



NATIONAL ASSEMBLY OF QUÉBEC

FIRST SESSION

FORTY-THIRD LEGISLATURE

Bill 31

**An Act to amend various legislative
provisions with respect to housing**

Introduction

**Introduced by
Madam France-Élaine Duranceau
Minister Responsible for Housing**

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EXPLANATORY NOTES

This bill amends the Civil Code to provide that the lessor of a dwelling that is situated in a recently built immovable or that has been the subject of a recent change of destination must indicate in the lease the maximum amount that the lessor could impose as rent in the five years after the date on which the immovable is ready for its intended use. The bill amends certain rules concerning the repossession of a dwelling or concerning eviction, including by adding a presumption whereby a lessee having received a notice of eviction from a dwelling is deemed to have refused if they do not reply within the time allotted. Changes are made to the amount of the indemnity that a lessor must pay to the lessee being evicted, and an obligation is introduced for the lessor to prove, in proceedings for damages arising from such a repossession or eviction, that it was carried out in good faith. Lastly, the bill allows the lessor of a dwelling to terminate the lease after receiving a notice of lease assignment from the lessee.

The Act respecting the Société d'habitation du Québec is amended to allow the Société d'habitation du Québec to provide services, in return for compensation and for self-financing purposes, to stakeholders in the housing sector. A municipality or a housing bureau that alienates a low-rental housing immovable may use the proceeds of the alienation for renovating or rebuilding such an immovable or for creating affordable housing, with the authorization of the Société. The maximum period of time that housing agencies may be placed under provisional administration is increased to 12 months, and the extension period allowed is increased to 6 months. A director dismissed from office by a decision of the Minister ceases to be qualified to sit on the board of directors of a housing agency. Furthermore, the Société may determine fees, costs or tariffs by regulation.

The Companies Act and the Cooperatives Act are amended to specify that non-profit organizations and housing cooperatives that own an immovable that was acquired or built or has been restored or renovated with the help of housing assistance are subject to requirements specific to such immovables. Certain provisions of the Cooperatives Act are also amended to harmonize that Act with the Companies Act.

The bill amends certain rules set out in the Act respecting the Administrative Housing Tribunal concerning the organization of the Administrative Housing Tribunal and the procedure applicable before it, in particular to allow the parties to be represented by a mandatary of their choice and to allow the Tribunal to hear any application for an order relating to the lease of a dwelling, regardless of the amount involved.

The bill also amends the Act respecting the Communauté métropolitaine de Montréal to allow the Communauté métropolitaine de Montréal to reimburse the contribution paid by a municipality in its territory for the carrying out of a housing project not covered by a program of the Société d'habitation du Québec.

Lastly, the bill contains transitional provisions and a final provision.

LEGISLATION AMENDED BY THIS BILL:

- Civil Code of Québec;
- Act respecting the Communauté métropolitaine de Montréal (chapter C-37.01);
- Companies Act (chapter C-38);
- Cooperatives Act (chapter C-67.2);
- Act respecting the Société d'habitation du Québec (chapter S-8);
- Act respecting the Administrative Housing Tribunal (chapter T-15.01);
- Act mainly to regulate building inspections and divided co-ownership, to replace the name and improve the rules of operation of the Régie du logement and to amend the Act respecting the Société d'habitation du Québec and various legislative provisions concerning municipal affairs (2019, chapter 28).

Bill 31

AN ACT TO AMEND VARIOUS LEGISLATIVE PROVISIONS WITH RESPECT TO HOUSING

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

CIVIL CODE OF QUÉBEC

1. Article 1955 of the Civil Code of Québec is amended by replacing the third paragraph by the following paragraph:

“Those restrictions may not be set up by the lessor against the lessee unless they are set out in the lease and, in the case of a dwelling referred to in the second paragraph, unless the lease indicates the maximum rent that the lessor may impose in the five years after the date on which the immovable is ready for its intended use.”

2. Article 1962 of the Code is amended by replacing “notice of repossession” by “a notice of repossession or of eviction”.

3. Article 1963 of the Code is amended

(1) by inserting “or evict the lessee” after “repossess it” in the first paragraph;

(2) by replacing “for the purpose mentioned in the notice and not as a pretext for other purposes” in the second paragraph by “or evict the lessee for the purpose mentioned in the notice and not as a pretext for other purposes and, in the case of an eviction, that the subdivision, enlargement or change of destination of the dwelling is permitted by law”.

4. Article 1965 of the Code is amended by replacing “an indemnity equal to three months’ rent and reasonable moving expenses to the evicted lessee” in the first paragraph by “to the evicted lessee reasonable moving expenses as well as an indemnity equal to one month’s rent for each year of uninterrupted lease of the dwelling by the lessee, which indemnity may not however exceed an amount representing 24 months of rent or be less than an amount representing 3 months’ rent”.

5. Article 1966 of the Code is repealed.

6. Article 1968 of the Code is replaced by the following article:

“1968. The lessee may recover damages resulting from repossession or eviction, whether or not he has consented to it, unless the lessor proves that the repossession or eviction was in good faith.

The lessee may also apply for punitive damages against the lessor if the lessee shows that the repossession or eviction was in bad faith.”

7. The Code is amended by inserting the following subdivision after article 1978:

“§8.1.—*Assignment of lease*

“1978.1. If the notice of assignment provided for in article 1870 concerns a lease of a dwelling, it must indicate the date of assignment fixed by the lessee.

“1978.2. A lessor who is given notice of the lessee’s intention to assign the lease may refuse to consent to it for a reason other than a serious reason referred to in the first paragraph of article 1871. In such a case, the lease is resiliated on the date of assignment indicated in the notice sent by the lessee.”

ACT RESPECTING THE COMMUNAUTÉ MÉTROPOLITAINE DE MONTRÉAL

8. Section 119 of the Act respecting the Communauté métropolitaine de Montréal (chapter C-37.01) is amended by replacing paragraph 3 by the following paragraph:

“(3) housing;”.

9. The heading of Division IV of Chapter III of the Act is amended by replacing “SOCIAL HOUSING” by “HOUSING”.

10. Section 153.1 of the Act is amended by adding the following paragraph at the end:

“It may reimburse to such a municipality any contribution the municipality paid for a housing project that is not covered by the first paragraph.”

COMPANIES ACT

11. The heading of Division III.2 of Part III of the Companies Act (chapter C-38) is amended by replacing “BUILT, ACQUIRED” by “ACQUIRED, BUILT”.

12. Section 227.7 of the Act is amended

(1) by replacing “with a social or community destination that was built or acquired” by “, including land, with a social or community destination that was acquired or built”;

(2) by inserting “to that legal person, for the purposes of that destination,” after “granted”;

(3) by adding the following paragraph at the end:

“This division also applies to any legal person that acquires an immovable referred to in the first paragraph where the legal person is bound by the agreement on housing assistance entered into by the transferor.”

COOPERATIVES ACT

13. The heading of subdivision 2 of Division I of Chapter IV of Title II of the Cooperatives Act (chapter C-67.2) is amended by replacing “*built, acquired, restored or renovated under a housing assistance program*” by “*acquired, built, restored or renovated with the help of housing assistance*”.

14. Section 221.2.3 of the Act is amended

(1) by replacing “has been built, acquired, restored or renovated under a housing assistance program of the Government, the federal government or one” in the introductory clause by “, including land, with a social or community destination was acquired or built or has been restored or renovated, for the purposes of that destination, with the help of housing assistance granted to the cooperative by the Government, the federal government or one”;

(2) by adding the following paragraph at the end:

“The first paragraph also applies to any cooperative that acquires an immovable referred to in that paragraph where the cooperative is bound by the agreement on housing assistance entered into by the transferor.”

15. Section 221.2.6 of the Act is amended by replacing “any assistance program” in the first paragraph by “assistance”.

16. Section 246.1 of the Act is amended by replacing “built, acquired, restored or renovated under a housing assistance program” in paragraphs 4 and 5 by “acquired, built, restored or renovated with the help of housing assistance”.

17. The Act is amended by replacing all occurrences of “a building” and “the building” by “an immovable” and “the immovable”, respectively.

ACT RESPECTING THE SOCIÉTÉ D'HABITATION DU QUÉBEC

18. Section 3.2.1 of the Act respecting the Société d'habitation du Québec (chapter S-8) is replaced by the following section:

“3.2.1. The Société may provide any stakeholder in the housing sector, for consideration and for self-financing purposes, the expertise or services required to facilitate the carrying out of projects, activities or operations related to its objects and mandates.”

19. Section 62 of the Act is amended by adding the following sentence at the end: “The proceeds of such an alienation may, however, with the authorization of the Société, be applied to the renovation or reconstruction of a low-rental housing immovable belonging to the municipality or the bureau or under a project aimed at creating affordable housing.”

20. Section 85.1 of the Act is replaced by the following section:

“85.1. The provisions of this division apply to a housing agency which is a non-profit organization

(1) that receives financial assistance from the Société for the operation and maintenance of residential immovables; or

(2) that has received financial assistance from the Société under a housing program implemented under this Act to carry out a project that includes affordable housing, for the duration of any agreement relating to the operation of that housing.”

21. Section 85.2 of the Act is amended by replacing “120 days” in the first paragraph by “12 months”.

22. Section 85.5 of the Act is amended

(1) by replacing “90 days” in subparagraph 1 of the first paragraph by “six months”;

(2) by adding the following subparagraph at the end of the first paragraph:

“(4) make any recommendation to the directors of the agency concerning its administration or that of a residential immovable.”;

(3) by inserting the following paragraph after the first paragraph:

“A director dismissed from office under subparagraph 3 of the first paragraph is disqualified from sitting as a member of the board of directors of any housing agency referred to in section 85.1 for a period of three years from the dismissal.”;

(4) by replacing “extension exceeds 90 days” in the second paragraph by “additional extension exceeds six months”.

23. Section 86 of the Act is amended by replacing subparagraph *j* of the first paragraph by the following subparagraph:

“(j) determine the amount of the fees, costs or tariffs applicable to any application made under this Act or to any expertise or service the Société provides;”.

ACT RESPECTING THE ADMINISTRATIVE HOUSING TRIBUNAL

24. Section 9.1 of the Act respecting the Administrative Housing Tribunal (chapter T-15.01) is amended by inserting “or more” after “two”.

25. Section 10 of the Act is amended by adding the following subparagraph at the end of the second paragraph:

“(6) designating members to coordinate the activities of the Tribunal.”

26. Section 12 of the Act is replaced by the following section:

“**12.** The Minister shall designate a vice-chairman to temporarily replace the chairman or another vice-chairman when required.

If the designated vice-chairman is absent or unable to act, the Minister shall designate another vice-chairman as a replacement.”

27. Section 28 of the Act is amended by adding the following paragraph at the end:

“Despite subparagraph 1 of the first paragraph, the Administrative Housing Tribunal may hear in first instance any application respecting an order contemplated in articles 1863, 1867, 1917 and 1918 of the Civil Code where the value involved exceeds the amount of the upper monetary limit for the concurrent jurisdiction of the Court of Québec.”

28. Section 63 of the Act is amended by adding the following sentence at the end of the third paragraph: “It may, on its own initiative, raise the exception resulting from prescription by allowing the parties to respond to it.”

29. Section 72 of the Act is replaced by the following section:

“**72.** The parties may be represented by a mandatary, except a professional who has been struck off the roll or declared disqualified from practising, or whose right to engage in professional activities has been restricted or suspended in accordance with the Professional Code (chapter C-26) or any other legislation governing a profession.”

30. Section 74 of the Act is amended by replacing the first paragraph by the following paragraph:

“Where a party is represented by a mandatary other than an advocate, the mandatary must provide to the Tribunal a written mandate signed by the person the mandatary represents.”

31. Section 92 of the Act is amended by replacing “date of the decision” in the second paragraph by “decision is known”.

ACT MAINLY TO REGULATE BUILDING INSPECTIONS AND
DIVIDED CO-OWNERSHIP, TO REPLACE THE NAME AND
IMPROVE THE RULES OF OPERATION OF THE RÉGIE DU
LOGEMENT AND TO AMEND THE ACT RESPECTING THE
SOCIÉTÉ D’HABITATION DU QUÉBEC AND VARIOUS
LEGISLATIVE PROVISIONS CONCERNING MUNICIPAL AFFAIRS

32. Section 40 of the Act mainly to regulate building inspections and divided co-ownership, to replace the name and improve the rules of operation of the Régie du logement and to amend the Act respecting the Société d’habitation du Québec and various legislative provisions concerning municipal affairs (2019, chapter 28) is amended by replacing “second” in paragraph 2 by “third”.

TRANSITIONAL AND FINAL PROVISIONS

33. Article 1955 of the Civil Code, as it read on (*insert the date preceding the date of assent to this Act*), continues to apply with regard to

(1) a lease entered into before (*insert the date of assent to this Act*); and

(2) an immovable that is ready for its intended use before (*insert the date of assent to this Act*).

34. Articles 1962, 1963, 1966 and 1968 of the Civil Code, as they read on (*insert the date preceding the date of assent to this Act*), continue to apply to a dwelling repossession or eviction process regarding which the notice referred to in article 1960 of the Code was sent before (*insert the date of assent to this Act*).

35. Article 1965 of the Civil Code, as it read on (*insert the date preceding the date of assent to this Act*), continues to apply with regard to any application for eviction filed with the Administrative Housing Tribunal before (*insert the date of assent to this Act*).

36. Articles 1978.1 and 1978.2 of the Civil Code, enacted by section 7, do not apply to the assignment of the lease of a dwelling regarding which the notice referred to in article 1870 of the Code was sent before (*insert the date of assent to this Act*).

37. Sections 63, 72 and 74 of the Act respecting the Administrative Housing Tribunal (chapter T-15.01), as they read on (*insert the date preceding the date of assent to this Act*), continue to apply to any application filed before (*insert the date of assent to this Act*).

38. This Act comes into force on (*insert the date of assent to this Act*).

