

Bill 5

(1A)

Requested Technical Amendment to Bill 5 the *Halifax Regional Municipality Charter*

Summary:

Bill 5 amends the *Halifax Regional Municipality Charter* to include a provision of the *Municipal Government Act* that applies to the Halifax Regional Municipality and was omitted from the Charter. HRM is requesting a technical amendment to Bill 5. The requested amendments allow for a HRM-HRSB agreement on Supplementary Education to be fully implemented and were missed by HRM when the original legislation was passed. The Halifax Regional School Board (HRSB) is in agreement with these changes. There is no impact on the Province of Nova Scotia.

Background:

In 2007 HRM and the HRSB signed an agreement on supplementary education funding. Prior to this supplementary education had been the focus of considerable disagreement between the two organizations. Under a four year agreement:

- HRSB agreed to reductions in supplementary funding of \$1.8m;
- HRSB agreed not to seek additional funds from HRM;
- HRM agreed to merge all education property tax rates by year 4;
- HRM agreed funds could be raised in one area of HRM but spent in another area.
- The existing restriction on HRM's ability to reduce supplementary education by 10% per year (the "guaranteed amount") was not to be altered.

HRM and HRSB agreed to seek legislative amendments to allow this agreement to be implemented. The agreement required two chief changes:

- Currently area rated funds must be spent "*in an area, or for the benefit of an area*" (Section 96(1)). HRM plans to use several property tax rates before it merges into a single rate in year 4. Without explicit permission to allocate funds "*without restriction on area*" this transition would be exceedingly difficult. The current wording in Bill 5 solves this issue.
- Currently, the funds guaranteed must be recovered by area rate levied in the former Cities of Halifax and Dartmouth. The HRM-HRSB agreement intended to provide flexibility on where funds would be raised but without eliminating the guarantee. As currently written, the various tax rates involved cannot be merged (because the legislation still requires the guaranteed amounts to be raised in Halifax and Dartmouth) and still fall under this guarantee.

Amendment Requested:

This issue is resolved by striking out the words "levied on the assessed value of the taxable property and business occupancy assessments in the area that was formerly the City of Halifax" in the last three lines of Section 80(2) and (4).

(2)

An Act to Amend Chapter 39 of the Acts of 2008, the Halifax Regional Municipality Charter

Be it enacted by the Governor and Assembly as follows:

1 (1) Subsection 80(1) of Chapter 39 of the Acts of 2008, the *Halifax Regional Municipality Charter*, is amended by striking out ", to be used solely for the benefit of the area that was formerly the City of Halifax" in the last two lines.

(2) Subsection 80(2) of Chapter 39 is amended by striking out "levied on the assessed value of the taxable property and business occupancy assessments in the area that was formerly the City of Halifax" in the last three lines.

(3) Subsection 80(3) of Chapter 39 is amended by striking out ", to be used solely for the benefit of the area that was formerly the City of Dartmouth" in the last two lines.

(4) Subsection 80(4) of Chapter 39 is amended by striking out "levied on the assessed value of the taxable property and business occupancy assessments in the area that was formerly the City of Dartmouth" in the last three lines.

(5) Subsection 80(5) of Chapter 39 is repealed and the following subsections substituted:

(5) The Council may levy a rate or an area rate to provide additional funding to the Halifax Regional School Board.

(5A) Rates levied pursuant to subsection (5) may be levied on the assessed value of the taxable property and business occupancy assessments and may be different for commercial property and business occupancy assessments than for residential and resource property.

(5B) Notwithstanding Section 96, the Municipality may levy or charge different area rates for different areas in the Municipality and the combined funds raised may be allocated by the Council for the use or benefit of the Halifax Regional School Board throughout the Municipality without restriction on area.

2 Section 82 of Chapter 39 is amended by striking out "Section 80" in the second line and substituting "subsection 80(1) or (3)".

3 This Act has effect on and after January 13, 2009.