

Bill No. 21 of 1954

A BILL TO AMEND THE RURAL ELECTRIFICATION
REVOLVING FUND ACT

NOTE

This Bill amends *The Rural Electrification Revolving Fund Act*, being chapter 101 of the Statutes of Alberta, 1953.

Subsection (4) of section 7, subclauses (ii) and (iii) of clause (d) of subsection (1) of section 9, clause (c) of subsection (3) of section 14, subsections (2) and (3) of section 15, section 16, subsections (2) and (4) of section 19, section 20 and Form A of the Schedule are amended for the purpose of providing for annual payments under a lien note by payments of interest accrued on the unpaid principal and by payments of equal annual instalments of principal. Previously the word "instalment" contemplated an equal annual payment of both principal and interest. With this amendment the word "instalment" where it occurs will refer only to the payments of principal, and the word "interest" will refer only to the payments of interest accrued on the unpaid principal.

Section 9 is amended by adding a new clause (e) in subsection (1) for the purpose of extending the effect of a lien note to the interest of the member in the land to which electricity is to be conveyed. Previously the lien note only affected the land of the member to which electricity is to be conveyed. A new subsection (1a) is added to permit the Supervisor of Co-operative Activities to approve a lien note against the land of a member or the interest of a member in the land whether or not it is land to which electricity is to be conveyed. A new subsection (3) is added which provides that a lien note is to affect only the interest of the member in the surface rights of land.

Section 11 is amended to correct a typographical error.

Section 15 is amended by providing for the payments of interest into the General Revenue Fund as required by section 5.

Subsection (2) of section 17 is amended to clarify the meaning of the subsection. A new subsection (3) is added to permit the postponement of a lien by the Supervisor of Co-operative Activities where deemed necessary. A new subsection (4) is added to provide for the continuation of the lien even after tax recovery proceedings have been taken.

Section 18 is amended by striking out subsection (1) and substituting a new subsection (1) for the purpose of bringing the provisions of this subsection into conformity with the amendments made to section 9.

This Bill comes into force upon assent.

J. W. RYAN,
Acting Legislative Counsel.

(This note does not form any part of the Bill but is offered in explanation of its provisions.)

BILL

No. 21 of 1954

An Act to amend The Rural Electrification Revolving Fund Act

(Assented to _____, 1954)

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

1. *The Rural Electrification Revolving Fund Act*, being chapter 101 of the Statutes of Alberta, 1953, is hereby amended.

2. Section 7, subsection (4) is amended by striking out the words "and interest". Section 7 amended

3. Section 9 is amended

(a) as to subclause (ii) of clause (d) of subsection (1) by striking out the words "and interest"; Section 9 amended

(b) by striking out subclause (iii) of clause (d) of subsection (1) and by substituting the following:

"(iii) the date when

"(A) each instalment of principal, and

"(B) the accrued interest on the unpaid principal, is to be paid,";

(c) by adding immediately after clause (d) of subsection (1) the following new clause:

"(e) against

"(i) the land of the member, or

"(ii) the interest of the member in the land, to which the electricity is to be conveyed.";

(d) by adding immediately after subsection (1) the following new subsection:

"(1a) Where the Supervisor of Co-operative Activities deems it expedient to do so he may approve a lien note against Approval of lien note

"(a) any land of the member whether or not electricity is to be conveyed to that land, or

"(b) any interest of the member in land whether or not it is an interest in land to which electricity is to be conveyed.";

(e) by adding immediately after subsection (2) the following new subsection:

Surface
rights

“(3) The lien note shall affect only the interest of the member in the surface rights of land.”.

Section 11
amended

4. Section 11, subsection (1), clause (c) is amended by striking out the word “is” and by substituting the word “are”.

Section 14
amended

5. Section 14, subsection (3) is amended by striking out clause (c) and by substituting the following:

“(c) the duties of the association with respect to the collection

“(i) of instalments of the principal, and

“(ii) of the accrued interest on the unpaid principal, from the members.”.

Section 15
amended

6. Section 15 is amended

(a) as to subsection (1) by adding immediately at the end thereof the words “or to the General Revenue Fund of the Province, as provided for in section 5”;

(b) by striking out subsection (2) and by substituting the following:

“(2) If default is made by a member in the due payment of

“(a) instalments of the principal,

“(b) accrued interest on the unpaid principal, in respect of any lien note made by him under section 9, all moneys payable by the member under his lien note become due and payable.

Moneys due
and payable
when
member in
default

“(3) If a member defaults under subsection (2) in due payment of the moneys payable the association

“(a) shall instruct the power company to discontinue electric service to the member in question, and

“(b) then in its discretion at any time may take such action as is necessary to enforce payment of the lien note.”;

(c) by striking out subsection (3) and by substituting the following:

Enforce-
ment of
payment

“(4) Notwithstanding subsection (2) and subsection (3) if a member who is in default of payment of instalments of principal or of payments of accrued interest on unpaid principal in respect of a lien note later pays the arrears of accrued interest on the unpaid principal and of instalments on the principal, the association in its discretion

Default

“(a) may cancel its instructions to the power company and the power company may thereafter resume electric service to the member upon payment of reconnection fees and other charges as are required of him,

- “(b) may reinstate the lien note of the member and thereafter the member
- “(i) shall pay the instalments of principal, and
- “(ii) shall pay the accrued interest on the unpaid principal,
- in accordance with the terms of his lien note.”.

7. Section 16 is amended by striking out the words “payment of instalments is to be made to the association upon the due dates thereof” and by substituting the following: Section 16 amended

- “(a) payment of instalments of principal, and
- “(b) payment of accrued interest on the unpaid principal,
- is to be made to the association upon the due dates thereof.”.

8. Section 17 is amended Section 17 amended

- (a) as to subsection (2)
- (i) by adding immediately after the word and letter “Form B” the word “and”,
- (ii) by adding immediately after the words “registration district” the word “and”;
- (b) by adding immediately after subsection (3) the following new subsections:
- “(4) A lien may be postponed at the discretion of the Supervisor of Co-operative Activities in accordance with subsection (3) of section 107 of *The Land Titles Act*. Postponement of registration of lien
- “(5) Notwithstanding the provisions of *The Tax Recovery Act*, a lien filed in respect of land or an interest in land under this Act continues to be an encumbrance against that land registered in the name of a subsequent owner or owners to the same extent as if proceedings had not been taken under *The Tax Recovery Act*.”. Continuing lien

9. Section 18 is amended Section 18 amended

- (a) by striking out subsection (1) and by substituting the following:
- “**18.** (1) When a notice in Form B is filed the association has a lien Notice of lien
- “(a) upon the land of a member to which electricity is to be conveyed,
- “(b) upon the interest of a member in the land to which electricity is to be conveyed,
- “(c) upon the land or the interest in the land of a member in respect of which the association holds a lien as provided by subsection (2) of section 9,
- to the amount of the lien note of the member held by the association, and the lien has the same priority

as if it were a mortgage under *The Land Titles Act* to secure the total amount of the note of the member registered in the proper Land Titles Office at the time at which the notice referred to in section 17 was filed in such Land Titles Office.”;

- (b) by striking out the words “to which electricity is conveyed or to be conveyed by an association and” where they occur in subsection (2).

Section 20
amended

10. Section 20 is amended by adding immediately after the word “instalments” wherever it occurs the words “of principal”.

Schedule
amended

11. The Schedule is amended by striking out Form A and by substituting the following:

“FORM A

“(Section 9)

“MEMBER’S LIEN NOTE

“I,, of, in the Province of Alberta, Farmer, a member of the Rural Electrification Association, Limited, hereby promise to pay to the Rural Electrification Association, Limited, within years from the day of A.D. 19, being the day from which interest shall be computed, the following sum, that is dollars, (hereinafter called the principal), with interest at the rate of three and one-half per cent per annum, the principal to be repayable in instalments as follows:

1st instalment	dollars on the	day of	19....
2nd instalment	dollars on the	day of	19....
3rd instalment	dollars on the	day of	19....
4th instalment	dollars on the	day of	19....
5th instalment	dollars on the	day of	19....
6th instalment	dollars on the	day of	19....
7th instalment	dollars on the	day of	19....
8th instalment	dollars on the	day of	19....
9th instalment	dollars on the	day of	19....
10th instalment	dollars on the	day of	19....

together with accrued interest on the unpaid principal on each of the above dates.

“Until otherwise advised in writing by the Secretary of the said Association, I shall pay the above instalments when due to the Secretary-Treasurer of the Rural Electrification Association, Limited, at in the Province of Alberta.

Description of land:, section, Township, Range, West of the Meridian.

"Dated at, in the Province of Alberta, this
..... day of, 19.....

"The above was made and signed in my presence by the said this day of 19.....	} "Signature of Member
	 "Signature of Officer
	 "Rural Electrification Association, Limited."

12. Form B in the Schedule is amended by adding im- ^{Schedule}
 mediately after the words "has a lien upon the interest ^{amended}
 of the said member in" the words "the land described as
 follows:".

13. This Act comes into force on the day upon which it ^{Coming into}
 is assented to. ^{force}

No. 21

SECOND SESSION
TWELFTH LEGISLATURE
3 ELIZABETH II
1954

BILL

An Act to amend The Rural Electrification Revolving Fund Act

Received and read the

First time

Second time

Third time

HON. MR. WILLMORE
