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# **Bill 112**

## **An Act to provide for the dissolution of The Regional Municipality of Peel**

**The Hon. S. Clark**

Minister of Municipal Affairs and Housing

### **Government Bill**

1st Reading      May 18, 2023

2nd Reading

3rd Reading

Royal Assent



EXPLANATORY NOTE

The Bill enacts the *Hazel McCallion Act (Peel Dissolution), 2023*. Here are some highlights of the Act:

1. Section 2 provides that, on January 1, 2025, The Regional Municipality of Peel is dissolved and the City of Mississauga, the City of Brampton and the Town of Caledon are continued as single-tier municipalities.
2. Section 3 provides for a transition board consisting of members appointed by the Minister. The transition board must, among other things, provide recommendations to the Minister respecting the municipal restructuring required for the purposes of section 2 and must monitor the actions, duties or decisions of the councils of the municipalities and their local boards, and those actions that have been delegated to committees, staff or officers.
3. Section 5 requires that the municipalities and their local boards, when considering entering into a transaction, commitment or agreement on or after May 18, 2023 and before January 1, 2025, act in the public interest having regard to the municipal restructuring required for the purposes of section 2, including acting in a manner that does not unreasonably impact another municipality.
4. Section 6 enables the transition board to direct a municipality or local board to take certain actions with respect to a transaction, commitment or agreement, or a proposed transaction, commitment or agreement, if the transition board is of the opinion that a municipality or local board has acted or proposes to act contrary to section 5. If the municipality or local board, despite the direction from the transition board, proceeds with the transaction, commitment or agreement or does not modify or undo the transaction, commitment or agreement, the transition board may notify the Minister and the Minister may, by order, modify or terminate the transaction, commitment or agreement or prohibit the municipality or local board from proceeding with the transaction, commitment or agreement.
5. Section 7 provides for immunity from personal liability in specified circumstances for the members, employees and agents of the transition board and any employee or agent of a municipality or of its local board who acts under the direction of the transition board or Minister.
6. Section 8 enables the Minister to apply to the Superior Court of Justice for an order requiring a person or entity to comply with any provision of the Act or of a regulation made under it, a direction of the transition board or an order made by the Minister.
7. Section 10 enables the Minister to make regulations that, among other things, govern the transition board. Section 11 enables the Lieutenant Governor in Council to make regulations that are necessary or advisable to facilitate or implement the municipal restructuring required for the purposes of section 2. Regulations may be retroactive to a period before they are filed, but not earlier than May 18, 2023.
8. On January 1, 2025, the *Regional Municipality of Peel Act, 2005* is repealed.

**An Act to provide for the dissolution of The Regional Municipality of Peel**

**Preamble**

The people of Ontario and their Government:

Respect and support the effective administration of local governance.

Recognize that municipalities should be empowered with the tools needed to plan for population growth, including the tools needed to build more housing options, and should work together fairly and in good partnership with neighbouring municipalities.

Understand that safe communities and the delivery of effective frontline services are key pillars of local government, including by preserving frontline workers.

Appreciate the importance of value for money and high-quality services delivered in an efficient manner for taxpayers.

Acknowledge that where there are shared assets and services, municipalities should be treated in an equitable and fair manner whereby all residents, regardless of where they live, are respected and have access to excellent services.

Therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**Interpretation**

1 In this Act,

“Minister” means the Minister of Municipal Affairs and Housing; (“ministre”)

“prescribed” means prescribed by the regulations made under this Act; (“prescrit”)

“transition board” means the transition board established under subsection 3 (1). (“conseil de transition”)

**Dissolution**

2 (1) The Regional Municipality of Peel is dissolved on January 1, 2025.

**Single-tier municipalities**

(2) The City of Mississauga, the City of Brampton and the Town of Caledon are continued as single-tier municipalities on January 1, 2025.

**Transition board**

3 (1) A transition board is established consisting of up to five members appointed by the Minister, or up to such other number as may be prescribed.

**Chair**

(2) The Minister may designate one of the members of the transition board as chair.

**Body corporate**

(3) The transition board is a body corporate without share capital.

**Non-application of corporate Acts**

(4) The *Not-for-Profit Corporations Act, 2010* and the *Corporations Information Act* do not apply to the transition board except, in the case of the *Not-for-Profit Corporations Act, 2010*, as is prescribed by regulation.

**Duties**

(5) The transition board shall do the following:

1. Provide recommendations to the Minister, by the date or dates directed by the Minister, respecting the municipal restructuring required for the purposes of section 2, including recommendations with respect to,
  - i. winding down the financial operations of The Regional Municipality of Peel,

- ii. transferring assets of The Regional Municipality of Peel,
  - iii. assigning liabilities, debt and other financial obligations of The Regional Municipality of Peel,
  - iv. employment matters, including pension and benefit obligations,
  - v. the allocation, governance, use and control of services provided by The Regional Municipality of Peel, including whether joint municipal service boards or other entities should be established or other shared servicing arrangements would be advisable,
  - vi. the impact on any municipality that may be affected by the dissolution of The Regional Municipality of Peel,
  - vii. the long-term economic sustainability of the City of Mississauga, the City of Brampton and the Town of Caledon as single-tier municipalities, and
  - viii. any other matters that the board considers advisable or that the Minister may direct.
2. Monitor, as the board considers appropriate, the actions, duties or decisions of the councils of The Regional Municipality of Peel, the City of Mississauga, the City of Brampton, the Town of Caledon, and their local boards.
  3. Monitor, as the board considers appropriate, the actions, duties or decisions of The Regional Municipality of Peel, the City of Mississauga, the City of Brampton and the Town of Caledon that have been delegated to committees, staff or officers of the municipalities or any of their local boards, as the case may be.
  4. Advise or report to the Minister on any matter that the Minister considers advisable.
  5. Carry out any other prescribed duties.

**Fees, etc**

(6) The fees or remuneration paid to the transition board and travelling and other expenses incurred by the transition board shall be determined by the Minister and may be apportioned by the Minister from among The Regional Municipality of Peel, the City of Mississauga, the City of Brampton and the Town of Caledon.

**Co-operation, access to information**

(7) The members of the council of The Regional Municipality of Peel, the City of Mississauga, the City of Brampton and the Town of Caledon, and the employees and agents of those municipalities and the members, employees and agents of each local board of those municipalities, shall,

- (a) co-operate with the transition board and its employees and agents, and assist them in the performance of their duties and comply with their requests under this Act; and
- (b) on request, allow any person or entity described in clause (a) to examine and copy any document, record or other information in the possession of the member, employee or agent's respective municipality or local board.

**Power to require information, etc.**

- (8) Without limiting the generality of subsection (7), the transition board has power to,
- (a) require The Regional Municipality of Peel, the City of Mississauga, the City of Brampton, the Town of Caledon or local boards of any of those municipalities to,
    - (i) furnish information, records or documents that are in its possession or control,
    - (ii) create a new document or record and furnish the document or record,
    - (iii) update earlier information furnished under this subsection, and
    - (iv) provide support and expertise to the transition board; and
  - (b) impose a deadline for compliance with a requirement under clause (a).

**Disclosure despite privilege**

(9) A person who is required under subsection (7) or (8) to provide information or to produce documents shall comply with the requirement even if the information or documents are privileged or confidential.

**Sharing information with the Crown**

(10) The transition board may share any information or documents that it receives under subsections (7) and (8), including privileged or confidential information, with the Crown.

**No waiver of privilege**

(11) A disclosure under subsection (9) or (10) does not constitute a waiver of privilege.

**Duty to give information**

(12) If the transition board requires any municipality or local board to do anything under subsection (8), the council of the municipality or the local board, as the case may be, shall comply with the requirement by the deadline imposed by the transition board.

**Dissolution of transition board**

(13) The transition board is dissolved on January 31, 2025 or on such later date as the Minister may prescribe.

**Personal information**

4 (1) A person who obtains information under subsection 3 (7), (8) or (10), or under the regulations made under this Act, that is personal information as defined in the *Municipal Freedom of Information and Protection of Privacy Act* shall use and disclose it only for the purposes of this Act.

**Example**

(2) Without limiting the generality of subsection (1), the information that may be used or disclosed under that subsection includes information relating to,

- (a) a transaction, commitment or agreement or proposed transaction, commitment or agreement of a municipality or of any of its local boards; or
- (b) anything done or proposed to be done in connection with the finances of a municipality or of any of its local boards by,
  - (i) a member of the council of a municipality or of a local board, as the case may be, or
  - (ii) an employee or agent of a municipality or of a local board, as the case may be.

**Offence**

(3) A person who wilfully fails to comply with subsection (1) is deemed to have contravened clause 48 (1) (a) of the *Municipal Freedom of Information and Protection of Privacy Act*.

**Conflict with FIPPA, MFIPPA**

(4) Subsection (1) applies despite anything in the *Freedom of Information and Protection of Privacy Act* or the *Municipal Freedom of Information and Protection of Privacy Act*.

**Requirement to consider public interest**

5 The Regional Municipality of Peel, the City of Mississauga, the City of Brampton, the Town of Caledon and their local boards shall, when considering entering into any transaction, commitment or agreement on or after May 18, 2023 and before January 1, 2025, act in the public interest having regard to the municipal restructuring required for the purposes of section 2, including acting in a manner that does not unreasonably impact another municipality.

**Transactions, commitments, etc**

6 (1) If the transition board is of the opinion that The Regional Municipality of Peel, the City of Mississauga, the City of Brampton, the Town of Caledon or any of their local boards has acted or proposes to act in a manner that is contrary to section 5, the transition board,

- (a) shall notify the relevant municipality or local board; and
- (b) may direct the municipality or local board to,
  - (i) in the case of a transaction, commitment or agreement that has been completed or entered into, take steps to modify or undo the effect of the transaction, commitment or agreement, or,
  - (ii) in the case of a proposed transaction, commitment or agreement, to not to proceed with the transaction, commitment or agreement or to proceed with modifications.

**Failure to comply with direction**

(2) If a municipality or local board receives a direction from the transition board under subsection (1) and, despite that direction, proceeds with the transaction, commitment or agreement or does not modify or undo the transaction, commitment or agreement, the transition board may notify the Minister that the transition board is of the view that the municipality or the local board has acted or proposes to act in a manner that is contrary to section 5.

**Minister order**

- (3) If the Minister receives notice from the transition board under subsection (2), the Minister may, by order,
  - (a) in the case of a transaction, commitment or agreement that has been completed or entered into, modify or terminate the transaction, commitment or agreement; or

## **Appendix I**

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- (b) in the case of a proposed transaction, commitment or agreement, prohibit The Regional Municipality of Peel, the City of Mississauga, the City of Brampton, the Town of Caledon or any of their local boards, as the case may be, from proceeding with the transaction, commitment or agreement.

#### ***Legislation Act, 2006***

- (4) Part III (Regulations) of the *Legislation Act, 2006* does not apply to an order made under subsection (3).

#### **No cause of action**

7 (1) No cause of action arises against any of the transition board's members or any of its employees or agents, or any employee or agent of a municipality or of its local board who acts under the direction of the transition board or Minister, for any act done in good faith in the exercise or performance or intended exercise or performance of their powers, duties or functions under this Act or for any alleged neglect, default or other omission in the exercise or performance in good faith of their powers, duties or functions.

#### **Proceedings barred**

(2) No proceeding shall be commenced against any person or entity specified in subsection (1) in respect of a matter referred to in that subsection.

#### **Employer liability**

(3) Subsection (1) does not relieve the transition board, a municipality or a local board of liability to which it would otherwise be subject as a result of the acts or omissions of a person specified in subsection (1).

#### **Enforcement**

8 (1) The Minister may apply to the Superior Court of Justice for an order requiring a person or entity to comply with,

- (a) any provision of this Act or of a regulation made under it;
- (b) a direction of the transition board under clause 6 (1) (b); or
- (c) an order made by the Minister under subsection 6 (3).

#### **Same**

(2) Subsection (1) is additional to, and does not replace, any other available means of enforcement.

#### **No compensation**

9 (1) Except as may be provided under this Act, no person is entitled to compensation as result of the enactment of this Act, the making of any regulation under this Act, or any direction, order, determination or other instrument made by the Minister, the transition board or a delegate of the Lieutenant Governor in Council under this Act.

#### **No expropriation or injurious affection**

(2) Nothing done or not done in accordance with this Act, the regulations under it, or any instrument referred to in subsection (1) constitutes an expropriation or injurious affection for the purposes of the *Expropriations Act* or otherwise at law.

#### **Regulations — Minister**

10 (1) The Minister may make regulations,

- (a) prescribing anything required to be or referred to in this Act as being prescribed by the regulations;
- (b) defining any word or expression used in this Act that has not already been expressly defined in this Act;
- (c) governing the transition board, including,
  - (i) governing the composition of the board, terms of office for board members, remuneration and expenses that board members are entitled to be paid, the filling of vacancies, quorum requirements and conflicts of interest for board members,
  - (ii) prescribing the powers and duties of the board,
  - (iii) permitting the board to authorize one or more of its members to exercise a power or perform a duty on its behalf,
  - (iv) permitting the board to hire staff, arrange for facilities and obtain expert services, including imposing conditions and limitations with respect to such matters, and
  - (v) providing for anything necessary for the dissolution of the board.

#### **Retroactivity**

(2) A regulation made under subsection (1) is, if it so provides, effective with reference to a period before it was filed, but not earlier than May 18, 2023.

**Regulations — Lieutenant Governor in Council**

**11** (1) The Lieutenant Governor in Council may make regulations that, in the opinion of the Lieutenant Governor in Council, are necessary or advisable to facilitate or implement the municipal restructuring required for the purposes of section 2, including, without limiting the generality of the foregoing,

- (a) modifying the application of any Act or regulation with respect to The Regional Municipality of Peel, the City of Mississauga, the City of Brampton, the Town of Caledon or their local boards;
- (b) providing for and governing the transfer of rights, assets, liabilities and obligations of The Regional Municipality of Peel and its local boards to the City of Mississauga, The City of Brampton, The Town of Caledon or any of their local boards, and governing the legal effect of the transfer of such rights, assets, liabilities and obligations, including, for example,
  - (i) providing for the assumption of operations, activities or affairs of The Regional Municipality of Peel by a transfer recipient,
  - (ii) providing that a transfer is deemed not to constitute a breach, termination, repudiation or frustration of any agreement, including a contract of employment or insurance or a collective agreement,
  - (iii) providing that a transfer does not create any new cause of action in favour of a holder of a debt instrument or a party to an agreement, and
  - (iv) providing that certain Acts do not apply to a transfer;
- (c) providing for the allocation, governance, use or control of any joint services, including joint municipal service boards or other entities, by one or more of the City of Mississauga, the City of Brampton or the Town of Caledon;
- (d) providing for any of the matters described in Ontario Regulation 204/03 (Powers of the Minister or a Commission in Implementing a Restructuring Proposal) made under the *Municipal Act, 2001*, with respect to the municipal restructuring described in section 2 of this Act.

**Recommendations of the transition board**

(2) For greater certainty, regulations made under subsection (1) are not limited to what the transition board recommends under paragraph 1 of subsection 3 (5) and may be made before the transition board has made any recommendations.

**Retroactivity**

(3) A regulation made under subsection (1) is, if it so provides, effective with reference to a period before it was filed, but not earlier than May 18, 2023.

**Same**

(4) For greater certainty, the limitation in subsection (3) does not prevent the making of a regulation that relates to a contract, relationship, agreement or anything else mentioned in subsection (1) that arose before May 18, 2023, as long as the regulation is not deemed to be effective before that date.

**Subdelegation**

(5) A regulation made under subsection (1), other than a regulation made under clause (1) (a), may authorize a person to determine any matter that could be determined by regulation under subsection (1).

**No cause of action, etc. against subdelegates**

(6) Section 7 applies, with necessary modifications, to anyone acting as authorized by a regulation made under subsection (1) of this section in accordance with subsection (5).

**12 The *Regional Municipality of Peel Act, 2005* is repealed.**

**Commencement**

**13 (1) Except as otherwise provided in this section, this Act comes into force on the day it receives Royal Assent.**

**(2) Section 12 comes into force on January 1, 2025.**

**Short title**

**14 The short title of this Act is the *Hazel McCallion Act (Peel Dissolution), 2023*.**