalities than previously projected. RMA understands the fiscal challenges facing the province and is continuing to advocate that rural municipalities receive funding at levels that align with their infrastructure and service delivery responsibilities.

RMA is currently in the process of working with the Government of Alberta to clarify the details of Bill 56 and how municipal costs for 911 facilities will be impacted.

Next Steps

As these bills continue to progress through the legislative process, RMA is advocating to the Government of Alberta to ensure they reflect rural municipal concerns. RMA will update members throughout the process.

Wyatt Skovron Policy Advisor 780.955.4096 wyatt@RMAlberta.com Tasha Blumenthal Director of External Relations & Advocacy 780.955.4094 tasha@RMAlberta.com