

2021 Bill 73

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Second Session, 30th Legislature, 70 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 73**

## **INFRASTRUCTURE ACCOUNTABILITY ACT**

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THE MINISTER OF INFRASTRUCTURE

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First Reading . . . . .

Second Reading . . . . .

Committee of the Whole . . . . .

Third Reading . . . . .

Royal Assent . . . . .

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## BILL 73

2021

### INFRASTRUCTURE ACCOUNTABILITY ACT

(Assented to \_\_\_\_\_, 2021)

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#### **Preamble**

WHEREAS investment in public infrastructure contributes to the quality of life and the productive capacity of Albertans;

WHEREAS the annual capital plan provides predictable funding for infrastructure and the maintenance of existing infrastructure, which helps to ensure the efficient use of capital investments and the most value for capital investments over the long term;

WHEREAS the Government of Alberta is committed to fostering transparency, predictability and accountability in capital planning processes;

WHEREAS the Government of Alberta is committed to establishing a rigorous governance framework for capital planning that includes specific criteria for evaluating capital planning submissions; and

WHEREAS the Government of Alberta is committed to infrastructure planning that is long term, priority based and strategic;

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) “capital asset” means a non-financial infrastructure asset having a physical substance that is acquired, constructed or developed and
  - (i) is held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets,
  - (ii) has a useful life extending beyond one year,
  - (iii) is intended to be used on a continuing basis, and
  - (iv) is not intended for sale in the ordinary course of operations;
- (b) “capital maintenance and renewal submission” means a capital planning submission
  - (i) for work on a capital asset that replaces or upgrades components or systems extending the useful life of the capital asset, or
  - (ii) for functional upgrades to a capital asset that enhance usability, capacity and efficiency of the capital asset

but does not include work completed on or functional upgrades to a capital asset of a scope, complexity, cost or duration that, in the opinion of the Responsible Minister, warrants the application of section 4 to the work or upgrade;
- (c) “capital plan” means the capital plan released annually as a component of the consolidated fiscal plan referred to in section 4 of the *Fiscal Planning and Transparency Act*;
- (d) “capital planning submission” means a document package prepared by a Minister to request project or program funding

- (i) to acquire, construct, develop, maintain or improve a capital asset that is owned by the Government of Alberta, financially supported by the Government or used for Government purposes, or
  - (ii) for a grant to another party to support the acquisition, construction, development, maintenance or improvement of a capital asset by that other party;
- (e) “department” means a department established under section 2 of the *Government Organization Act*;
- (f) “full life-cycle cost” means the total cost associated with a capital asset, including the costs of acquiring, constructing, developing, maintaining, improving, operating or disposing of the asset, commencing with the identification of the need for the asset and terminating with the disposal of the asset;
- (g) “Responsible Minister” means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act.

## **Role of Ministers**

### **2** Each Minister shall

- (a) prepare and submit each capital planning submission using the processes established under section 3(a) by the Responsible Minister,
- (b) identify in each capital planning submission
  - (i) any linkages and alignment between the capital planning submission, their department’s programs and services and the government’s strategic objectives as identified in the government’s strategic and business plans, and
  - (ii) if the capital planning submission is not a capital maintenance and renewal submission, how the criteria in section 4 apply to the capital planning submission,
- (c) if the Minister is submitting more than one capital planning submission as part of the annual capital planning

submission process, prioritize the Minister's capital planning submissions based on their department's established practices and service, program, client or stakeholder needs, and

- (d) collaborate with other Ministers where necessary to ensure alignment of capital planning submissions.

### **Role of Responsible Minister**

**3** The Responsible Minister shall

- (a) establish and communicate processes for the preparation and submission of capital planning submissions by Ministers,
- (b) provide leadership, guidance and advice to departments to support the development of capital planning submissions, and
- (c) analyze and evaluate capital planning submissions, other than capital maintenance and renewal submissions, according to the criteria outlined in section 4 and other criteria the Responsible Minister considers appropriate and make recommendations to the Treasury Board relating to capital planning submissions.

### **Criteria for capital planning submissions**

**4** When evaluating a capital planning submission, other than a capital maintenance and renewal submission, for the purpose of making recommendations to the Treasury Board, the Responsible Minister shall consider the following criteria:

- (a) whether the project or program is expected to decrease risks to the health and safety or security of Albertans or increase compliance with health and safety and other applicable legislation;
- (b) the extent to which the project or program aligns with the government's strategic objectives, as identified in the government's strategic and business plans, and other government priorities;
- (c) the extent to which the project or program is expected to result in positive economic impacts, including direct or

indirect job creation and economic development and activity;

- (d) the extent to which the project or program is expected to result in the improved delivery of programs and services;
- (e) the full life-cycle cost of the project or program and whether the project or program will generate a return on investment;
- (f) the extent to which the project or program is expected to enhance the resiliency of a community, including by
  - (i) enhancing the resiliency of existing infrastructure relied on by members of the community,
  - (ii) protecting community members and assets from natural disasters,
  - (iii) providing a remote community with core infrastructure,
  - (iv) preserving or enhancing the community's culture and heritage, and
  - (v) improving social and environmental circumstances in the community and local conditions generally;
- (g) other criteria as determined by the Responsible Minister from time to time.

**Deputy Ministers Capital Committee**

**5(1)** The Deputy Ministers Capital Committee is established in accordance with this section.

**(2)** The Committee shall provide timely and accurate information, recommendations and advice to departments and the Treasury Board regarding the capital plan.

**(3)** The Responsible Minister may appoint or provide for the manner of appointment of Committee members.

**(4)** The Committee may determine its rules and methods of procedure.

**Strategic capital plan**

**6(1)** The Responsible Minister shall prepare and publish a 20-year strategic capital plan within one year of the coming into force of this Act and at least once every 4 years thereafter.

**(2)** Each 20-year strategic capital plan shall outline the government's long-term vision for meeting the infrastructure needs of Albertans over the following 2 decades and shall provide strategic long-term capital planning foresight through an analysis of long-term economic, demographic and other trends.

**RECORD OF DEBATE**

Stage	Date	Member	From	To
		<b>Interventions</b>	<b>From</b>	<b>To</b>
Stage	Date	Member	From	To
		<b>Interventions</b>	<b>From</b>	<b>To</b>
Stage	Date	Member	From	To
		<b>Interventions</b>	<b>From</b>	<b>To</b>
Stage	Date	Member	From	To
		<b>Interventions</b>	<b>From</b>	<b>To</b>
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		<b>Interventions</b>	<b>From</b>	<b>To</b>