

1999 BILL 3

Third Session, 24th Legislature, 48 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 3

**AGRICULTURE FINANCIAL SERVICES
AMENDMENT ACT, 1999**

MR. SEVERTSON

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 3
Mr. Severtson

BILL 3

1999

AGRICULTURE FINANCIAL SERVICES AMENDMENT ACT, 1999

(Assented to _____, 1999)

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

Amends SA
1993 cA-12.5

**1 The *Agriculture Financial Services Act* is amended by
this Act.**

**2 Section 10 is amended by adding the following after
subsection (1):**

(1.1) In addition to any capacity or any right, power or
privilege of the Corporation under subsection (1), the
Corporation may

- (a) market and provide its expertise and skills, or
- (b) provide any service related to the business of the
Corporation

to any government or person, whether or not that
government or person is located within Alberta.

3 The following is added after section 11:

Set off

11.1(1) In this section,

- (a) "debt" includes any debt arising out of a loan that is
secured by a mortgage on land that is given by an
individual or an agreement for sale of land to an
individual;

Explanatory Notes

1 Amends chapter A-12.5 of the Statutes of Alberta, 1993.

2 Section 10 presently reads:

10(1) For the purposes of lending funds, providing financial assistance, providing insurance, issuing local opportunity bonds and otherwise carrying on the business of the Corporation under this Act, the Corporation has the capacity and, subject to this Act, the rights, powers and privileges of a natural person.

(2) With respect to any right, power or privilege exercisable by the Corporation, the Minister may by regulation

(a) prohibit the use of the right, power or privilege;

(b) restrict the use of the right, power or privilege;

(c) provide that the right, power or privilege be exercised subject to any terms or conditions prescribed in the regulations.

3 Right of set-off.

(b) “funds” includes any proceeds arising out of an insurance program or plan or a compensation program or plan operated or administered by the Corporation.

(2) Notwithstanding any other Act, the Corporation may set off any funds owing by it to any person against any debt owing to the Corporation by that person.

(3) Nothing in this section is to be construed so as to restrict any other right of set-off that the Corporation may have at law.

4 Section 17 is amended by adding the following after clause (a):

(a.1) empowering the Corporation to act as a trustee for persons who lend money, or establish funds to provide money, to persons engaged in an undertaking or enterprise to which the Corporation might otherwise provide a financial service under this Act;

(a.2) governing the power given to the Corporation under clause (a.1) and the exercise of that power;

5 Section 36 is repealed.

6 Section 46 is amended

(a) in subsection (2) by striking out “and” at the end of clause (a) and by adding the following after clause (a):

(a.1) all proceeds owing to the applicant from the sale of any crop referred to in clause (a), and

(b) in subsection (6)

(i) by adding “or any proceeds from the crop” after “of the crop”;

(ii) by striking out “fine” and substituting “penalty”;

4 Section 17(a) presently reads:

17 The Lieutenant Governor in Council may make regulations

(a) governing, subject to Division 2, the borrowing or otherwise raising of money by the Corporation;

5 Section 36 presently reads:

36 The Government of Alberta as represented by the Minister may, with the approval of the Lieutenant Governor in Council, enter into an agreement with the Government of Canada or any other government or person for any purpose related to lending or financial assistance under this Division.

6 Section 46 presently reads in part:

46(1) From the date that the Corporation provides coverage pursuant to a contract of insurance, the Corporation has a lien for the following amounts in respect of the contract of insurance:

(a) unpaid premiums;

(b) charges;

(c) amounts that the Corporation has paid to the applicant to which the applicant was not entitled;

(d) interest on the amounts referred to in clauses (a), (b) and (c).

(c) in subsection (7) by striking out “fine” and substituting “penalty”;

(d) in subsection (8)

(i) by striking out “fine” and substituting “penalty”;

(ii) by striking out “in satisfaction of” and substituting “to be applied against the”.

7 Section 47 is repealed.

8 The following is added after section 49:

Limitation
period re
prosecution

49.1 A prosecution for an offence under this Division may be commenced at any time within 2 years from the day on which the alleged offence occurred.

(2) *The lien is on*

(a) *all crops grown by the applicant or in which the applicant has an interest in the year for which the premium is payable and in each of the next ensuing 3 years, and*

(b) *all amounts payable to the applicant pursuant to any claim for loss or damage under any policy issued by the Corporation.*

(6) *A person who is the grower of or who is entitled to a crop that is subject to a lien under this section and who either on the person's own behalf or by the person's servant or agent directly or indirectly sells, ships or otherwise disposes of any of the crop*

(a) *without having arranged to satisfy the lien, or*

(b) *without the consent in writing of the Corporation or of a person authorized by the Corporation to give consent*

is guilty of an offence and liable to a fine in an amount not less than the aggregate of all sums owing by that person to the Corporation on the day the offence occurred and not more than that amount plus \$1000.

(7) *A person who, knowing that a crop is subject to a lien under this section, buys, sells, receives or disposes of any of that crop and does not apply the proceeds or value of it to satisfy the lien on it is guilty of an offence and liable to a fine of not more than \$1000.*

(8) *A fine imposed on a person under subsection (6) shall, up to the aggregate of all sums owing by the person to the Corporation on the day the offence occurred, be paid to the Corporation in satisfaction of sums owing to the Corporation on that date, and any balance shall be applied in accordance with the Provincial Offences Procedure Act.*

7 Section 47 presently reads:

47 The Government of Alberta, as represented by the Minister, may, with the approval of the Lieutenant Governor in Council, enter into an agreement with the Government of Canada or any other government or person with respect to insurance or compensation programs.

8 Time period within which a prosecution may be commenced.

9 The following is added after section 52.1:

Reinsurance

52.2 Subject to the regulations, the Corporation may enter into an agreement with any person for the purposes of reinsuring the liability that may be incurred by the Corporation with respect to an insurance program or plan or a compensation program or plan operated or administered by the Corporation under this Division.

Action for recovering of premiums

52.3 Notwithstanding any other Act, where a person owes money to the Corporation in respect of any matter arising under this Division, the Corporation may at any time within 6 years from the day that the debt became payable commence an action against that person to recover that money.

9 Section 52.2 provides for reinsurance respecting the liability of the Corporation. Section 52.3 provides for a limitation period of 6 years with respect to the commencing of actions respecting the non-payment of premiums.