

NATIONAL ASSEMBLY OF QUÉBEC

FIRST SESSION

FORTY-THIRD LEGISLATURE

Bill 495

Anti-Farm Land Grabbing Act

Introduction

Introduced by Madam Alejandra Zaga Mendez Member for Verdun

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EXPLANATORY NOTES

This bill introduces anti-farm land grabbing measures.

First, the bill prohibits acquisition of farm land by an entity that is a private investment fund.

Second, the bill gives the Commission de protection du territoire agricole du Québec the responsibility of keeping a register of farm land acquisitions. To that end, it provides that the registrar must transmit any document concerning the registration of an acquisition of an immovable real right in an agricultural zone to the commission within 15 days after the registration.

Finally, the bill empowers the commission to oversee its application and prescribes various sanctions.

LEGISLATION AMENDED BY THIS BILL:

- Act respecting the preservation of agricultural land and agricultural activities (chapter P-41.1).

Bill 495

ANTI-FARM LAND GRABBING ACT

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

CHAPTER I

SCOPE

- **1.** This Act applies to the territory of Quebec situated south of the fiftieth parallel of north latitude.
- **2.** Despite section 1, in a territory that is the subject of a designated agricultural region decree passed under section 22 of the Act respecting the preservation of agricultural land and agricultural activities (chapter P-41.1), this Act applies only to farm land situated in a reserved area or in an agricultural zone.

However, this Act does not apply to farm land that may be used for purposes other than agriculture without the authorization of the commission under sections 101 to 105 of the Act respecting the preservation of agricultural land and agricultural activities.

CHAPTER II

CONTROL OVER THE ACQUISITION OF FARM LAND BY PRIVATE INVESTMENT FUNDS

3. No entity that is a private investment fund may directly or indirectly acquire farm land.

In this Act, unless the context requires otherwise,

- (1) "acquisition" means the act of becoming the owner of property by any conveyance of ownership, including sale with a right of redemption, emphyteusis, alienation for rent, forced sale within the meaning of article 1758 of the Civil Code and sale for unpaid taxes, except by
 - (a) transmission owing to death;
- (b) the exercise of the right of redemption following a sale for unpaid taxes and any transfer under the Expropriation Act (chapter E-24);

- (c) transfer of a right referred to in section 8 of the Mining Act (chapter M-13.1) or section 15 of the Act respecting natural gas storage and natural gas and oil pipelines (chapter S-34.1); or
- (d) transfer of cutting rights or timber limits under the Lands and Forests Act (chapter T-9); and
- (2) "farm land" means a piece of land used for agricultural purposes within the meaning of paragraph 1 of section 1 of the Act respecting the preservation of agricultural land and agricultural activities, covering an area of at least one hectare and consisting of one lot or two or more contiguous lots or of lots that would be contiguous if they were not separated by a public road.
- **4.** The Government may define, by regulation, what constitutes a private investment fund.

It may also provide for exceptions to the prohibition set out in section 3.

- **5.** An entity that is a private investment fund is deemed to acquire farm land if it acquires shares of a corporation whose principal asset is farm land.
- **6.** The registrar must refuse to register the acquisition of farm land by an entity that is a private investment fund.

CHAPTER III

RESPONSIBILITIES AND POWERS OF THE COMMISSION DE PROTECTION DU TERRITOIRE AGRICOLE DU QUÉBEC

7. The Commission de protection du territoire agricole du Québec (the commission) is responsible for overseeing the application of this Act and, to that end, sections 14, 14.1, 16, 17, 18.5, 18.6, 19 and 21.1 to 21.5 of the Act respecting the preservation of agricultural land and agricultural activities apply, with the necessary modifications.

CHAPTER IV

SANCTIONS

8. An acquisition of farm land made in contravention of section 3 is null.

The Attorney General, the commission or any other interested person may apply to the Superior Court to have such nullity declared.

In such a case, the Superior Court may order the cancellation of all rights and hypothecs created by or resulting from any deed of acquisition effected in contravention of this Act.

9. Where an acquisition of farm land causes a person to be in contravention of section 3, the commission may, by order and to the extent that the right of action referred to in section 8 is not exercised, direct the person to dispose of the farm land within six months after the order is served.

The commission notifies, without delay, a copy of the order to the municipality in which the farm land acquired in contravention of section 3 is situated.

10. The municipality in which farm land that is the subject of an order of the commission is situated has a prior right to acquire the farm land at the same price and on the same conditions as those set out in the deed of acquisition that caused a person to be in contravention of this Act.

The municipality must, not later than the 60th day after receiving the order, notify to the person a notice of its intention to exercise its right. The municipality must promptly notify a copy of the notice to the commission.

II. If the municipality fails to enter into a notarized contract within the time granted by the order, it may apply to a judge of the Superior Court to obtain a judgment in its favour. If a person fails to comply with the order within the time granted and the municipality has not notified its intention to exercise its right under section 10, the commission may apply to a judge of the Superior Court to obtain authorization to sell the farm land under judicial authority. In such a case, articles 704 and following of the Code of Civil Procedure (chapter C-25.01) apply, with the necessary modifications.

The proceeds of the sale, after payment of the costs, the claims of the prior and hypothecary creditors, and the fines, if any, due under section 12, must be remitted to the contravener.

12. Anyone who

- (1) contravenes this Act or a regulation,
- (2) knowingly acquires farm land in contravention of section 3, or
- (3) knowingly alienates farm land to an entity that is a private investment fund is liable to a fine of not less than \$2,000 nor more than \$100,000.

CHAPTER V

AMENDING PROVISIONS

ACT RESPECTING THE PRESERVATION OF AGRICULTURAL LAND AND AGRICULTURAL ACTIVITIES

- **13.** The Act respecting the preservation of agricultural land and agricultural activities (chapter P-41.1) is amended by inserting the following sections after section 19.3:
- **"19.4.** The commission shall keep a register of acquisitions of immovable real rights in agricultural zones.

The register shall contain the names of the parties, the amount of the transaction, the location of the lots and any other information provided for by government regulation.

"**19.5.** To keep the register provided for in section 19.4 up to date, the registrar shall transmit any document concerning the registration of an acquisition of an immovable real right in an agricultural zone to the commission within 15 days after the registration."

CHAPTER VI

FINAL PROVISIONS

- **14.** The Minister of Agriculture, Fisheries and Food is responsible for the administration of this Act.
- **15.** This Act comes into force on (insert the date of assent to this Act).