

1969 Bill 17

Second Session, 16th Legislature, 18 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 17

**An Act to amend
The Alberta Municipal Financing Corporation Act**

THE PROVINCIAL TREASURER

First Reading

Second Reading

Third Reading

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1969

An Act to amend
The Alberta Municipal Financing Corporation Act

(Assented to _____, 1969)

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

1. *The Alberta Municipal Financing Corporation Act*
is hereby amended.

2. Section 2 is amended by striking out clause (h) and
by substituting the following:

(h) "town" means a town or village under *The Municipal Government Act*.

3. Section 24 is amended

(a) as to clause (a) by striking out the words "debentures or otherwise" and by substituting the words "notes, bonds, debentures or other securities",

(b) as to clause (b)

(i) by adding after the words "disposal from time to time of" the words "notes, bonds,"

(ii) by striking out the words "debentures and other securities thereof" and by substituting the words "such securities",

(c) as to clause (d) by adding after the word "town" the words "notes, bonds,".

4. Section 25, subsection (1), clause (i) is amended by striking out wherever it occurs the word "debentures" and by substituting in each case the words "notes, bonds, debentures or other securities".

5. The following is added after section 25a:

25b. (1) The corporation may, under the authority of a by-law, borrow money by the issue and sale, from time to

Explanatory Notes

1. This Bill amends chapter 3 of the Statutes of Alberta, 1956.

2. Section 2 (h) presently reads:

(h) "town" means a town within Alberta, and includes a village under The Town and Village Act, 1952.

3. Section 24 (a), (b) and (d) presently read:

24. The objects for which the corporation is established are:

(a) the borrowing of money for short or long terms by the issue of debentures or otherwise;

(b) the purchase and sale or other disposal from time to time of debentures and other securities of municipalities, cities and towns within Alberta, and the lending of money thereto from time to time upon the security of debentures and other securities thereof;

.....

(d) the acquisition of municipal, city or town debentures or other securities for sale from time to time to the residents of Alberta.

4. Section 25 (1) (i) presently reads:

25. (1) In addition to the powers vested in the corporation by section 35 of The Interpretation Act and by this Act the corporation has the following powers:

.....

(i) the power to loan money to municipalities, cities and towns within Alberta and to accept and receive therefor debentures, and to purchase the debentures of such municipalities, cities and towns and, in either case, to sell, hypothecate or otherwise dispose of or deal with such debentures;

.....

5. Short-term borrowing provided for.

time, of interest bearing or non-interest bearing notes, maturing not more than one year from the date thereof.

(2) The corporation may, by a by-law, empower the president, general manager or treasurer of the corporation, subject to any terms, conditions and limitations prescribed by the by-law,

- (a) to determine from time to time the principal amounts, dates, dates of maturity, denominations and the rates and dates of payment of interest, if any, in respect of the notes to be sold, and
- (b) to sell any of the notes for such price or prices and upon such terms and conditions as the president, general manager or treasurer, as the case may be, may in his discretion from time to time consider advisable,

and the by-law may confer the power to issue and sell any of the notes for the purpose of paying or refunding any other notes issued under the authority of the by-law.

6. Section 26, subsection (2) is amended

- (a) as to clause (g) by striking out the word "debentures" and substituting the words "notes, bonds, debentures or other securities of the corporation",
- (b) as to clause (h) by adding after the words "execution of" the word "notes,".

7. Section 31 is amended

- (a) by striking out subsection (1) and by substituting the following:

31. (1) Notwithstanding anything in sections 25, 25b and 26, the corporation shall not borrow any money by the issue and sale of notes, bonds, debentures or by way of temporary loan where the borrowing would cause the aggregate principal amount of

- (a) the outstanding notes, bonds, debentures and other securities issued by the corporation, and
- (b) the outstanding temporary loans raised by the corporation,

to exceed the aggregate sum of 875 million dollars.

- (b) by adding the following subsection after subsection (4) :

(5) For the purpose of calculating the aggregate sum referred to in subsection (1), the principal amount

6. Section 26 (2) (g) and (h) presently read:

(2) Without limiting the generality of subsection (1), the Board may make by-laws relating to

.....

(g) the borrowing by way of temporary loans from chartered banks or treasury branches by way of overdraft or line of credit or by pledging debentures as security, or in any other manner and the execution of cheques, promissory notes or other instruments used in connection with temporary borrowings,

(h) the execution of bonds, debentures and other securities of the corporation, and the provision of facsimile seals and signatures,

.....

7. Section 31 (1) presently reads:

31. (1) Notwithstanding the powers set forth in sections 25 and 26 the corporation shall not borrow any money by the issue and sale of notes, bonds, debentures or other securities or by way of temporary loan where the borrowing would cause the aggregate principal amount of the outstanding notes, bonds, debentures and other securities issued by the corporation, together with the outstanding temporary loans raised by the corporation, to exceed the aggregate sum of \$750,000,000.

(a) of outstanding notes, bonds, debentures or other securities issued under this section 25, and

(b) of temporary loans under sections 25b and 26, payable in the currency of any country other than Canada or the United States of America, shall be deemed to be the equivalent principal amount in dollars in lawful money of Canada calculated in each case in accordance with the nominal rate of exchange between the Canadian dollar and the currency of the country concerned on the business day next preceding the day on which the corporation authorized the issue of those outstanding securities or the raising of those outstanding temporary loans, as the case may be, as that nominal rate is determined by any bank in Canada.

8. Section 39 is amended by striking out subsection (2).

9. The following is added after section 42:

42a. *The Regulations Act* does not apply to any order, regulation, rule, by-law or resolution heretofore or hereafter made, approved or passed under the authority of this Act.

10. This Act comes into force on the day upon which it is assented to.

8. Section 39 presently reads:

- 39.** (1) The Lieutenant Governor in Council may make regulations
- (a) prescribing the rates of interest that the corporation may pay upon deposits and the rates of interest it may charge for loans therefrom,
 - (b) prescribing the fees and charges the corporation may make in respect of any services offered by it,
 - (c) governing the manner of making loans, the purposes for which loans may be made and prescribing the terms and conditions of any such loans, and
 - (d) generally, for the purpose of carrying out the provisions of this Act according to their intendment or for the purpose of supplying any deficiency therein.

(2) A regulation made under this section shall be published in The Alberta Gazette and laid on the table of the Legislative Assembly within ten days after the commencement of the first session in the next ensuing year.

9. Self-explanatory.