



Towns and Local Service Districts Act (TLSDA)

Information Session
March 1, 2024

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General Comparison – New Vs. Old

Towns and Local Service District Act

- Enabling
- Facilitates autonomy and flexibility
- Reduces frequent legislative amendments
- Reduces unnecessary Ministerial oversight
- Red tape reduction
- Mandatory services
- Increased discretion for feasibility studies
- Improves readability
- Gender neutral
- Addresses longstanding LSD concerns

Municipalities Act, 1999

- Prescriptive
- Top-down direction limiting autonomy and flexibility
- New issues required legislative amendments
- Unnecessary Ministerial oversight
- Outdated processes
- No mandatory services
- No discretion for feasibility studies
- Outdated language and cumbersome
- Not gender neutral
- Outdated LSD practices

Autonomy

- Grants limited natural person powers to towns
- Defines town purposes as:
 - provision of good governance
 - provision of services, facilities, or things necessary or desirable for the community
 - development and maintenance of a safe and sustainable community
 - fostering of economic, social, and environmental well-being

Autonomy

- Provides broad by-law making authorities within local jurisdiction
- By-law making authority applies to town purposes and town boundaries; cannot conflict with federal and provincial laws
- Replaces ministerial approval for the acquisition of property, and the sale, lease or disposal of property at less than fair market value with a 2/3 majority vote of councillors in office
- Allows costs for property remediation to be charged to the owner and if costs cannot be recovered, a lien may be placed on the property

Accountability

- Lists the duties of a councillor and powers of delegation
- Requires all town council meetings, including committee meetings, to be open to the public except when closed for legitimate purposes
- Introduces criteria for holding closed meetings
- Requires all decisions of town council to be made in a public meeting
- Requires all town council committees to consist of at least two town councillors
- Removes mandatory newspaper advertising requirement for public notices and introduces a general notice provision that allows for the use of modern technology

Revenue

- Makes real property tax for residential and commercial property mandatory (three-year transition period)
- Removes authority to impose a poll tax (three-year transition period)
- Allows towns to sub-classify residential and commercial properties and apply taxes differently in different categories
- Makes business tax discretionary (either towns impose it or don't)
- Authorizes all towns to impose a tourist accommodation tax of not more than four per cent of room charge

Revenue

- Water and sewer taxes change to water and sewer fees (three-year transition period)
- Authorizes towns to apply tax discounts for demonstrated financial hardship, and charitable and community organizations
- Authorizes towns to offer equal-payment plans for municipal tax bills

Revenue

- Requires towns to adopt a by-law before engaging in arrears sales (formally tax sales)
- Removes the prohibition against conducting an arrears sale where the owner is occupying the property as a primary residence
- Allows all money owed to the town with respect to a property to constitute a lien on the property (includes taxes, fees and remediation costs)
- Property tax arrears constitute a priority lien

Services & Programs

- Sets out mandatory core public health and safety services (waste collection and removal; fire protection; maintenance of local roadways; and snow clearing of local roadways)
- Provides authority for the minister to make regulations setting minimum service standards
- Identifies economic development as a municipal purpose and defines economic development in relation to maintaining and increasing a town's tax base
- Towns may not acquire equity or hold securities in private for-profit development, or provide loans or guarantee loans to private corporations

Enforcement

- All towns may appoint one or more by-law enforcement officers
- By-law enforcement officers are restricted to enforcing the town by-laws
- Clarifies that by-law enforcement officers do not have police powers
- Provides by-law enforcement officers with the necessary inspection powers to carry out their responsibilities
- Extends violation notice (ticketing) authority for by-law violations to all towns
- Extends authority to create by-laws for non-moving traffic violations (parking) and enforcement for those non-moving violations

Continuing Provisions

- A permit, licence or approval issued under the **Municipalities Act, 1999**, is considered to have been issued under the **TLSDA**
- All orders and by-laws (currently referred to as regulations) in force on the date that the **TLSDA** comes into force shall continue in force until amended, repealed or replaced
- A decision or order under the **Municipalities Act, 1999**, shall continue in force and shall be considered to be a decision or order under the **TLSDA**
- All contracts and agreements entered into by a town council before the coming into force of the **TLSDA** are binding on the town they govern

Road to Proclamation

- Once confirmed, the date for the coming into force (proclamation) of the TLSDA will be communicated
- In preparation for proclamation, MAPA is working on the following:
 - amendments to existing Regulations
 - development of new Regulations
 - development of a new Municipal Handbook
 - information sessions
 - development and delivery of training materials

Road to Proclamation

- In advance of proclamation, towns should begin:
 - reviewing the **TLSDA**
 - developing mandatory by-laws
 - reviewing and amending existing by-laws
 - implementing mandatory services
 - attending information sessions

TLSDA link: <https://www.assembly.nl.ca/Legislation/sr/statutes/t06-2.htm>

Questions



Your Question(s) and/or Comment(s)

Please provide question(s) and/or comment(s) and contact information for MAPA's response.