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Subject: RMA Member Resource on Bill 20

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Good Afternoon RMA Mayors/Reeves and CAOs,
**Please forward to any relevant municipal staff members **

The Government of Alberta recently tabled Bill 20 at the Legislative Assembly, which proposes several amendments to the MGA and the LAEA. Many of these changes are cause for concern and in order to help members review the changes, RMA staff has put together a member resource guide, breaking down some of the changes that are concerning and an overview of the bill itself.

RMA also released a press statement, which has been attached as well.

There has not been any new information released on this bill, but RMA will continue to monitor it as it moves through the house and advocate for changes to be made.

If you have any questions, please feel free to reach out!

Thank you,

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Bill 20: Municipal Affairs Statutes Amendment Act

April 2024



[Bill 20: Municipal Affairs Statutes Amendment Act, 2024](#) was introduced to the Legislative Assembly on April 25, 2024. The bill makes a wide range of changes to both the *Municipal Government Act* (MGA) and the *Local Authorities Elections Act* (LAEA), several of which would significantly reduce municipal autonomy and allow the province with significantly more direct control over municipal decision-making and the removal of councillors. Due to the serious impact that Bill 20 will have on municipal governance and democracy, RMA is advocating against the changes both behind the scenes and through the media.

While advocacy from RMA and other municipal stakeholders at the Cabinet level is necessary, it is also crucial that RMA members carry the same message to their local MLAs and media. This guide is intended to support members in conveying a strong, unified message about the importance of municipal autonomy and leaving local decisions to local decision-makers.

Bill 20 – A Summary

As mentioned, beyond the most controversial proposed changes to the MGA, Bill 20 makes a wide range of adjustments related to municipal governance and accountability, housing development, and the municipal election process. RMA has not yet had time to develop a position or reaction to all changes proposed in the bill, but below is a summary of those that are most notable:

Municipal Government Act

- ◆ Cabinet can remove a councillor if in public interest.
 - ◇ Previously, the Minister could only remove a councillor under very specific circumstances linked to a municipal inspection.
- ◆ Cabinet can require a municipality to repeal or amend a bylaw. The requirement can apply specifically or broadly.
 - ◇ Previously, Cabinet could only intervene with respect to a land use bylaw or statutory plan.
- ◆ Cabinet can direct a municipality to take an action to protect municipal health and safety.
 - ◇ Previously, the legislation was silent on this issue.
- ◆ Councillor’s seat automatically becomes vacant upon disqualification.
 - ◇ Previously, councillors could not be forced to vacate their seat upon disqualification unless directed by the Courts.
- ◆ Councillor orientation training is mandatory following elections or by-elections.
 - ◇ Previously, municipalities were required to offer training, but it was not mandatory for councillors to attend.
- ◆ Councillors can now recuse themselves from a decision for non-financial conflict of interest.
 - ◇ Previously, recusal was only permitted if a councillor had a pecuniary interest in a decision.
- ◆ Non-profit subsidized affordable housing fully exempt from property taxation.
 - ◇ Previously, the legislation was silent on exemptions for non-profit subsidized affordable housing.
- ◆ Multi-year residential property tax incentives allowed.
 - ◇ Previously, incentives were only permitted for non-residential properties.

Local Authorities Election Act

- ◆ Political party involvement will be permitted at the municipal level. Note that details and rules will be developed through a regulation. This change will be piloted in Calgary and Edmonton only in 2025 and may be expanded to all municipalities in 2029.
 - ◇ Previously, the legislation was silent on political party affiliation or involvement in municipal elections.
- ◆ Limits on campaign donations outside of the election year are removed. Candidates can collect unlimited donations beginning immediately after the previous election.
 - ◇ Previously, donations outside the campaign period were limited to \$5,000 per year.
- ◆ Union and corporate donations are allowed. Each corporate or union donor is limited to \$5,000 in donations per municipality.
 - ◇ Previously, corporate and union donations were not permitted.
- ◆ Third-party advertisers focused on a specific issue, rather than candidate, are required to register and abide by third-party reporting and contribution requirements.
 - ◇ Previously, only third-party advertisers promoting or opposing candidates were required to register.
- ◆ Municipalities must prepare a permanent electors register in alignment with Elections Alberta information.
 - ◇ Previously, preparation of an electors register was optional.
- ◆ The Minister will be authorized to postpone local elections during emergencies. The details of this authority will be determined through a regulation.
 - ◇ Previously, this authority did not exist.
- ◆ Automated voting equipment is prohibited.
 - ◇ Previously, municipalities were permitted, by bylaw, to use automated voting equipment.

High Concern Changes

Bill 18 makes many changes to both the MGA and the LAEA. However, there are a few amendments which are of significant concern to the RMA and its members:

S.603.01 The Lieutenant Governor in Council may make regulations directing a municipality, with or without conditions to amend or repeal a bylaw. (Pg.63)

The change above allows Cabinet to “undo” council decisions formalized by bylaw. Previously, Cabinet could only intervene with respect to land use bylaws or statutory plans. However, with the proposed amendment, Cabinet would be able to intervene for on any bylaws a municipality creates, including tax rate bylaws. Municipalities develop bylaws to best serve the community and guide all aspects of municipal operations, administration, and governance. Although some bylaws are not popular with all residents, they are the backbone of a municipality’s ability to operationalize its vision for the community.

This amendment increases the influence that provincial politics can have in local government. While the current Minister has insisted that he has no plans to use the power (which begs the question of why it is included in the bill), RMA foresees a wide range of possibilities, including a lowering of tax rates or development levies in response to industry or developer pressure, elimination or modification of road ban requirements, a reduction or elimination of penalties on unpaid taxes, and many others. Basically, as the bill is written, if it is in a bylaw, it could be repealed or amended in a specific municipality or a provincewide basis.

The introduction of political parties in local government introduces a future scenario where this power could be used by the province for partisan political purposes. If a council consists of party members not aligned with the provincial government, these new powers could be used to undermine the ability of a municipality to operate in the local interest, or force unwilling municipalities to address certain local issues in alignment with the province’s preferred approach.

S. 179.1 The Lieutenant Governor in Council may dismiss a person from council and declare a position on council to be vacant if it is in the public interest. (pg. 55)

The amendment above will allow for Cabinet to dismiss a councilor if in the public interest. The *Municipal Government Act* already allows the Minister to dismiss a councilor as an outcome of a municipal inspection. The changes proposed in Bill 20 allow the province to bypass this existing process and unilaterally dismiss a councilor based on an undefined “public interest” criterion.

RMA is concerned that this power, if unchecked, will lead to the province removing councilors without a process to ensure fairness and due diligence. Further, with no definition of public interest, or guidelines for what might lead to dismissal, the province is creating a situation in which democratically elected councilors can be dismissed without cause.

While RMA supports accountability mechanisms to ensure elected officials in all levels of government abide by legislated governance requirements and treat one another with respect, the unilateral powers assigned to Cabinet to remove councilors give provincial decision-makers an unreasonable amount of power over municipal councilors with no accountability at the provincial level. While there are circumstances in which this power could be used to remove a truly dysfunctional councilor, it could also be used against someone outspoken against a provincial decision or a local development opportunity, to name a few examples. While Government of Alberta staff have indicated that Cabinet would be required to prove a removal is in the public interest in a

Court, even an unsuccessful use of this provision could throw a council into disarray and ruin the reputation of a councilor.

S. 615.11 The Lieutenant Governor in Council, by order, may require a council to take any action that the Lieutenant Governor in Council considers necessary in the circumstances to protect public safety or health. (Pg.63)

Currently, no provisions exist within the MGA specifically requiring municipalities to undertake actions related to provincial health and safety. It is important to note that this change moves beyond amending bylaws related to health and safety, as it will require municipalities to implement (or remove) actions as directed by the province.

The legislation does not define “protect public safety and health.” This amendment is concerning due to the ambiguity around what actions might look like and for how long they would be implemented. This requirement could also have major cost implications for municipalities. If a municipality refuses to abide by provincial direction, Cabinet may dismiss the council or any member of it.

The amendment takes away municipal autonomy in protecting the public’s health and safety and enables the province to remove an entire council if they do not agree with the provincial measures forced upon them. This heavy-handed approach suggests that municipalities are unable to make decisions in the best interest of the community and work as partners with the province during emergencies.

How to Advocate Locally & Key Messages

This bill will have impacts on municipalities across the province. It is critical that RMA and its members speak out against the changes that challenge municipal autonomy. RMA will continue to advocate to the Premier and Minister McIver about the concerns listed above, however we also urge individual municipalities to reach out to their local media and MLAs.

RMA has drafted some key messages that will be used for RMA advocacy efforts, many of which may be useful to your municipality. Reaching out to your local MLA, the Premier and Minister McIver to speak about your concerns with the Bill may be beneficial in ensuring municipalities are heard and these changes are reconsidered.

- ◆ It is not clear why the province has decided to infringe so aggressively on municipal autonomy. It appears a single high-profile municipal-provincial conflict is being used as an excuse to create a hammer against the hundreds of well-functioning municipalities in the province.
- ◆ While the province constantly complains about federal over-reach in their affairs, they have no problem giving themselves significantly more power to interfere in any municipal decision or process.
- ◆ Although the current government has promised to use the powers wisely, the legislation is written in such a way that it can be weaponized.
- ◆ Quality, well-developed policy changes should not rely on having to take a Minister's word that he will not use the new powers afforded to him.
- ◆ Municipalities require autonomy to make local decisions, even if the decisions are seen as unpopular by some. Like provincial politicians, councilors are held accountable by their constituents at every election.
- ◆ The changes do not hold Cabinet accountable for using these powers responsibly, leaving provincial influence unchecked.
- ◆ Local politics are meant to be local. With the province now lurking over municipal decision-makers, quality candidates for municipal office may be less willing to put their name forward.

Send a letter to Premier Smith, Minister McIver, and your local MLA

When writing to Premier Smith, Minister McIver, or your MLA, the ultimate request of the letter should be that the three most problematic changes be removed from Bill 20 before it is enacted. Consider supporting this request with the following points:

- ◆ Municipalities have been accountable to their residents for years, making the best decisions possible for the community. The proposed amendments challenge municipal autonomy and diminish the ability of local councilors to do their jobs.
- ◆ Municipalities are held accountable to their residents every day; however, this Bill enables the province to impact the ability of municipalities to serve their constituents without subsequent accountability for how and when the powers are used.
- ◆ Local governments know what their residents need and are attuned to their issues. Just as the province does not want the federal government to intervene in provincial issues, local governments ask for the same as they are closest to the issue and can make decisions which work best for their communities.
- ◆ While the province may be facing challenges in working with a small number of municipalities, the vast majority look to the province as a partner and expect to be treated as such. This heavy-handed approach does nothing to help Albertans receive high-quality municipal and provincial government.

Next Steps

RMA will continue to update members as they advocate on this issue. As RMA learns more about the notable changes and other aspects of Bill 20, we will share updates with members.

Have Questions?

Contact Policy Advisor Karrina Jung at Karrina@RMAAlberta.com.

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FOR IMMEDIATE RELEASE

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RMA Confused and Concerned as Bill 20 Attacks Local Democracy

Nisku, AB, April 29, 2024 – On April 25, 2024, Bill 20: *Municipal Affairs Statutes Amendment Act, 2024* was tabled for first reading. The RMA is frustrated by many of the changes that the bill proposes to the *Municipal Government Act*. Alberta’s municipalities play a crucial role in ensuring that local planning, infrastructure, and service delivery meet the needs of Alberta’s diverse communities, people, and industries. The changes in Bill 20 will degrade municipal autonomy by allowing the province to easily intervene and reverse local decisions, and even remove elected municipal officials, with virtually no justification or process. Along with the formalization of political parties in local elections and Bill 18’s restriction of municipal-federal funding agreements without provincial approval, these changes are the latest and most serious attacks on municipalities, and will centralize more control over municipal issues in the hands of the province.

“Bill 20 assumes that the provincial government knows better than municipal councillors about what is best in their communities and that they should have the right to reverse local decisions and remove councillors they disagree with,” explained RMA President Paul McLaughlin. “This is not only an affront to municipalities, but also an affront to democracy in Alberta. Imagine if the federal government decided to pick and choose the provincial policies and leaders that they agreed with, and simply removed those that they didn’t like. Something tells me the provincial response would be one of anger, so it is no surprise that ours is the same when such over-the-top control is directed to local councillors.”

The *Municipal Government Act* already requires councillors to abide by certain standards and allows the Government of Alberta to address those not in compliance, including through removal. Bill 20 will allow the province to bypass existing processes and unilaterally dismiss a councillor based on an undefined “public interest” criterion. The province is using a recent high-profile isolated incident that resulted in councillors being removed from a municipality to justify a heavy-handed and top-down approach to councillor removals moving forward. Effective policy-making should not be reactive, and the response to one incident should not infringe on the ability of all councillors to do their jobs.

“This government is using recent high-profile conflicts to justify the introduction of a hammer to undermine the autonomy of all of Alberta’s municipalities. Not only is that unfair to the

hundreds of hard-working municipal councillors in the province, but it is also a terrible form of policy making,” commented McLauchlin. “While the Minister of Municipal Affairs is bending over backwards to tell everyone who will listen that he doesn’t plan to use these powers, his word is not enough. We’re talking about democratically elected officials that can be removed on the whims of the current government. While this Minister may not use the powers, what about the next Minister?”

To do their job properly, municipal leaders must feel safe to make difficult decisions. Much like at the provincial and federal level, some municipal decisions are controversial or unpopular. Bill 20 will allow the province to repeal or modify municipal bylaws after they have been consulted on and passed, with no apparent restrictions. Allowing this uncontrolled intrusion into municipal decision-making could have many major impacts on local government.

“Bylaws are crucial to determining municipal operations and community character. Giving the province total control to change or repeal those they don’t like runs contrary to the grassroots, conservative, anti-red tape values this provincial government claims to stand for,” emphasized McLauchlin. “Like the province, sometimes municipalities make decisions for the public good that some disagree with. If provincial Cabinet members believe that they are better positioned to make decisions on local issues than councillors, maybe they should run for municipal council. Until then, they should leave municipalities to make local decisions.”

While the province giving itself such sweeping power is troubling in isolation, the RMA is even more concerned with what it means for future municipal-provincial relations when considered in tandem with the introduction of political parties at the municipal level. While political parties will be piloted in Edmonton and Calgary only in 2025, it is likely they will become province wide soon after. This is likely to result in more intense political posturing between municipal and provincial governments when a council is represented by a party that is not aligned with the province. As written, these new powers could be used to undermine the ability of a municipality to operate or individual councillors to serve if they are ideologically opposed to the province. Add to this Bill 18, which allows the province to control a municipality’s ability to receive federal funding without provincial approval, and suddenly the province has plenty of tools to keep municipalities in line politically if they choose to do so.

“Bill 20 is another step in the province’s quest to exert more control over municipalities and centralize local decision-making. Because of provincial fights with a few local leaders, now all municipal councillors must worry about missing out on federal funding, joining a political party, having their local decisions overturned, and possibly being removed from office,” explained McLauchlin. “Our members do so much for this province – we manage nearly all the roads and bridges, make sure land and services are available for industrial development, prepare for and respond to natural disasters, and more. Much of what they do is behind the scenes and goes unnoticed by the public and the provincial government. Rural municipal leaders are okay with that, but when the province actively undermines the ability of our members to serve their communities, we will not sit back and take it.”