

1972 Bill 56

First Session, 17th Legislature, 21 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 56

**The Co-Operative Marketing Associations Guarantee Amendment
Act, 1972**

HONOURABLE MR. TOPOLNISKY

First Reading

Second Reading

Third Reading

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1972

THE CO-OPERATIVE MARKETING ASSOCIATIONS GUARANTEE AMENDMENT ACT, 1972

(Assented to _____, 1972)

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

1. *The Co-operative Marketing Associations Guarantee Act is hereby amended.*

2. *Section 3, subsection (1) is amended*

- (a) *by adding after the words "liquefied petroleum gas" wherever they appear in the subsection the word ", water, ", and*
- (b) *as to clause (d) by striking out the figures "\$5,000,000," and by substituting therefor the figures "\$10,000,000,".*

3. *Section 12, subsection (1), clause (e) is amended by adding after the words "liquefied petroleum gas," the word "water,".*

4. *Section 15, subsection (1) is amended*

- (a) *as to clause (a) by adding after the words "liquefied petroleum gas," the word "water," and*
- (b) *as to clause (b) by adding after the words "liquefied petroleum gas" the word ", water,".*

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

Explanatory Notes

1. This Bill amends chapter 68 of the Revised Statutes of Alberta 1970.

2. These amendments will permit the guarantee of the indebtedness of water co-operatives and will also double the contingent liability limit. Section 3(1) reads:

3. (1) If

- (a) an association incorporated under The Co-operative Associations Act, having as its principal object the supplying of natural gas, liquefied petroleum gas or electrical energy or power to its members
 - (i) has first paid at least 15 per cent of the amount of any capital expenditure proposed to be made by the association in carrying out its objects, and
 - (ii) has made provision satisfactory to the Provincial Treasurer for a sinking fund adequate for the purpose of paying off the loan and interest as and when it becomes due,
- (b) the association and its members have complied with the terms and conditions which may be made from time to time by the Lieutenant Governor in Council,
- (c) the period of repayment of a borrowing by such association does not exceed 20 years, and
- (d) the total amount of the liability of the Province as a guarantor under this subsection and subsection (2) does not exceed \$5,000,000,

the Lieutenant Governor in Council may authorize the Provincial Treasurer, on behalf of the Province, to guarantee the due repayment of any sum, together with interest thereon, borrowed by the association for the purpose of acquiring, constructing, operating, maintaining and administering the pipe lines or works necessary for the carrying, transmission and distribution of natural gas, liquefied petroleum gas or electrical energy, and the Provincial Treasurer, on behalf of the Province, may execute any instrument for the purpose of the guarantee.

3. Section 12 (1) (e) reads:

12. (1) Where an association applies to have a loan guaranteed pursuant to section 3, the Provincial Treasurer may require that the association obtain from those members who have not fully paid up their share of the cost of constructing the pipe lines or works required by the association a lien note in triplicate in Form 1 in the Schedule

- (e) against the land of the member or the interest of the member in the land to which natural gas, liquefied petroleum gas, or electrical energy is to be conveyed.

4. Section 15, subsection (1) reads:

15. (1) When a notice in Form 2 in the Schedule is filed, the association has a lien

- (a) upon the land of the member to which natural gas, liquefied petroleum gas, or electrical energy is to be conveyed, and
 - (b) upon the interest of the member in the land to which natural gas, liquefied petroleum gas or electrical energy is to be conveyed,
- as the case may be, 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 and registered in the proper land titles office at the time at which the notice referred to in section 14 was filed in such land titles office.