

**Bill 25**  
***The Municipal Statutes Amendment Act***

Frequently Asked Questions

June 2021

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## **BILL 25 – THE MUNICIPAL STATUTES AMENDMENT ACT**

Bill 25, *The Municipal Statutes Amendment Act* was passed by the Legislative Assembly on May 20, 2021. Eight Acts were amended by Bill 25. The amendments are now in force, except for an amendment to exempt regional libraries from municipal taxation, which will come into force at a later date by proclamation. A copy of the bill can be found at <https://web2.gov.mb.ca/bills/42-3/pdf/b025.pdf>.

### **GENERAL**

#### **1. Which acts did Bill 25 amend?**

Bill 25 amended the following eight acts:

- *The Municipal Act;*
- *The Municipal Assessment Act;*
- *The Municipal Councils and School Boards Elections Act;*
- *The City of Winnipeg Charter;*
- *The Brandon Charter;*
- *The Flin Flon Charter;*
- *The Portage la Prairie Charter; and*
- *The Thompson Charter.*

#### **2. What changes do these amendments implement?**

These changes were implemented to:

- modernize and bring certainty to municipal and school board election provisions;
- give voters in municipal elections assurance that elected officials are using their position as incumbents fairly, and not using taxpayer resources to influence voters;
- ensure a consistent approach and fairness between municipalities and property owners regarding property assessment appeals;
- reduce red-tape around the leasing of capital property, such as copiers and printers;
- protect vulnerable Winnipeg residents undergoing the tax sale process from the practices of some unscrupulous lenders;
- allow the cities of Brandon, Flin Flon, Portage la Prairie and Thompson to set their own council compositions by by-law, like all other Manitoba municipalities; and
- bring the treatment of regional libraries in line with that of municipal libraries, by clarifying that they are exempt from municipal taxation, (this change comes into force on a date to be fixed by proclamation).

## MUNICIPAL ELECTIONS

### 3. What changes were made to municipal elections?

The amendments require municipalities to pass a by-law on elections respecting the use of municipal resources by registered candidates. This by-law must set out restrictions during the 42 day period before a general election or by-election for:

- The use of municipal resources by a registered candidate;
- The use of municipal resources in communication about programs or services, if those communications could be reasonably seen to benefit a specific candidate; and
- The use of the name or voice of a member of council in municipal communications.

The amendments also restrict the use of an incumbent's title in election communications. For example, a candidate cannot use "Re-elect [Councilor/Mayor] [Candidate's Name]" in election communications, however, they can use "Re-elect [Candidate's Name] for [Councilor/Mayor]" in election communications.

### 4. Will Municipal Relations provide additional assistance to municipalities in drafting and implementing the by-law on elections?

Yes. In the coming months, Municipal Relations will distribute a sample by-law template on elections for municipalities to use in drafting their own local by-law. Municipalities may choose to draft a by-law without using the sample, as long as it complies with the requirements set out in s.93.18.1(2) of *The Municipal Act*.

Department staff are also available to answer questions and provide support to municipalities as they implement these changes. Staff can be contacted via phone at (204) 945-2572 or email at [mrmaas@gov.mb.ca](mailto:mrmaas@gov.mb.ca).

### 5. When do these changes come into effect?

The requirement for municipalities to pass a by-law on elections is in effect. The legislation specifies that the by-law must be passed at least 180 days before the election in respect of which it is to take effect. Any elections or by-elections held before that time will continue to be held under the previous rules.

### 6. Were there any changes to municipal candidate contribution limits?

No. Municipal candidate contribution limits were not changed. Municipalities can already set a limit on campaign expenses that may be incurred by a registered candidate by passing a by-law. *The Municipal Act* sets the requirements for individual donations. Neither contribution limit is impacted by this proposed legislation.

However, to align with the new by-law on municipal elections, the amendments implemented a requirement that by-laws impacting contribution limits must be passed at least 180 days before a municipal general election or by-election.

**7. Have the penalties for violating election finance restrictions changed?**

No. The consequences for violating election finance restrictions were not changed. Penalties remain in-place for individuals, including candidates, who violate campaign contribution restrictions. Candidates must continue to file election finance statements with municipal CAOs after an election.

**8. What happens if the 42-day communications restriction period is violated?**

The existing accountability framework for municipal election policy violations will apply to violations of the new 42-day communications restriction period.

All municipalities are required to appoint senior election officials who are responsible for exercising general direction over the local authority in supervising local council elections. If anyone believes that the 42-day restriction period has been violated, they may bring the matter to the attention of the senior election official. Alternatively, they may raise the matter with the courts, or lodge a complaint with the Manitoba Ombudsman.

**9. What changes were made to municipal elections procedures?**

Amendments to *The Municipal Councils and School Boards Elections Act* improve efficiency and modernize municipal elections procedures. The amendments:

**i. Clarify the definition of a voting place**

Amendments clarify that a “voting place” is defined as a building. Previously, some municipalities have questioned whether “voting place” is based on building location, property line or other characteristic.

**ii. Establish procedures for handling the ballot box for sealed envelope voting**

Amendments clarify rules on sealing the ballot box for sealed envelope voting, similar to procedures for sealing the ballot box for advance voting.

**iii. Replace all references to “Fax” with “E-mail”**

Six references to “fax” in *The Municipal Councils and School Boards Elections Act* have been replaced with “e-mail”. Municipalities have expressed concern that the current legislation requires them to maintain and replace obsolete fax machines. This change modernizes municipal elections and reduces red tape for municipalities.

**iv. Clarify access to apartment buildings for election campaigning**

The word “buildings” is added after “apartment” with regard to where campaign activities are allowed to occur. This change clarifies that election campaigns may attend apartment buildings, but may not enter individual apartments to conduct campaign activities.

**10. Why were these changes made?**

These changes were made to improve the transparency and integrity of municipal elections. They are intended to modernize municipal elections, and bring procedures in-line with provincial elections.

These changes were identified, in part, through regular consultation efforts and feedback from municipalities.

**INTEREST ON EXCESS TAXES**

**11. What is interest on excess taxes?**

Prior to Bill 25 passing, municipalities were required to pay a prescribed interest rate of 4.75% on the excess taxes refunded to a property owner following a successful appeal, which were based on the original higher assessment. The interest rate had not been revised since 1997, and no longer reflected economic conditions. The amendments eliminated this requirement, which will ensure similar treatment for municipalities and property owners on property tax changes resulting from appeals.

**12. When will this change come into effect?**

Interest on excess taxes will be eliminated on July 1, 2021. Excess taxes collected before July 1 will continue to accumulate interest at the 4.75% rate until that date, after which they will no longer accumulate interest. Any new excess taxes collected after July 1, 2021 will not accumulate interest. Going forward, municipalities will simply refund excess property taxes directly to ratepayers without paying any interest.

## MUNICIPAL BORROWING

### 13. What changes were made to municipal borrowing procedures?

Previously, municipalities were required to seek approval from the Municipal Board to enter into leases for any capital property, such as photocopiers, mail sorting and fax machines, graders, and trucks.

Amendments changed the definition of capital property to “real property” to allow municipalities to enter into leases for minor capital equipment without approval from the Municipal Board. These changes will help reduce red tape for municipalities.

## CITY OF WINNIPEG TAX SALE PROCESS

### 14. What changes were made to the tax sale process in Winnipeg?

Previously, the City of Winnipeg was required to assign the title of a property to anyone with an interest in the property during the tax sale process. Amendments to *The City of Winnipeg Charter* repealed this requirement. This change eliminates the opportunity for unscrupulous lenders to take advantage of Winnipeg residents undergoing the tax sale process.

### 15. Are properties still subject to publishing in *The Manitoba Gazette* after these amendments?

Yes, the property must still be listed in *The Manitoba Gazette*, but the City of Winnipeg is no longer required to give (assign) title of the property to anyone with an interest in the property.

## CHANGES TO COUNCIL COMPOSITION FOR CITIES

### 16. What changes were made to council composition requirements?

Legislation governing four cities, Brandon, Flin Flon, Thompson and Portage la Prairie, has been amended to allow those four municipalities to determine their own council size by by-law, like other municipalities in Manitoba. The changes give these municipalities fair say in determining an appropriate council size for their community.

Any changes to council size in these municipalities are still required to follow the same procedures that other municipalities have in-place for changing council size.

### 17. Were changes to council size requirements implemented for any other municipalities?

No. Other municipalities already have the ability to set their council size by by-law.

## TAXATION OF REGIONAL PUBLIC LIBRARIES

### **18. What changes were made to the taxation of regional public libraries?**

Amendments to *The Municipal Assessment Act* exempt regional public libraries from municipal taxation. Public libraries have been encouraged to develop regional partnerships, and most municipal public libraries are now part of a regional library.

Many municipalities with a regional library in their jurisdiction currently do not levy taxes on the library; this amendment will formalize an exemption in legislation, and align the legal treatment of all public libraries in Manitoba.

### **19. When does this change come into effect?**

This exemption comes into force on a date to be fixed by proclamation. The Department of Municipal Relations is currently determining options for this date, and will prioritize a date that minimizes disruption to municipal tax roll preparation.

***Disclaimer:*** Information is provided solely for general information purposes. The original legislation should be consulted for interpreting the law.