

1973 Bill 18

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Second Session, 17th Legislature, 21 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

**BILL 19**

**The Hail and Crop Insurance Amendment Act, 1973**

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MR. STROMBERG

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First Reading .....

Second Reading .....

Third Reading .....

Bill 19  
Mr. Stromberg

## BILL 19

1973

### THE HAIL AND CROP INSURANCE AMENDMENT ACT, 1973

(Assented to \_\_\_\_\_, 1973)

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

1. *The Hail and Crop Insurance Act is hereby amended.*

2. *Section 3 is amended by renumbering the section as subsection (1) and by adding after the renumbered subsection (1) the following:*

(2) The head office of the corporation shall be located in Calgary or such other place as the Lieutenant Governor in Council may from time to time, by order, designate.

3. *Section 4, subsection (1) is amended by striking out the word "five" and by substituting therefor the word "seven".*

4. *Section 16 is amended*

(a) *as to subsection (1), by striking out the word "office" and by substituting therefor the words "head office",*

(b) *by striking out subsection (4) and by substituting therefor the following:*

(4) The corporation shall

(a) consider every application for insurance as soon as possible after it has been received by the corporation at its head office, and

(b) proceed to accept or reject the application as the corporation in its absolute discretion decides,

but in no case shall the acceptance become effective prior to 12:00 o'clock noon of the day following the date upon which the application was made.

## Explanatory Notes

**1.** This Bill will amend chapter 164 of the Revised Statutes of Alberta 1970.

**2.** Self-explanatory.

**3.** This amendment will increase the board of directors of the Alberta Hail and Crop Insurance Corporation from five to seven.

**4.** (a) This amendment will remove the reference to the corporation's "office" and replaces it with reference to the corporation's "head office".

(b) Section 16, subsection (4) presently reads:

(4) The corporation shall

(a) consider every application for insurance as soon as possible after it has been received by the corporation at its office in Calgary,

(b) proceed to accept or reject the application as the corporation in its absolute discretion decides, and

(c) cause to be endorsed upon the application the word "Accepted" or "Rejected", as the case may be

but in no case shall the acceptance become effective within 24 hours of the time the application is made.

5. Section 17, subsection (1), clause (a) is amended by striking out the words "office in Calgary" and by substituting therefor the words "head office",

6. Section 18 is amended

- (a) as to subsection (3), by adding after the words "the chairman" wherever they appear the words ", the general manager", and
- (b) as to subsection (7), by striking out the words "not less than \$25 and".

7. Section 19 is amended

- (a) as to subsection (1), by striking out the word "Calgary" and by substituting therefor the words "its head office",
- (b) as to subsection (2), by striking out the word "two" wherever it appears and by substituting therefor the word "five", and
- (c) by striking out subsection (11) and by substituting therefor the following:

(11) The corporation shall not pay any claim in respect of any insurance effected by the corporation unless notice of the claim is given before the sixth day after the date that the policy expires.

8. Section 20 is amended

- (a) as to subsection (1), by striking out the word "Calgary" and by substituting therefor the words "its head office", and
- (b) by striking out subsection (6).

9. Section 23 is struck out and the following section is substituted therefor:

**23.** No money payable by the corporation in respect of any claim for damage to crops by hail is subject to garnishment, attachment, seizure or other legal process.

10. Section 32 is struck out.

11. Section 33, clause (d) is amended by striking out the words ", landlord or tenant".

**5.** This amendment will remove the reference to the corporation's "office in Calgary" and replace it with a reference to the corporation's "head office".

**6.** (a) This amendment will allow the general manager of the corporation to designate a person to make seizures to recover unpaid premiums owing on hail insurance.

(b) This amendment will remove the minimum fine that may be given to a person who deals with a crop on which there is a lien for unpaid premiums.

**7.** (a) This amendment will remove the reference to the corporation's "office at Calgary" and replace it with reference to the corporation's "head office".

(b) This amendment will increase the distance from 2 miles to 5 miles that a claimant or his agent may reside from land upon which a claim is being made.

(c) Section 19, subsection (11) presently reads:

(11) The corporation shall not pay any claim in respect of any insurance effected by the corporation unless notice of the claim is made before the fifth day of October in the year in which the damage occurs.

**8.** (a) See explanatory note 7(a),

(b) Section 20, subsection (6) presently reads:

(6) The decision of the corporation with regard to the percentage of the damage suffered by any claimant, and the amount payable to any claimant in respect thereof, is final and conclusive.

**9.** Section 23 presently reads:

23. (1) All sums payable by the corporation in respect of any claim for damage to crops by hail are exempt from garnishee proceedings, attachment and execution of every description.

(2) Notwithstanding subsection (1), an assignment of a sum payable by the corporation in respect of any claim for damage to crops by hail is good and valid according to the tenor thereof if notice of the assignment has been delivered and registered at the offices of the corporation in Calgary before the time of payment of the claim.

**10.** Section 32 presently reads:

32. The Insurance Corporations Tax Act applies to the corporation with respect to insurance under this Part and the expression "insurance company" in that Act shall, for all the purposes of that Act, be deemed to include the corporation.

**11.** This amendment will remove from the definition of "insurable person" a landlord or a tenant.

12. *Section 37 is struck out and the following is substituted therefor:*

**37.** Where the board of directors is satisfied that there is general interest in the establishment of a plan of all-risk insurance, the board may by order

- (a) declare a voluntary all-risk insurance plan to be in operation, and
- (b) designate the area in which the plan is to be in operation.

13. *Section 38 is amended*

- (a) *as to subsection (1), by striking out the words "than the 31st day of January in any year" and by substituting therefor the words "than a date to be set by order of the corporation",*
- (b) *as to subsection (2), by striking out the words "participation in a crop insurance plan falls below the minimum mentioned in section 37" and by substituting therefor the words "the corporation is not satisfied with the participation in the plan by the persons in the designated area".*

14. *Section 40 is amended*

- (a) *as to subsection (4), by striking out the words "or general manager" wherever they appear and by substituting therefor the words ", general manager or secretary", and*
- (b) *as to subsection (6), by striking out the words "the corporation's claim may at the discretion of the corporation for that purpose" and by substituting therefor the words "the corporation or a person authorized by the corporation,".*

15. *The following section is added after section 41:*

**41.1** No money payable by the corporation in respect to claims for crop losses is subject to garnishment, attachment, seizure or other legal process.

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

**12. Section 37 presently reads:**

**37.** (1) The corporation, if satisfied that there is a general interest in the establishment of a plan of all-risk insurance in an area, may ascertain by the holding of public meetings or otherwise the wishes of the insurable persons in the area with respect to the type of contract to be offered by the corporation.

(2) The corporation, is satisfied that in an area

(a) at least 25 per cent of the insurable persons in the area, or

(b) a group of persons owning a minimum of 25 per cent of the aggregate insurable acreage in the area,

are willing to enter into contracts with the corporation, may by an order declare a voluntary all-risk insurance plan to be in operation in the area the boundaries of which are to be determined by the order.

**13.** (a) This amendment will change the date upon which a policy may be terminated.

(b) This amendment will allow the corporation to decide when the participation in a plan is insufficient so that the plan may be terminated.

**14.** (a) This amendment will allow the secretary of the corporation to designate persons to make seizures to recover unpaid premiums owing on crop insurance.

(b) This amendment will remove an ambiguity in subsection (6).

**15. Self-explanatory.**