



BILL 14–2020 MUNICIPAL AFFAIRS AND HOUSING STATUTES AMENDMENT ACT (No. 2), 2020

Note: the legislative changes that were enacted under this amendment, that are currently in effect, are underlined and indicated in bold below.

STRATA PROPERTY ACT

Unapproved expenditures

- 98** (1) If a proposed expenditure has not been put forward for approval in the budget or at an annual or special general meeting, the strata corporation may only make the expenditure in accordance with this section.
- (2) Subject to subsection (3), the expenditure may be made out of the operating fund if the expenditure, together with all other unapproved expenditures, whether of the same type or not, that were made under this subsection in the same fiscal year, is
- (a) less than the amount set out in the bylaws, or
 - (b) if the bylaws are silent as to the amount, less than \$2 000 or 5% of the total contribution to the operating fund for the current year, whichever is less.
- (3) The expenditure may be made out of the operating fund or contingency reserve fund if there are reasonable grounds to believe that an immediate expenditure is necessary to ensure safety or prevent significant loss or damage, whether physical or otherwise.
- (3.1) For the purposes of subsection (3), the prevention of significant loss includes, without limitation, the obtaining and maintaining by the strata corporation of insurance that is required under section 149 or 150 or the strata corporation's bylaws.**
- (4) A bylaw setting out an amount for the purposes of subsection (2) (a) may set out further conditions for, or limitations on, any expenditures under that provision.
- (5) Any expenditure under subsection (3) must not exceed the minimum amount needed to ensure safety or prevent significant loss or damage.
- (6) The strata corporation must inform owners as soon as feasible about any expenditure made under subsection (3).

Property insurance required for strata corporation

- 149** (1) The strata corporation must obtain and maintain property insurance on
- (a) common property,
 - (b) common assets,
 - (c) buildings shown on the strata plan, and
 - (d) fixtures built or installed on a strata lot, if the fixtures are built or installed by the owner developer as part of the original construction on the strata lot.
- (2) For the purposes of subsection (1) (d) and section 152 (b), "fixtures" has the meaning set out in the regulations.
- (3) Subsection (1) (d) does not apply to a bare land strata plan.
- (4) The property insurance must
- (a) be on the basis of full replacement value except in prescribed circumstances, if any, and**
 - (b) insure against major perils, as set out in the regulations, and any other perils specified in the bylaws.

Review and report on insurance

154 The strata corporation must

- (a) review annually the adequacy of the strata corporation's insurance,
- (b) report on the insurance coverage at each annual general meeting, and
- (c) inform owners and tenants as soon as feasible of any material change in the strata corporation's insurance coverage, including any increase in an insurance deductible.**

Power to make regulations

292 (1) The Lieutenant Governor in Council may make regulations as authorized by section 41 of the [Interpretation Act](#).

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(3) Without limiting subsection (1), the Lieutenant Governor in Council may make regulations as follows:

- (a) defining strata plans to be bare land strata plans;
- (a.1) defining "qualified person" for the purposes of section 94 (1) or 103 (6);
- (a.2) prescribing a period for the purposes of section 94 (2) (b) or (c) or (3) (a) or 103 (5) (a);
- (a.3) prescribing classes of strata corporations for the purposes of section 94 (3) (b) or 103 (5) (b);
- (a.4) prescribing information for the purposes of section 94 (4);
- (a.5) prescribing standards for the purposes of section 103 (5);
- (b) defining "family" and "family member" for the purposes of section 142;
- (c) defining "fixtures" and "major perils" for the purposes of section 149;
- (c.1) prescribing circumstances for the purposes of section 149 (4) (a);**
- (d) defining "public authority" for the purposes of the definition of "leasehold landlord" in section 199;
- (e) defining "habitable area" for the purposes of section 246 (4);
- (f) defining any word or expression used but not defined in this Act;
- (g) respecting the conduct of hearings by arbitrators;
- (h) respecting the determination of the amount of the annual contribution to the contingency reserve fund under section 93;
- (i) respecting the circumstances in which a strata corporation may lend money in the contingency reserve fund to the operating fund;
- (j) respecting all matters that by this Act are required or permitted to be prescribed.

(3.01) A regulation made under subsection (3) (c.1) may be made retroactive to the date on which this subsection comes into force or a later date, and if made retroactive is deemed to have come into force on the specified date.

Bill 14 also amended the Financial Institutions Act as follows:

FINANCIAL INSTITUTIONS ACT

Payment of commission to unlicensed agents prohibited

178 **(1) An insurer, officer, agent or employee of an insurer, insurance agent or insurance salesperson must not pay or allow to be paid, or offer or promise, a commission or compensation to a person who is not an insurance agent licensee or insurance salesperson licensee**

- (a) for acting as an insurance agent or insurance salesperson in British Columbia,**
- (b) for referring business in relation to the insurance of a strata corporation within the meaning of the *Strata Property Act*, or**
- (c) for any other prescribed purposes.**

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Council may suspend, cancel or restrict licences and impose fines

- 231** (1) If, after due investigation, the council determines that the licensee or former licensee or any officer, director, employee, controlling shareholder, partner or nominee of the licensee or former licensee
- (a) no longer meets a licensing requirement established by a rule made by the council or did not meet that requirement at the time the licence was issued, or at a later time,
 - (b) has breached or is in breach of a term, condition or restriction of the licence of the licensee,
 - (c) has made a material misstatement in the application for the licence of the licensee or in reply to an inquiry addressed under this Act to the licensee,
 - (d) has refused or neglected to make a prompt reply to an inquiry addressed to the licensee under this Act,
 - (e) has contravened section **79, 94, 177 or 178 (1), or**
 - (e.1) has contravened a prescribed provision of the regulations,
- then the council by order may do one or more of the following:
- (f) reprimand the licensee or former licensee;
 - (g) suspend or cancel the licence of the licensee;
 - (h) attach conditions to the licence of the licensee or amend any conditions attached to the licence;
 - (i) in appropriate circumstances, amend the licence of the licensee by deleting the name of a nominee;
 - (j) require the licensee or former licensee to cease any specified activity related to the conduct of insurance business or to carry out any specified activity related to the conduct of insurance business;
 - (k) in respect of conduct described in paragraph (a), (b), (c), (d), (e) or (e.1), fine the licensee or former licensee an amount
 - (i) not more than \$50 000 in the case of a corporation or a partnership, or
 - (ii) not more than \$25 000 in the case of an individual.

...

Regulations

- 289** (1) The Lieutenant Governor in Council may make regulations

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(u.01) respecting disclosure by insurers and their agents to an insurance policy holder of the insurer's intention not to renew the policy, including the time at which the disclosure must be made,

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