

2007 Bill 201

Third Session, 26th Legislature, 56 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 201

FUNDING ALBERTA'S FUTURE ACT

DR. TAFT

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

*Bill 201
Dr. Taft*

BILL 201

2007

FUNDING ALBERTA'S FUTURE ACT

(Assented to _____, 2007)

Preamble

WHEREAS the revenue collected by the Government from non-renewable resources represents the economic rent from natural resources owned by the Crown in right of Alberta for the people of this Province;

WHEREAS the Government and Legislative Assembly have a duty to act as good stewards to ensure that the revenue from Alberta's non-renewable natural resources is used to secure a better future for the people of this Province;

WHEREAS it is necessary to restrain Government from spending the money from the non-renewable natural resources in a fiscally irresponsible manner so that the welfare of future generations is not jeopardized and that future expenditures of revenue from these resources is done in a planned and disciplined manner; and

WHEREAS it is necessary that the Government bring before the Assembly legislation giving effect to the expenditures contemplated by this Act;

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

Definitions

1 In this Act,

- (a) "Account" means the Funding Alberta's Future Account of the General Revenue Fund to be established by the Bill

introduced in the Legislative Assembly pursuant to section 2;

- (b) “Capital Account” means the Capital Account established in the *Fiscal Responsibility Act*;
- (c) “infrastructure debt” means the infrastructure debt on matters over which the Province exercises exclusive authority as estimated by the Minister of Infrastructure and Transportation under section 3;
- (d) “non-renewable resource revenue” has the meaning given to it in the *Alberta Heritage Savings Trust Fund Act*.

Requiring Bill to establish Account

2 Not later than 15 days after the commencement of the session of the Legislature immediately following the passage of this Act, the Minister of Finance or other member of the Executive Council must beg leave of the Assembly to introduce a Bill establishing an account known as the Funding Alberta’s Future Account of the General Revenue Fund consisting of 30% of non-renewable resource revenue received by the Government in each fiscal year which is to be apportioned in accordance with section 7.

Infrastructure debt

3(1) Not later than 2 months after the coming into force of this Act, the Minister of Infrastructure and Transportation must prepare an amendment to his or her ministry’s business plan estimating the Province’s infrastructure debt.

(2) The estimate of infrastructure debt under subsection (1) must be based upon the expenditure required to upgrade, rehabilitate or overhaul the following components of infrastructure to make them suitable to meet the requirements of the Province as calculated at the time of the estimate:

- (a) highways;
- (b) schools;
- (c) post-secondary education facilities;
- (d) health-care facilities;
- (e) water-management facilities;
- (f) seniors’ lodges;

- (g) correctional facilities;
- (h) courthouses; and
- (i) any other Government facilities considered by the Minister of Infrastructure and Transportation as infrastructure.

(3) When the Minister has prepared his or her estimate under subsection (1), the Minister must make it public in the manner prescribed by section 3 of the *Government Accountability Act*.

Post-secondary Education Endowment Fund

4(1) In the Bill introduced under section 2, the Access to the Future Fund established under the *Access to the Future Act* shall be replaced by the Post-secondary Education Endowment Fund.

(2) The objectives of the Post-secondary Education Endowment Fund shall be to

- (a) support the excellence of the post-secondary system throughout Alberta, including the areas of pure and applied research, teaching and community service,
- (b) increase the accessibility of the post-secondary system throughout Alberta,
- (c) make post-secondary education more affordable for students, and
- (d) support the continued development of apprenticeship and training programs.

(3) The Bill introduced under section 2 shall transfer any funds in the Access to the Future Fund to the Post-secondary Education Endowment Fund.

Humanities, Social Sciences and Arts Endowment Fund

5(1) The Bill introduced under section 2 shall establish a Humanities, Social Sciences and Arts Endowment Fund.

(2) The objectives of the Humanities, Social Sciences and Arts Endowment Fund shall be to support teaching, research and community service activities in the humanities, social sciences and arts.

Opportunity Fund

6(1) The Bill introduced under section 2 shall establish an Opportunity Fund.

(2) The objectives of the Opportunity Fund shall be determined after consultation with Albertans prior to any funds being transferred to it, notwithstanding section 7(3).

Apportioning funds from the Account

7(1) The Bill introduced pursuant to section 2 must apportion funds from the Account as follows:

- (a) 35% to be allocated to the Alberta Heritage Savings Trust Fund;
- (b) 35% to be allocated to the Post-secondary Education Endowment Fund;
- (c) 25% to be allocated to the Capital Account;
- (d) 5% to be allocated to the Humanities, Social Sciences and Arts Endowment Fund until the total allocation reaches \$500 000 000.

(2) When the Minister of Finance reports that the infrastructure debt has been reduced to zero, the amount to be transferred to the Capital Account from the Account under subsection (1)(c) shall be zero for the following fiscal years and the amount apportioned to the Alberta Heritage Savings Trust Fund shall be 60% of the Account.

(3) After the amount allocated to the Humanities, Social Sciences and Arts Endowment Fund under subsection (1)(d) reaches a total of \$500 000 000, then funds shall be transferred to the Opportunity Fund from the Account in an amount equaling 5% of the Account in each fiscal year.

Necessary consequential amendments

8(1) The Bill introduced under section 2 shall make all necessary amendments to the *Access to the Future Act*, the *Alberta Heritage Savings Trust Fund Act*, the *Fiscal Responsibility Act* and any other statutes to meet the objectives and requirements of this Act.

(2) Notwithstanding the generality of subsection (1), the Bill introduced under section 2 must include provisions for the

administration of the funds enumerated in this Act and for the income of the respective funds to form part of those funds.

Committee review

9 A committee of the Assembly shall be established every 5 years following the date the Bill introduced under section 2 receives Royal Assent to review the operation of the Account and consider and recommend changes that may be required to the legislation arising from the operation of this Act.

Record of Debate

STAGE	DATE	MEMBER	FROM	TO	TOTAL	CUMULATIVE TOTAL