



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-SIXTH LEGISLATURE

Bill 24

(2001, chapter 23)

**An Act respecting public transit
authorities**

Introduced 15 May 2001

Passage in principle 21 June 2001

Passage 21 June 2001

Assented to 21 June 2001

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EXPLANATORY NOTES

This bill replaces the five existing public transit authorities and four intermunicipal transportation enterprises by nine new public transit authorities governed by the same legal framework. The primary mission of the new transit authorities will be to enhance the mobility of persons. They consequently will have all the powers necessary to operate a public bus transportation enterprise and to offer various specialized public transportation services. The transit authorities will be under an obligation to provide services designed to meet the transportation needs of handicapped persons.

The property of the transit authorities will form part of the municipal domain and all revenues are to be used to meet obligations. The municipalities will adopt the budgets of the transit authorities and will be guarantors of the transit authorities' obligations. The new transit authorities are authorized to establish certain funds and will be required to adhere to the rules that govern their borrowings. The contribution of motorists to public transit and the funds made available by the municipalities in their area of jurisdiction will be used to finance transportation services. In the Montréal area, however, that contribution will continue to devolve to the Agence métropolitaine de transport. The new transit authorities will be required to establish a strategic development plan and to submit the reports of their treasurer and their auditor to the municipalities and to the Minister.

The new transit authorities will be managed by a board of directors composed of seven to nine members designated by the municipalities in their area of jurisdiction, two of whom will represent the users of public transportation and the services adapted for handicapped persons.

The bill provides for special rules that, for the Montréal area, take into account the particularities of the transit authorities, among other things, by entrusting the Société de transport de Montréal with the operation of the subway and making the operation of bus transportation services outside the areas of jurisdiction of the three transit authorities conditional on obtaining the authorization of the Agence métropolitaine de transport. For the other areas, the special rules take into account the status of the dissolved enterprise, municipal reorganization and certain commitments of the former transportation enterprises.

The bill contains transitional rules protecting employees and other persons employed by a former public transportation enterprise, their certified associations, collective agreements, pension plans and employment benefits. The bill also provides for the succession of the rights, obligations, property and assets of the former public transportation enterprises it dissolves.

Lastly, the bill includes consequential amendments, grants certain additional powers to the Agence métropolitaine de transport and allows the grouping of intermunicipal councils in the Montréal area.

LEGISLATION AMENDED BY THIS BILL :

- Act respecting the Agence métropolitaine de transport (R.S.Q., chapter A-7.02);
- Act respecting intermunicipal boards of transport in the area of Montréal (R.S.Q., chapter C-60.1);
- Fuel Tax Act (R.S.Q., chapter T-1);
- Transport Act (R.S.Q., chapter T-12);
- Act respecting the Communauté métropolitaine de Montréal (2000, chapter 34).

LEGISLATION REPEALED BY THIS BILL :

- Act respecting municipal and intermunicipal transit authorities (R.S.Q., chapter S-30.1);
- Act respecting the Société de transport de la Ville de Laval (1984, chapter 42);
- Act respecting the Société de transport de la rive sud de Montréal (1985, chapter 32).

Bill 24

AN ACT RESPECTING PUBLIC TRANSIT AUTHORITIES

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

TITLE I

RULES GOVERNING PUBLIC TRANSIT AUTHORITIES

CHAPTER I

ESTABLISHMENT, ORGANIZATION AND MANAGEMENT

DIVISION I

ESTABLISHMENT

1. The following public transit authorities are hereby constituted as legal persons established in the public interest :

(1) the “Société de transport de Montréal”, whose area of jurisdiction corresponds to that of Ville de Montréal ;

(2) the “Société de transport de Québec”, whose area of jurisdiction corresponds to that of Ville de Québec ;

(3) the “Société de transport de l’Outaouais”, whose area of jurisdiction corresponds to that of Ville de Hull-Gatineau ;

(4) the “Société de transport de Longueuil”, whose area of jurisdiction corresponds to that of Ville de Longueuil ;

(5) the “Société de transport de Lévis”, whose area of jurisdiction corresponds to that of Ville de Lévis ;

(6) the “Société de transport de Laval”, whose area of jurisdiction corresponds to that of Ville de Laval ;

(7) the “Société de transport des Forges”, whose area of jurisdiction corresponds to that of the following municipalities: Cap-de-la-Madeleine, Trois-Rivières and Trois-Rivières-Ouest ;

(8) the “Société de transport du Saguenay”, whose area of jurisdiction corresponds to that of the following municipalities: Chicoutimi, Jonquière and La Baie ;

(9) the “Société de transport de Sherbrooke”, whose area of jurisdiction corresponds to that of the following municipalities: Ascot, Fleurimont, Lennoxville, Rock Forest and Sherbrooke.

A transit authority that chooses to use an acronym to refer to itself shall transmit a copy of the resolution to that effect to the Inspector General of Financial Institutions.

2. The head office of each transit authority shall be situated in its area of jurisdiction, at such place as it determines.

Notice of the location of the head office and of any change in its location shall be published in the *Gazette officielle du Québec* and in a newspaper distributed in its area of jurisdiction.

3. The mission of a transit authority is to provide various shared transportation services to ensure the mobility of persons within its area of jurisdiction and, to such extent as is provided for in a legislative provision, outside its area of jurisdiction.

For that purpose, the transit authority shall support public transportation and, where applicable, foster the integration of its various modes of shared transportation with those of any other legal person established in the public interest empowered by law or constituting act to operate a public transportation enterprise.

4. In the pursuit of its objects, a transit authority shall operate a public passenger transportation enterprise, providing in particular public bus transportation and shared taxi services.

5. A transit authority may also offer specialized services including

- (1) services adapted to the needs of mobility impaired persons;
- (2) services adapted to the needs of elementary and secondary school students;
- (3) services enabling a person to charter a bus or minibus; and
- (4) services enabling a person to conduct guided tours.

A transit authority shall offer the services referred to in subparagraph 1 of the first paragraph in the case of handicapped persons. For such purpose, it may ensure the mobility of persons outside its area of jurisdiction, including in the area of jurisdiction of a transit authority with which it occupies the territory of a metropolitan community.

DIVISION II

ORGANIZATION

§1. — *Composition of the board of directors*

6. The powers of a transit authority shall be exercised by its board of directors which is composed of seven to nine members.

7. Sections 304 to 307 of the Act respecting elections and referendums in municipalities (chapter E-2.2) apply, with the necessary modifications, to the members of a board of directors.

8. Ville de Montréal shall designate the members of the board of directors of the Société de transport de Montréal from among the members of its council except for two members that it shall choose from among its residents, one of whom shall be a user of the public transportation services and the other a user of services adapted to the needs of handicapped persons.

9. Ville de Québec shall designate the members of the board of directors of the Société de transport de Québec from among the members of its council except for two members that it shall choose from among its residents, one of whom shall be a user of the public transportation services and the other a user of services adapted to the needs of handicapped persons.

10. Ville de Hull-Gatineau shall designate the members of the board of directors of the Société de transport de l'Outaouais from among the members of its council except for two members that it shall choose from among its residents, one of whom shall be a user of the public transportation services and the other a user of services adapted to the needs of handicapped persons.

11. Ville de Longueuil shall designate the members of the board of directors of the Société de transport de Longueuil from among the members of its council except for two members that it shall choose from among its residents, one of whom shall be a user of the public transportation services and the other a user of services adapted to the needs of handicapped persons.

12. Ville de Lévis shall designate the members of the board of directors of the Société de transport de Lévis from among the members of its council except for two members that it shall choose from among its residents, one of whom shall be a user of the public transportation services and the other a user of services adapted to the needs of handicapped persons.

13. Ville de Laval shall designate the members of the board of directors of the Société de transport de Laval from among the members of its council except for two members that it shall choose from among its residents, one of whom shall be a user of the public transportation services and the other a user of services adapted to the needs of handicapped persons.

14. The municipalities of Cap-de-la-Madeleine, Trois-Rivières and Trois-Rivières-Ouest shall designate the members of the board of directors of the Société de transport des Forges from among the members of their municipal councils.

15. The municipalities of Chicoutimi, Jonquière and La Baie shall designate the members of the board of directors of the Société de transport du Saguenay from among the members of their municipal councils.

16. The municipalities of Ascot, Fleurimont, Lennoxville, Rock Forest and Sherbrooke shall designate the members of the board of directors of the Société de transport de Sherbrooke from among the members of their municipal councils.

17. No member of a board of directors may attend a meeting before a copy of the resolution appointing the member has been received by the secretary of the transit authority.

18. The term of office of a member of a board of directors shall not exceed four years. The term may be renewed.

Except in the case of resignation, a member shall remain in office, notwithstanding the expiry of the member's term, until replaced or reappointed.

A member resigning shall sign a writing to that effect and send it to the secretary of the transit authority on whose board of directors the member sits and to the clerk of the city or the secretary-treasurer of the municipality that designated the member. The resignation shall take effect from the date on which the secretary receives the writing or on any later date specified in the writing as the date on which the resignation is to take effect. The resignation of a member entails a vacancy in the office of that member.

19. A member of a board of directors ceases to be a member when he or she ceases to be a member of the council of the city or municipality that made the designation.

A member who fails to attend two consecutive meetings shall also cease to be a member. The member's term of office is then deemed to terminate at the close of the third meeting, unless the absence is excused by the board of directors at that meeting. If the member's absence is not excused, the secretary of the transit authority shall notify the clerk of the city or the secretary-treasurer of the municipality that made the designation.

20. A member of a board of directors also ceases to be a member if the city or the municipality revokes the member's designation. The clerk of the city or, as the case may be, the secretary-treasurer of the municipality concerned shall without delay notify the secretary of the transit authority of the revocation.

The office of the member is vacant as of the day of the revocation.

21. Upon the vacancy of the office of a member of the board of directors, the city or the municipality that designated the member shall designate a new member within 60 days of the vacancy. The term of office of the new member shall not exceed the term of office of the member being replaced.

22. The board of directors of a transit authority comprises the offices of chair and vice-chair. The holders of those offices shall be appointed, as the case may be, by the cities or municipalities referred to in sections 8 to 16.

Except in the case of resignation, the chair and the vice-chair shall remain in office, notwithstanding the expiry of their term of office, until replaced or reappointed.

Section 18 applies to the resignation of the chair or vice-chair.

§2. — *Meetings of the board of directors*

23. The chair shall preside at meetings of the board of directors and ensure that they are properly conducted. The chair shall maintain order and decorum at the meetings and may cause any person who disturbs order at a meeting to be expelled therefrom.

The chair shall ensure compliance with the laws that apply to the transit authority.

The chair is the representative of the transit authority.

24. The vice-chair presides, at the chair's request, at meetings of the board of directors.

The vice-chair shall replace the chair if the chair is absent or unable to act in accordance with the internal by-laws. The by-laws may also provide for the replacement of the vice-chair if the vice-chair is absent or unable to preside at a meeting of the board of directors.

25. The board of directors may meet at any place in the transit authority's area of jurisdiction.

26. The board of directors shall hold regular meetings at least ten times every year.

The board shall at its first meeting of the year adopt the schedule of its meetings for the whole year.

The secretary shall, within 15 days after the first meeting of the year, cause a notice to be published in a newspaper distributed in the transit authority's area of jurisdiction indicating the dates, hours and place of the board's regular meetings.

27. The meetings of the board of directors shall be convened by the secretary.

The secretary shall send the notice of convocation and the agenda to every member of the board at least 72 hours before the meeting is held by the means of transmitting information authorized by the internal by-laws.

A member present at a meeting of the board is presumed to waive the notice of convocation and is deemed to attend the entire meeting.

28. The board of directors shall also hold a special meeting at the written request of the chair, director general or at least three members.

The notice of convocation shall state the matters to be considered and be sent by the secretary to every member of the board at least 24 hours before the meeting is held.

29. Meetings are public.

30. The agenda for each meeting shall be prepared by the secretary and contain the matters referred by the chair, by the director general or by at least three members of the board, within the time fixed by the internal by-laws.

31. The secretary shall place the subject of a request signed by at least 250 residents in the transit authority's area of jurisdiction on the agenda of the first meeting to be held after the request is received. The request shall be delivered to the secretary at least 15 days before the meeting is held.

Persons present at the meeting may address the members of the board of directors concerning that matter. A member may, however, surrender the right to reply to another member of the board.

32. The board of directors shall provide a question period at the beginning of every meeting during which persons present at the meeting may address oral questions to the members.

A transit authority may, in its internal by-laws, make rules to limit the number of questions per intervenor, their length and the total duration of the question period, which may not be less than one hour unless all the matters have been dealt with.

33. The secretary shall publish a prior notice of the holding of each regular meeting of the board of directors in a newspaper distributed in the transit authority's area of jurisdiction. The notice shall be made at least five days before the meeting.

34. The quorum for meetings is a majority of the members.

35. Every member has one vote and is required to vote on every matter put to a vote, unless disqualified to vote; sections 361 and 362 of the Act respecting elections and referendums in municipalities apply, with the necessary modifications, to the members of a board of directors because of an interest in the matter concerned.

The chair, however, has a casting vote in the event of a tie-vote.

36. Decisions shall be made by a majority of the votes cast.

37. Members may take part in any meeting by means of electronic communication equipment.

However, the communications equipment must enable every person using the equipment or attending the meeting to hear clearly everything that is said by another person in an audible and intelligible voice.

38. The minutes of the proceedings and votes shall be entered in a book kept for such purpose by the secretary. They must be signed by the secretary and the meeting chair.

The minutes of a meeting shall be read by the secretary and approved by the board of directors at a subsequent meeting which may not be later than the second meeting following. However, the secretary is dispensed from reading the minutes if a copy has been given to every member of the board.

39. The members of a board of directors may not be prosecuted by reason of official acts performed in good faith in the exercise of their functions.

Except on a question of jurisdiction, no extraordinary recourse under articles 834 to 850 of the Code of Civil Procedure (chapter C-25) may be exercised and no injunction may be granted against any transit authority or against any of the members of its board of directors in the exercise of their functions.

A judge of the Court of Appeal may, upon a motion, annul summarily any writ, order or injunction issued or granted contrary to the second paragraph.

§3. — *Remuneration of the members of the board of directors*

40. The board of directors shall fix, by by-law, the remuneration or indemnity of its members and the additional remuneration or indemnity of the chair and vice-chair of the transit authority. The by-law may have retroactive effect to 1 January of the year in which it was adopted and vary according to whether participation is at the meetings of the board or at one of its committees.

The indemnity shall be paid as reimbursement for the part of the expenses attached to the office which are not reimbursed pursuant to sections 43 and 44. The compensation may not exceed one-half of the remuneration.

However, the application of section 23 of the Act respecting the remuneration of elected municipal officers (chapter T-11.001) may prohibit a transit authority from paying remuneration or an indemnity or compel it to reduce the amount thereof. As well, contravening the Act respecting elections and referendums in municipalities may entail, for a member, the loss of remuneration or an indemnity if that person loses the right to attend the meetings of the board as a member.

41. The board of directors may, by by-law, prescribe the conditions under which the failure of a member to attend a meeting or to fulfil the obligation to vote at a meeting entails a reduction in the member's remuneration or indemnity, and prescribe the rules for computing the reduction.

However, as regards salary, the pension plan, employment benefits and other conditions of employment, the chair or vice-chair of a transit authority who is replaced temporarily owing to absence or inability to act is deemed not to cease holding office while being replaced.

42. A member must, to perform an act committing the appropriations of a transit authority, be so authorized by by-law or resolution. The member may only spend up to the amount fixed.

43. A member who has incurred an expense in the exercise of the member's functions that is chargeable to the transit authority is entitled, on presentation of a statement and vouchers, to be reimbursed by the transit authority up to, where applicable, the maximum amount fixed in the authorization.

44. The board of directors may, by by-law, establish a tariff that applies where expenses chargeable to the transit authority are incurred for any class of act performed in Québec for a purpose other than travel outside Québec, and prescribe the voucher that must be presented to prove that such an act was performed.

45. Notwithstanding section 44, the board of directors may fix the maximum amount of expenses allowed where it authorizes one of its members to perform an act covered by the tariff or, where applicable, in a class for which appropriations are provided in the budget.

§4. — *Secretary and treasurer*

46. The board of directors shall, on the recommendation of the director general, appoint the secretary of the transit authority and fix the secretary's remuneration, employment benefits and conditions of employment.

The secretary may not be a member of the board.

The secretary shall have custody of the documents and records of the transit authority. The secretary shall attend all the meetings of the board and draw up the minutes.

The secretary shall perform such other function as the board may entrust to the secretary.

Section 39 applies to the secretary, with the necessary modifications.

47. The board of directors shall, on the recommendation of the director general, appoint the treasurer of the transit authority and fix the treasurer's remuneration, employment benefits and conditions of employment.

The treasurer may not be a member of the board.

The treasurer shall have custody of the transit authority's accounting records.

The treasurer shall perform such other function as the board may entrust to the treasurer.

Section 39 applies to the treasurer, with the necessary modifications.

§5. — *Decisions and by-laws of the board of directors*

48. An act, document or writing is binding on the transit authority only if it is signed by the chair or vice-chair or by the director general or a member of the transit authority's personnel and, in the latter case, only to the extent determined by a by-law of the transit authority published in a newspaper distributed in its area of jurisdiction.

The transit authority may allow, subject to the conditions and on the documents it determines, that a signature be affixed by means of an automatic device or that a facsimile of a signature be engraved, lithographed or printed. However, the facsimile shall have the same force as the signature itself only if the document is countersigned by a person authorized by a by-law of the transit authority published in a newspaper distributed in its area of jurisdiction.

49. The board of directors may, in its internal by-laws, regulate the exercise of its powers and the other aspects of its internal management.

50. A copy of every draft by-law to be considered at a meeting must be included with the notice of convocation for that meeting. However, if the consideration of the draft by-law is deferred to a subsequent meeting, it is not necessary for a copy of the draft-by-law to be included.

51. To be authentic, the original of a by-law must be signed by the chair and by the secretary.

52. A transit authority shall keep the original of every by-law in a book.

The secretary shall have custody of the by-laws and attach thereto a statement attesting publication.

53. A by-law of a transit authority comes into force on the fifteenth day following the date of its publication in a newspaper distributed in its area of jurisdiction or on any later date mentioned therein.

Notwithstanding the first paragraph, any by-law referred to in sections 40 to 42, 44 or 123 need not be published in a newspaper and comes into force on the date mentioned therein.

54. Every by-law of a transit authority is considered public law and does not need to be specially pleaded.

§6. — *Advisory committees*

55. The board of directors may form any advisory committee to examine any matter referred to it by the board and to make any recommendations it considers appropriate to the board.

56. Every advisory committee shall be composed of at least three and not more than seven members. It may be composed wholly or in part of members of the board of directors.

The chair of every committee shall be appointed by the board of directors from among its designated members.

57. Every committee meeting is public.

58. The secretary of a transit authority shall publish a notice of the holding of every meeting of a committee in a newspaper distributed in its area of jurisdiction at least two days before the meeting is held.

The committee meeting must include a period during which persons present at the meeting may address oral questions to the members of the committee.

59. The board of directors may determine the exercise of the functions of a committee and the other aspects of the committee's internal management.

§7. — *Technical committees*

60. The board of directors may form any technical committee it considers appropriate. The board shall determine the composition, operation and mandate of the committee.

DIVISION III
MANAGEMENT

§1. — *Director general*

61. The board of directors shall appoint the director general for a term of office of not more than five years. The term may be renewed.

Section 39 applies, with the necessary modifications, to the director general.

62. The board of directors shall fix the remuneration, employment benefits and other conditions of employment of the director general.

63. The director general shall exercise his or her functions full-time and shall not hold any other remunerated employment or occupation except with the express authorization of the board.

64. The office of director general is incompatible with the office of member of the board of directors or member of the council of a city, municipality or metropolitan community.

65. Under the authority of the board of directors, the director general shall

(1) direct the activities of the transit authority and manage the board's current business ;

(2) direct and manage the human, financial, informational and material resources ;

(3) see to it that the decisions and by-laws are applied ;

(4) prepare annually a draft budget and a three-year program of capital expenditures and submit them to the board of directors ;

(5) prepare proposals for fares and rates, routes and service standards and submit them to the board of directors ;

(6) exercise such other function as the board of directors may assign to the director general.

The director general may delegate all or part of the powers referred to in subparagraph 2 of the first paragraph to an employee under his or her authority.

66. The director general shall attend the meetings of the board of directors and has the right to speak.

67. If the director general is absent, or is unable or refuses to act, the board of directors shall appoint a person to replace the director general temporarily.

However, the internal by-laws of a transit authority may provide for a temporary absence of the director general and authorize the director general to delegate all or part of the powers and functions to a person the director general chooses. The by-law may determine the maximum period of temporary absence, not to exceed six months, and the conditions for the validity of the delegation.

68. Any vacancy in the office of the director general shall be filled within 60 days by the board of directors.

§2. — *Human resources*

69. The employees, including, where applicable, the assistant secretary and the assistant treasurer, shall be appointed according to the staffing plan and standards established by resolution of the board. The staffing plan shall also determine the standards and scales of remuneration, employment benefits and other conditions of employment.

70. In no case may the employees, on pain of forfeiture of office, have a direct or indirect interest in an enterprise that causes their personal interest to conflict with that of the transit authority. However, forfeiture is not incurred where the interest devolves to them by succession or gift, provided that it is renounced or disposed of with dispatch.

71. A transit authority may establish, participate in and contribute to employment benefit programs on behalf of its employees, their spouses and children. The transit authority may pay premiums for them accordingly.

Those programs may consist of relief or retirement funds, pension plans or group insurance plans and may vary according to whether they apply to senior staff members or employees. The Supplemental Pension Plans Act (chapter R-15.1) applies to retirement funds and pension plans. Relief funds must be approved by the Inspector General of Financial Institutions.

The renewal of any contract referred to in this section including a group insurance plan is subject to no awarding formality under this Act.

72. Two-thirds of the votes cast at a meeting of the board of directors are required in order that the board may dismiss, suspend without pay or reduce the salary of an employee who is not an employee within the meaning of the Labour Code (chapter C-27) and who has held a position for at least six months or has held, within the transit authority, a position the holder of which is not such an employee.

73. A resolution dismissing, suspending without pay or reducing the salary of an employee referred to in section 72 shall be served on the employee in the same manner as a summons under the Code of Civil Procedure (chapter C-25).

A person on whom a measure described in the first paragraph has been imposed may, within 30 days following service of the resolution, file a complaint in writing with the labour commissioner general who shall appoint a labour commissioner to make an inquiry and decide the complaint.

74. The provisions of the Labour Code respecting the labour commissioner general, the labour commissioners, their decisions and the exercise of their jurisdiction, and section 100.12 of the Code apply with the necessary modifications, except sections 15 to 19.

75. The labour commissioner may

(1) order the transit authority to reinstate the employee ;

(2) order the transit authority to pay to the employee an indemnity up to a maximum amount equivalent to the salary the employee would normally have received had there been no such measure ;

(3) render any other decision the labour commissioner believes fair and reasonable, taking into account all the circumstances of the matter, and in particular order the transit authority to pay to the employee compensation up to a maximum amount equivalent to the amount the employee disbursed to exercise the recourse.

76. Sections 72 to 75 do not apply to a suspension without pay unless the suspension is for more than 20 working days or the suspension, whatever its duration, occurs within 12 months after the expiry of a suspension without pay for more than 20 working days.

77. A person employed by a government or a public body who becomes employed by a public transit authority may ask for a transfer, subject to the conditions fixed by the Régie des rentes du Québec, of the employment benefits accrued to the credit of the person in a plan or a fund administered, in whole or in part, by the person's previous employer. The same applies to an employee of a transit authority who becomes employed by a government or a public body.

The other employment benefits, in particular vacation and sick leave, credited to a person referred to in the first paragraph shall not be transferable.

A transit authority may enter into agreements for the purposes of this section. When such agreements relate to employment benefits accrued in a plan or fund, they must be approved by the Régie des rentes du Québec. In all other cases, they must be approved by the Minister.

The employment benefits referred to in this section shall not become exigible by the mere fact that an employee has entered the service of a new employer.

CHAPTER II

FUNCTIONS AND POWERS

DIVISION I

POWERS AS REGARDS SERVICE ORGANIZATION

78. A transit authority shall operate a public transportation enterprise in its area of jurisdiction but may provide service links to places outside that area.

For those purposes, the transit authority may use any public highway it considers necessary for the establishment, at its discretion, of its lines and routes.

79. A decision concerning the establishment, modification or elimination of a line or of a route shall come into effect on the fifteenth day following the date of its publication in a newspaper distributed in the transit authority's area of jurisdiction or on any later date fixed by the board.

The director general may, if he or she believes the transit authority's public transportation services are or may be disrupted, make any provisional decision in respect of a line or route.

80. A transit authority is not under the authority of the Commission des transports du Québec as concerns its public transportation services as a whole, its lines, routes, fares and rates except if a service is provided outside its area of jurisdiction by a transportation enterprise acquired or controlled by the transit authority.

The Commission may not issue a permit for bus or minibus transportation authorizing the operation of a transportation service in all or part of a transit authority's area of jurisdiction or modify such a permit without notifying the transit authority. The transit authority has 30 days to intervene.

81. A transit authority may enter into a contract with the holder of a bus transportation permit or a school bus carrier for the provision of certain of its services, other than services adapted to the needs of mobility impaired persons. The contract is not subject to a formal awarding procedure.

The transit authority may also enter into a shared transportation services contract with the holder of a taxi owner's permit without requiring specific authorization by an order referred to in the first paragraph of section 7 of the Act respecting transportation services by taxi (2001, chapter 15).

82. A transit authority may enter into a contract with a legal person established in the public interest that is authorized to operate a public transportation enterprise for the provision of certain of its services to that person.

83. A transit authority may provide services adapted to the needs of mobility impaired persons or enter into a contract for the provision of such services with any carrier, any taxi permit holder or any service association comprising such holders.

Where the services are intended for handicapped persons, a contract under this section is not subject to a formal awarding procedure. In addition, the members of the board of directors of a transit authority may unanimously request the Inspector General of Financial Institutions to constitute, by letters patent, a non-profit legal person having as its primary object the operation, on behalf of the transit authority, of transportation services adapted to the needs of handicapped persons. The transit authority may also, if all the members consent thereto, enter into a contract with a non-profit legal person whose primary object is to provide transportation services adapted to the needs of handicapped persons.

At least one member of the transit authority shall sit on the board of directors of a legal person referred to in the second paragraph and the transit authority shall assume any operating deficit.

84. A transit authority may enter into a student transportation contract within the framework of the Education Act (chapter I-13.3) and the Act respecting private education (chapter E-9.1).

For the purposes of the first paragraph, a transit authority may serve the whole territory of a school board provided that part of that territory is situated within its area of jurisdiction.

85. A transit authority may operate a chartered tourist transportation service or a shuttle service. The service may be supplied in part outside its area of jurisdiction.

86. A transit authority has all the powers of a legal person to carry out any other commercial activity related to its public transportation enterprise.

87. A transit authority may enter into an agreement with a city, any of its boroughs or a municipality for the carrying out of work on a public highway so as to facilitate the operation of its lines and routes.

A transit authority may, in particular,

(1) designate traffic lanes reserved for the exclusive use of certain classes of road vehicles or of road vehicles carrying a specified number of passengers ;

(2) enter into contracts with the person responsible for the maintenance of a public highway providing for the compensation of all or part of the cost of establishing, maintaining and operating such reserved lanes and take any measure to ensure the safe use of the reserved lanes.

88. A transit authority may take any measure it considers appropriate to promote the organization and functioning of public transportation services not operated by the transit authority, and provide support services to users of such transportation services and to the persons organizing them.

89. A transit authority may give any other legal person established in the public interest the mandate to acquire property or any service on its behalf.

The transit authority may accept such a mandate from the legal person where it intends to acquire property or any service for itself.

The mandates given under this section shall be given by gratuitous title. The Minister may authorize the transit authority to make a purchase referred to in this section without any formal contract awarding procedure.

90. A transit authority shall establish, by by-law, different transportation tickets and set the fares and rates according to the terms and conditions and for the classes of users it determines.

The secretary shall publish the fares and rates in a newspaper distributed in the transit authority's area of jurisdiction and post them in the transit authority's vehicles. The fares and rates come into force on the thirtieth day following the publication or on any later date specified therein.

However, where the transit authority is of the opinion that exceptional circumstances so warrant, the fares and rates may come into force as of the tenth day after their publication provided the transit authority also publishes the reasons for its decision.

91. Notwithstanding article 934 of the Civil Code of Québec, a transit authority becomes the owner of a thing abandoned in an immovable or in the rolling stock of the transit authority if the owner of the thing does not claim it within 15 days of it being found.

A transit authority may, by by-law, establish the manner of disposal of things abandoned. The by-law shall be published in a newspaper distributed in its area of jurisdiction.

92. A transit authority may, with the authorization, as the case may be, of the city or the municipalities which adopt its budget, expropriate any property in accordance with the provisions of the Expropriation Act (chapter E-24), within or outside its area of jurisdiction, which it requires to achieve its mission.

DIVISION II**CONTRACTUAL POWERS**

93. A transit authority may award the following contracts only in accordance with sections 94 and 95 if they involve an expenditure of \$25,000 or more and are not covered by paragraph 2 of section 101 :

- (1) insurance contracts ;
- (2) contracts for the performance of work ;
- (3) contracts for the supply of materials or equipment, including contracts for the lease of equipment with an option to purchase ;
- (4) contracts for the providing of services other than professional services
 - (a) referred to in paragraph 1 of section 101 ;
 - (b) necessary for the purposes of a proceeding before a tribunal, a body or a person exercising judicial or adjudicative functions.

The first paragraph does not apply to a contract

- (1) whose object is the supply of materials or equipment or the providing of services for which a tariff is fixed or approved by the Government of Canada or of Québec or by a minister or body thereof ;
- (2) whose object is the supply of materials or equipment or the providing of services and which is entered into with a municipal body within the meaning of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1) ;
- (3) whose object is the performance of work to remove, move or reconstruct mains or installations for waterworks, sewers, electricity, gas, steam, telecommunications, oil or other fluids and which is entered into with the owner of the mains or installations, with a municipal body within the meaning of the Act respecting Access to documents held by public bodies and the Protection of personal information or with a public utility for a price corresponding to the price usually charged by an undertaking generally performing such work ;
- (4) whose object is the supply of software or the performance of service or maintenance work on computer or telecommunication systems, and which is entered into with an undertaking generally operating in the field, for a price usually charged by such an undertaking for such software or such work ;
- (5) whose object is the supply of materials or equipment or the providing of services by a single supplier or by a supplier that, in the field of communications, electricity or gas is in a monopoly position ;

(6) whose object is the maintenance of specialized equipment which must be carried out by the manufacturer or representative of the manufacturer ;

(7) whose object is the supply of bulk trucking services, through the holder of a brokerage permit issued under the Transport Act (chapter T-12) ;

(8) whose object is the acquisition of property in a sale by auction ;

(9) whose object is multi-peril property insurance or civil liability insurance.

A contract which, as a result of an exception provided for in subparagraph 2 of the third paragraph of section 95, is not a supply contract for the purposes of the second paragraph of that section, is not a contract for the supply of materials or equipment for the purposes of subparagraph 3 of the first paragraph of this section.

94. Any contract involving an expenditure of at least \$25,000 and of less than \$100,000, from among the contracts to which the first paragraph of section 93 applies or the object of which is mentioned in section 101, may be awarded only after a call for tenders, by way of written invitation, to at least two insurers, contractors or suppliers, as the case may be.

95. Any contract involving an expenditure of \$100,000 or more, from among the contracts to which the first paragraph of section 93 applies, may be awarded only after a call for tenders by way of an advertisement published in a newspaper circulated in the transit authority's area of jurisdiction.

In the case of a construction, supply or services contract, the call for public tenders must be published by means of an electronic tendering system accessible both to contractors and suppliers having an establishment in Québec and to contractors and suppliers having an establishment in a province or territory covered by an intergovernmental agreement on the opening of public procurement applicable to the transit authority and in a newspaper that is circulated in the transit authority's area of jurisdiction or, if it is not circulated therein, that is a publication specialized in the field and sold mainly in Québec. In the case of a supply or services contract, the electronic tendering system to be used for the publication of the call for public tenders shall be the system approved by the Government.

For the purposes of the second paragraph,

(1) "construction contract" means a contract regarding the construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering work, including site preparation, excavation, drilling, seismic investigation, the supply of products and materials, equipment and machinery if these are included in and incidental to a construction contract, as well as the installation and repair of fixtures of a building, structure or other civil engineering work ;

(2) “supply contract” means a contract for the purchase, lease or rental of movable property that may include the cost of installing, operating and maintaining property, except a contract in respect of property related to cultural or artistic fields as well as computer software for educational purposes, and subscriptions ;

(3) “services contract” means a contract for supplying services that may include the supply of parts or materials required to supply the services, except a contract in respect of services related to cultural or artistic fields that can, under an Act or a regulation, be provided only by a physician, dentist, nurse, pharmacist, veterinary surgeon, engineer, land surveyor, architect, chartered accountant, advocate or notary.

The time limit for receipt of tenders must not be less than eight days. However, in the case of tenders in relation to a contract referred to in the second paragraph, the time limit for the receipt of tenders must not be less than 15 days.

A call for public tenders in relation to a contract referred to in the second paragraph may stipulate that only tenders submitted by contractors or suppliers, in addition to contractors or suppliers having an establishment in Québec, who have an establishment in a province or territory covered by an intergovernmental agreement on the opening of public procurement applicable to the transit authority will be considered. Such a call for tenders may also stipulate that the goods concerned must be produced in a territory comprising Québec and any such province or territory.

Tenders may not be called for nor may the contracts resulting therefrom be awarded except on a fixed price or unit price basis.

All tenders must be opened publicly in the presence of at least two witnesses, on the date and at the time and place mentioned in the call for tenders. All tenderers may be present at the opening of the tenders. The names of the tenderers and their respective prices must be declared aloud on the opening of the tenders.

Subject to section 96, a transit authority may not, without the prior authorization of the Minister, award the contract to any person other than the person who submitted the lowest tender within the prescribed time. However, where it is necessary, to comply with the conditions for a government grant, that the contract be awarded to a person other than the person who submitted the lowest tender within the prescribed time, a transit authority may, without the authorization of the Minister, award the contract to the person whose tender is the lowest among the tenders submitted within the prescribed time that fulfil the conditions for the grant.

96. A transit authority may choose to use a system of bid weighting and evaluating whereby each bid obtains a number of points based on the price as well as on the quality or quantity of goods, services or work, the delivery

procedure, servicing, the experience and financial capacity required of the insurer, supplier or contractor or on any other criteria directly related to the procurement.

Where the transit authority chooses to use such a system, the call for tenders or any document to which it refers shall mention all the requirements and all criteria that will be used for evaluating the bids, as well as the weighting and evaluation methods based on those criteria.

In such a case, the transit authority shall not award the contract to a person other than the person whose bid was received within the time fixed and obtained the highest score.

For the purposes of the last sentence of the eighth paragraph of section 95, the bid having obtained the highest score shall be considered to be the lowest tender.

97. A transit authority may establish a qualification process which shall not discriminate on the basis of the province or country of origin of the goods, services, insurers, suppliers or contractors.

However, where the transit authority establishes a qualification process solely for the purpose of awarding a contract referred to in the second paragraph of section 95, the process may discriminate as permitted in the case of a call for public tenders in relation to such a contract under the fifth paragraph of section 95.

The transit authority shall invite the interested parties to obtain their qualification or the qualification of their goods or services, by causing the secretary to publish a notice to that effect in accordance with the rules set out in the second paragraph of section 95.

98. A call for tenders may stipulate that the goods, services, insurers, suppliers or contractors concerned by or able to satisfy the call for tenders must first be certified, qualified or registered by an organization accredited by the Standards Council of Canada or first be certified or qualified under the process provided for in section 97.

The first paragraph does not apply where, under the process provided for in section 97, only one insurer, supplier or contractor has become qualified.

99. Subject to the fifth and eighth paragraphs of section 95 and section 100, no call for public tenders or document to which it refers shall discriminate on the basis of the province or country of origin of the goods, services, insurers, suppliers or contractors.

100. The Government shall, by regulation, establish the rules relating to the awarding of a contract referred to in section 101.

The regulation shall determine whether such a contract is to be awarded after a call for public tenders published in an electronic tendering system approved by the Government, after a call for tenders by way of an advertisement published in a newspaper or after the use of a register of suppliers.

Where the regulation determines that the contract is to be awarded after the use of a register of suppliers, it must designate the body responsible for the establishment of the register and for its management and financing and must set out, in particular, the rules that apply to the registration of suppliers and to their selection as suppliers who may tender.

In each case, the regulation must establish a rate schedule fixing the maximum hourly rate that may be paid by the transit authority.

101. The following contracts, if they involve an expenditure of \$100,000 or more, must be awarded in accordance with the regulation under section 100:

(1) a contract for the supply of services that can, under an Act or a regulation, be provided only by a physician, dentist, nurse, pharmacist, veterinary surgeon, engineer, land surveyor, architect, chartered accountant, advocate or notary, except if the service is necessary for the purposes of a proceeding before a tribunal, a body or a person exercising judicial or adjudicative functions;

(2) a contract whose purpose is to obtain energy savings for the transit authority, where it involves both the providing of professional services and the performance of work or the supply of equipment, materials or services other than professional services.

102. A transit authority may not divide into several contracts having similar subject-matter an insurance contract or a contract for the performance of work, the supply of equipment or materials or the providing of services other than professional services necessary for the purposes of a proceeding before a tribunal, a body or a person exercising judicial or adjudicative functions, unless the division is warranted on grounds of sound administration.

103. Subject to the third paragraph of section 89, the Minister of Municipal Affairs and Greater Montréal may, on the conditions determined by the Minister, allow the transit authority to award a contract without calling for tenders or without being required to award it in accordance with the regulation provided for in section 100, or allow the transit authority to award a contract after a call for tenders made by written invitation rather than by advertisement in a newspaper or rather than in accordance with that regulation.

The first paragraph does not apply where, pursuant to the terms of an intergovernmental agreement on the opening of public procurement applicable to the transit authority, the tenders must be public tenders.

104. A transit authority may obtain any movable property from or through the General Purchasing Director designated under section 3 of the Act respecting the Service des achats du gouvernement (chapter S-4). A transit authority may also obtain any service through the General Purchasing Director acting within a mandate entrusted to the General Purchasing Director by the Government under section 4.1 of that Act.

To the extent that the terms of any agreement on the opening of public procurement applicable to a transit authority are observed, section 93 does not apply to contracts entered into by a transit authority with or through the General Purchasing Director in accordance with the regulations under the Financial Administration Act (chapter A-6).

105. Notwithstanding section 93, the chair of a transit authority or, if the chair is absent or unable to act, the director general may, in a case of irresistible force which might endanger the life or health of the population or seriously damage or seriously interfere with the operation of the equipment of the transit authority, order such expenditure as the chair or the director general considers necessary and award any contract necessary to remedy the situation.

The chair or director general, as the case may be, shall table a report giving the reasons for the expenditure or contract at the next meeting of the board.

106. Notwithstanding section 93, a transit authority may, without being required to call for tenders, renew any insurance contract awarded following a call for tenders, provided that the total duration of the period covered by the original contract and the period covered by the renewal and, where applicable, by any previous renewal, does not exceed five years.

The premiums stipulated in the original contract may be modified for the period covered by any renewal referred to in the first paragraph.

107. A transit authority may enter into a leasing contract in respect of movable property that must be acquired by tender in accordance with section 93, provided it discloses in the call for tenders that it has the option to enter into a leasing contract in respect of the property.

Where the transit authority opts to enter into a leasing contract, it must give notice thereof in writing to the successful tenderer. Upon receipt of the notice, the tenderer must enter into a contract for the movable property with the lessor, which the transit authority shall designate in the notice, on the conditions under which the tender was accepted.

108. Notwithstanding any inconsistent provision of a general law or special Act, a transit authority and any municipality or other supramunicipal body whose territory includes the area of jurisdiction of the transit authority may make a joint call for public tenders for the purpose of awarding an insurance contract or a contract for the supply of equipment or materials or the providing of services.

For the purposes of the first paragraph, a contract for the supply of equipment includes a contract for the lease of equipment with an option to purchase.

Acceptance of a tender referred to in this section also binds, as regards the successful tenderer, each party to the call for tenders.

109. A transit authority may not alienate property having a value greater than \$25,000 for which it has specifically been awarded a grant except with the authorization of the Minister.

110. A transit authority may give to a charity any property having a value that does not exceed \$10,000.

111. A transit authority shall publish twice a year in a newspaper distributed in its area of jurisdiction a notice mentioning any property having a value greater than \$10,000 that it alienated in the previous six months, the person to whom the property was alienated and the price of alienation.

CHAPTER III

FINANCIAL PROVISIONS

112. The property of a transit authority forms part of the municipal domain, but the performance of the obligations of a transit authority may be levied against its property.

113. All the revenues of a transit authority shall be used to discharge the obligations arising from its mission and to operate its enterprise.

114. Cities and municipalities are guarantors of the obligations and commitments of a transit authority whose area of jurisdiction includes, in whole or in part, their own territory.

115. The fiscal year of a transit authority ends on 31 December.

116. Not later than 1 November of every year, a transit authority shall table, for adoption, its budget for the following fiscal year with the city or municipalities in its area of jurisdiction and shall inform the city or municipalities of the fares and rates that will be effective during the period covered by its next budget. The budget shall provide for a reserve of not more than 1.5% of the expenditures to meet unforeseen administration and operation costs. The adopted budget comes into force on the following 1 January.

If the budget has not been adopted by that date, with or without amendments, one-twelfth of each appropriation provided for in the budget prepared by the transit authority is deemed to be adopted. The same rule applies at the beginning of each subsequent month if the budget has not been adopted at that time.

117. For the purposes of section 116, a transit authority may require that its treasurer determine in a certificate the appropriations the treasurer considers necessary for the next fiscal year for payment of the interest on securities issued or to be issued by the transit authority, for repayment or redemption of such securities and for the requirements of their sinking funds and any other charge related to the debt of the transit authority, except the amounts required in principal, interest and accessories in relation to the issue of treasury bills, loans contracted in anticipation of revenue and renewable loans falling due during the fiscal year covered by the budget.

The treasurer shall also determine in the certificate the appropriations necessary to meet, during the next fiscal year, the obligations undertaken by the transit authority during previous fiscal years. The treasurer may amend the certificate until 31 December preceding the fiscal year to which it applies if the appropriations mentioned therein have not been adopted by the city or the municipalities concerned. The treasurer shall file the certificate and any amendment with the clerk of the city or the secretary-treasurer of the municipality. The clerk or secretary-treasurer shall notify the council of the city or of the municipality of the filing at the first sitting held after the filing.

The treasurer shall also include in the certificate referred to in the first paragraph the appropriations necessary during the next fiscal year to pay the obligations of the transit authority under collective agreements or its by-laws or under legislative or regulatory provisions adopted by the Government of Québec or the Government of Canada or any of its ministers or bodies.

118. Notwithstanding the second paragraph of section 116, the presumption of adoption and the coming into force of the budget do not apply to the appropriations mentioned in a certificate referred to in section 117, those appropriations being deemed to be adopted on 1 January and to come into force on that date.

119. The budget may not provide for expenditures that exceed the revenues of the transit authority. The budget must be transmitted to the Minister and to the Minister of Municipal Affairs and Greater Montréal.

A transit authority may transfer funds from one item of its budget to another up to an amount authorized by the council of the city or of the municipalities concerned and report the transfer to the council. Any transfer exceeding that amount must be specially authorized by the same council.

120. A transit authority must post as revenue in its budget any surplus for the preceding fiscal year and any other surplus for the current fiscal year that it does not appropriate to a specific purpose.

Notwithstanding the first paragraph, the transit authority may appropriate a surplus for the preceding fiscal year to the expenditures for the current fiscal year, in this way modifying the budget for that fiscal year, or provide for the transfer of all or part of a surplus to a fixed assets fund it sets up.

A transit authority must also post as expenditure in its budget any deficit for the preceding year certified by its auditor.

121. The purpose of the fixed assets fund is to finance the non-subsidized portion of any acquisition, repair or renovation of property.

The Government may authorize a transit authority to take out of that fund the sums required for purposes other than those for which it was set up.

122. A transit authority may, during its fiscal year, prepare a supplementary budget. The supplementary budget shall be submitted to the council of the city or of the municipality for adoption in accordance with its internal management by-laws. It must be transmitted to the Minister and to the Minister of Municipal Affairs and Greater Montréal.

123. A transit authority may, by by-law, order loans that must be approved by the council of the city or of the municipality and the Minister of Municipal Affairs and Greater Montréal.

The loans of a transit authority are contracted at the rate of interest and on the other conditions approved by the Minister of Municipal Affairs and Greater Montréal.

124. A transit authority may contract temporary loans. A temporary loan contracted for the payment of all or part of the expenditures made under a loan whose term exceeds one year requires the approval of the Minister of Municipal Affairs and Greater Montréal if the amount of the loan exceeds 90% of the approved amount.

125. Except in the cases referred to in section 105, no decision of a transit authority and no report authorizing or recommending an expenditure shall have effect before the filing of a certificate of the treasurer attesting that there are or shall be in due time sufficient appropriations for the purposes for which the expenditure is proposed.

126. As a contribution to the financing of its operations, a transit authority shall receive

(1) the share of the contribution of motorists to public transit determined by a regulation under section 88.6 of the Transport Act (chapter T-12);

(2) the yearly appropriations granted by the city or municipalities concerned.

127. For the purposes of the Act respecting municipal taxation (chapter F-2.1), an immovable is deemed to belong to a transit authority as soon as the right of ownership is transferred in its favour under the Expropriation Act.

128. No tariff of user fees established by a municipality under sections 244.1 to 244.10 of the Act respecting municipal taxation in respect of its property, services and other activities, may be levied against a transit authority.

129. The Act respecting duties on transfers of immovables (chapter D-15.1) does not apply to the transfers made to a transit authority.

CHAPTER IV

INFORMATIONAL RESOURCES

130. A transit authority shall, not later than 31 December 2003, produce a strategic development plan for public transportation in its area of jurisdiction setting out its objectives, priorities and expected results.

The plan shall provide for the development of public transportation, including services adapted to the needs of mobility impaired persons, over a period of ten years and cover every mode of public transportation and all equipment and infrastructures. The plan shall be updated yearly and revised every five years.

131. A transit authority shall transmit to the Minister, to the city or municipalities concerned and, where applicable, to the metropolitan community whose territory includes the transit authority's area of jurisdiction, a copy of its strategic development plan and of every updating and revision within 30 days after they are produced.

The plan becomes effective only on its approval by the city or the municipalities concerned and, where applicable, by the metropolitan community.

132. Each year, a transit authority shall produce a program of capital expenditures for the following three fiscal years.

133. The program shall be divided into annual phases. It shall set out, per period, the object, amount and mode of financing of the capital expenditures that the transit authority plans to incur or make and the financing period of which exceeds 12 months.

The program shall also mention the capital expenditures the transit authority plans to make beyond the period covered by the program, if the expenditures result from commitments made during that period.

134. A transit authority shall transmit the program to the city or municipalities concerned for approval, not later than 31 October preceding the beginning of the first fiscal year covered by the program. The transit authority shall also transmit a copy of the program to the Minister not later than that date.

A city or municipality concerned may grant a transit authority an extension upon sufficient proof that the transit authority is unable to transmit the program before the deadline.

135. A transit authority shall transmit to the city or municipalities concerned for approval any modification to its program within 30 days after it is adopted. It shall also transmit a copy of any such modification to the Minister within the same time.

CHAPTER V

AUDITING AND REPORTS

136. At the end of the fiscal year, the treasurer shall draw up and certify a financial report for the fiscal year just ended.

That report shall be produced on the forms provided by the Minister, where applicable. It shall contain the transit authority's financial statements and any other information required by the Minister.

137. The books and accounts of a transit authority shall be audited each year by an auditor designated by the transit authority. The auditor's report shall accompany the annual report of the transit authority.

138. The treasurer shall submit his or her financial report at a meeting of the board of directors, at the same time as the auditor's report.

139. A transit authority shall transmit to the Minister and to the clerk of the city or the secretary-treasurer of the municipality concerned, not later than 30 April each year, a report of its operations for the preceding fiscal year. The report shall contain all the information required by the Minister.

The transit authority shall furnish such other information as the Minister may require concerning its operations.

CHAPTER VI

INSPECTION

140. A city or municipality adopting a transit authority's budget shall authorize generally or specially any person designated by the transit authority to act as an inspector for the purpose of carrying out the by-laws made under section 144. An inspector may require any transportation ticket or parking ticket issued by a transit authority be produced for inspection.

A transit authority may designate one of its employees or an employee from another enterprise under contract with it for the purposes of Chapters VI and VII. A peace officer under the authority of the city or a municipality

approving the budget of a transit authority is by that sole fact an inspector of that transit authority.

141. An inspector shall, on request, show a certificate of capacity.

142. An inspector, where designated by the Minister of Public Security, is, in the exercise of the inspector's functions, a peace officer for the purposes of paragraphs 5 and 7.1 of section 386 and section 390 of the Highway Safety Code (chapter C-24.2) in respect of any road vehicle stopped in a zone reserved exclusively for road vehicles assigned to public transportation or in a reserved traffic lane. The inspector may also cause to be removed and impounded in the nearest suitable place, at the owner's expense, any road vehicle stopped on immovable property owned by or under the control of a transit authority and obstructing the circulation of the transit authority's rolling stock.

143. No person shall hinder an inspector in the performance of inspection duties, mislead an inspector through concealment or false statements or refuse to provide information to an inspector.

CHAPTER VII

REGULATORY AND PENAL PROVISIONS

144. A transit authority may, by by-law approved by the city or municipalities adopting its budget, prescribe

(1) standards of safety and conduct to be observed by passengers in the rolling stock and immovables operated by the transit authority ;

(2) conditions regarding the possession and use of any transportation ticket issued under its authority ;

(3) conditions regarding the immovables operated by the transit authority and the persons using them.

The by-law of a transit authority must be published in a newspaper distributed in its area of jurisdiction and may determine, among its provisions, those the contravention of which constitutes an offence entailing a fine in an amount that may be fixed or that may, depending on the circumstances, vary between a minimum and a maximum amount.

For a first offence, the fixed amount or maximum amount may not exceed \$500 if the offender is a natural person or \$1,000 if the offender is a legal person. In the case of a second or subsequent conviction, those amounts shall be doubled. The minimum amount shall not be less than \$25.

145. A by-law under section 144 applies even where a vehicle of a transit authority is travelling outside its area of jurisdiction. It also applies in an immovable the transit authority possesses outside its area of jurisdiction. An inspector referred to in section 140 has jurisdiction for the purposes of this section.

146. Every person who uses the name of a transit authority, its acronym, emblem or logo without authorization or hinders an inspector in the exercise of the inspector's functions is liable to a fine of not less than \$250 nor more than \$500.

147. A transit authority may institute penal proceedings for an offence under a provision of this chapter.

148. Every municipal court in the area of jurisdiction of a transit authority has jurisdiction in respect of any offence under a provision of this chapter.

149. The fine belongs to the transit authority that instituted the penal proceedings.

The costs relating to proceedings instituted before a municipal court belong to the municipality under the jurisdiction of that court, except the part of the costs remitted to another prosecuting party by the collector under article 366 of the Code of Penal Procedure (chapter C-25.1), and the costs remitted to the defendant or imposed on that municipality under article 223 of that Code.

CHAPTER VIII

POWERS OF THE GOVERNMENT

150. On the recommendation of the Minister and the Minister of Municipal Affairs and Greater Montréal, the Government may make regulations

(1) exempting motorists residing in the territory of a municipality it indicates from payment to the Société de l'assurance automobile du Québec of the contribution to public transit established under section 88.2 of the Transport Act where the Government is of the opinion that a transit authority does not, according to the criteria it establishes, benefit the residents of that territory ;

(2) limiting the borrowing power of a transit authority to the term and maximum amount it establishes, fixing conditions on which money may be borrowed and prescribing rules that vary depending on whether the borrowing is long-term or short-term ;

(3) establishing the conditions allowing a transit authority to constitute an establishment abroad for the purpose of financing its operations in Québec and registering its securities ;

(4) establishing the conditions allowing a transit authority to enter into contracts of a financial nature in relation, in particular, to currency exchange or interest rates;

(5) establishing the conditions allowing for financing and refinancing on foreign markets, including by leasing, of property necessary for a transit authority to achieve its mission;

(6) establishing the conditions to be met so that the securities issued by a transit authority are deemed to be authorized investments within the meaning of the Civil Code of Québec, and the direct and general obligations of a transit authority and of the city or municipalities approving its budget; and

(7) authorizing a transit authority to establish funds other than the fixed assets fund referred to in section 120 for such purposes as the Government determines and prescribing the conditions for doing so, including authorizations, and the management rules.

A regulation under subparagraphs 2 to 6 of the first paragraph may vary depending on the transit authorities concerned. For the purposes of subparagraphs 2 to 5 of that paragraph, a regulation may provide for authorizations and exceptions in relation to the conditions it establishes.

TITLE II

SPECIAL RULES GOVERNING CERTAIN TRANSIT AUTHORITIES

CHAPTER I

SOCIÉTÉ DE TRANSPORT DE MONTRÉAL

151. In addition to the provisions of section 4, the mission of the Société de transport de Montréal is to operate a guided land transport enterprise, namely a subway, in the territory of the Communauté métropolitaine de Montréal.

The Société de transport de Montréal may acquire any property required for the construction and operation of its subway guided land transport enterprise, dig a tunnel under any immovable regardless of its owner, and construct and operate any accessory works.

However, the Société must obtain the authorization of the Agence métropolitaine de transport if its construction work disturbs the subway extension work referred to in section 47 of the Act respecting the Agence métropolitaine de transport (chapter A-7.02).

152. The Société de transport de Montréal may expropriate, in its area of jurisdiction, any property necessary for its subway guided land transport enterprise.

153. The Société de transport de Montréal may order expropriation outside its territory where it considers expropriation necessary for the purposes of the subway tunnel, lines, subway car garages, workshops, platforms, structures thereon and rectifier or ventilation stations.

The Société must, however, propose to the city concerned that it proceed with the expropriation, at its own expense, unless the city has already indicated its intention not to expropriate or the right is of the nature of a servitude or affects only the subsoil. The city has 90 days to accept, by resolution, the proposal of the Société failing which the city is deemed to have refused. The city may, however, within those 90 days, transfer its right to expropriate to the public transit authority in its territory.

The city or, where applicable, the public transit authority concerned, is the owner of the expropriated property, subject to its obligation to transfer to the Société de transport de Montréal, free of charge, the property necessary to its work.

Where expropriation is made by the Société de transport de Montréal, the Société shall transfer to the public transit authority concerned, free of charge, all property that is not necessary to its work.

154. Where underground construction work is undertaken, as of the commencement of the work and without formality or compensation, but subject to an action for damages, the Société de transport de Montréal shall become the owner of the volume occupied by the tunnel together and of the area extending five metres outward from the interior concrete wall of the subway tunnel. In addition, the Société is deemed to hold a legal servitude established in favour of the volume occupied by the tunnel and limiting the stress that may be applied to the upper surface of the volume to 250 kilopascals.

However, the Société de transport de Montréal shall, on the commencement of the work, notify the owner of the land of the work and of the provisions of this section. In the year following the completion of work, the Société de transport de Montréal shall deposit in its archives a copy of a plan certified by the head of the department concerned, showing the horizontal projection of the tunnel. It shall register the plan in the registry office and the registrar shall receive the plan and make a notation in its respect in the land register.

155. Where the Société de transport de Montréal orders, by resolution, the expropriation of a property or the establishment of a reserve for public purposes on the property, the secretary shall without delay send a certified copy of the resolution to the city concerned.

After receiving the resolution, the city shall not, except for urgent repairs, issue a permit or certificate for a structure, alteration or repair in connection with that immovable. Such prohibition ceases six months after the date of adoption of the resolution.

No compensation may be granted for buildings erected or improvements or repairs, other than authorized urgent repairs, made to the immovable during the prohibition period. However, the Administrative Tribunal of Québec may grant an indemnity as provided in Title III of the Expropriation Act.

156. The Société de transport de Montréal is the sole owner of the property pertaining to the subway and situated in the territory of the municipalities referred to in section 5 of Schedule I to the Act to reform the municipal territorial organization of the metropolitan regions of Montréal, Québec and the Outaouais (2000, chapter 56) on 15 May 2001 and of the subway tunnel, lines, platforms, structures thereon and rectifier or ventilation stations situated outside that territory on that date.

With respect to the property referred to in the first paragraph, the registrar of the registration division concerned must register every statement signed by the director general and the secretary of the Société de transport de Montréal describing the property concerned and declaring the right of ownership of the Société in that property.

In addition to section 114 under which Ville de Montréal is, as of 1 January 2002, guarantor of the obligations of the Société de transport de Montréal in respect of the property referred to in the first paragraph, an obligation is established, chargeable to the immovables situated in the territory corresponding to the former territory of the municipalities referred to in the first paragraph, with respect to that same property, to secure any obligation contracted by the Communauté urbaine de Montréal towards the holders of securities issued before 1 January 2002 and towards any person holding a claim under a contract concerning that property on that date. The securities and the contracts constitute direct and general obligations of Ville de Montréal chargeable to those immovables.

157. No fee, duty, tax or cost of any nature, within the authority of a city may be levied against the Société de transport de Montréal for the issue of a certificate of approval, building permit or occupancy permit in respect of the subway network.

158. On producing its program of capital expenditures, the Société de transport de Montréal shall include in it a specific part for capital expenditures relating to the subway network for the same period.

That part of the program shall be transmitted to the Communauté métropolitaine de Montréal and to the Agence métropolitaine de transport.

159. On producing the strategic development plan, the Société de transport de Montréal shall also transmit, for information, a copy of the plan to the Agence métropolitaine de transport.

160. The Société de transport de Montréal is authorized to furnish, for remuneration, all services and goods for the purposes of the construction, laying out or repairing of infrastructures, equipment and rolling stock relating to the subway network and to their management and administration.

It may also request the Inspector General of Financial Institutions to constitute, by articles, a legal person having as an object the providing, for remuneration, of the goods and services referred to in the first paragraph for any mode of shared transportation. The legal person may contract in Québec or abroad with any person and any government, one of its departments, bodies or mandataries. Section 3.11 of the Act respecting the Ministère du Conseil exécutif (chapter M-30) and section 23 of the Act respecting the Ministère des Relations internationales (chapter M-25.1.1) apply to the legal person. To achieve its object, the legal person may, with the authorization of the Minister, associate with any other enterprise in the public or private sector.

161. The Société de transport de Montréal may, with the authorization of the Agence métropolitaine de transport, operate part of its public bus transportation enterprise outside its area of jurisdiction.

162. Notwithstanding subparagraph 1 of the first paragraph of section 126, the Agence métropolitaine de transport shall receive, in the place and stead of the Société de transport de Montréal, the contribution of motorists to public transit determined by a regulation under section 88.6 of the Transport Act.

CHAPTER II

SOCIÉTÉ DE TRANSPORT DE QUÉBEC

163. The Société de transport de Québec may continue to operate all or part of its public transportation enterprise in the territory of the municipality of Boischatel.

Ville de Québec, the municipality of Boischatel and the Société de transport de Québec shall, however, within 12 months after the date of coming into force of this section, enter into an agreement concerning the fares and rates, level of service and financial contribution of the municipality of Boischatel with respect to the services referred to in the first paragraph.

164. The Société de transport de Québec succeeds to the rights and obligations of the municipality of Saint-Augustin-de-Desmaures with respect to any public bus transportation contract entered into by that municipality. Notwithstanding any provision to the contrary, a carrier party to such a contract may, without further authorization, continue in accordance with the contract to transport persons for remuneration in the territory of the Société de transport de Québec until the end of the contract.

CHAPTER III**SOCIÉTÉ DE TRANSPORT DE L'OUTAOUAIS**

165. The Société de transport de l'Outaouais may continue to operate all or part of its public transportation enterprise in the territory of the municipalities of Cantley and Chelsea.

Ville de Hull-Gatineau, the municipality of Cantley, the municipality of Chelsea and the Société de transport de l'Outaouais shall, however, within 12 months after the date of coming into force of this section, enter into an agreement concerning the fares and rates, level of service and financial contribution of the municipalities of Cantley and Chelsea with respect to the services referred to in the first paragraph.

166. For the purposes of the agreement referred to in section 165, the Société de transport de l'Outaouais shall invite the mayors of the municipalities of Cantley and Chelsea, or the person each mayor designates as a substitute, to participate in the discussions and to vote on any question relating to the operation of its public transportation enterprise in the territory of those municipalities.

167. The Société de transport de Longueuil may request the Inspector General of Financial Institutions to constitute, by articles, a legal person having as an object the providing, for remuneration, of any services and goods for the purpose of the construction, laying out or repairing of infrastructures, equipment and rolling stock for any mode of shared transportation and their management and administration. The legal person may contract in Québec or abroad with any person and any government, one of its departments, bodies or mandataries. Section 3.11 of the Act respecting the Ministère du Conseil exécutif and section 23 of the Act respecting the Ministère des Relations internationales apply to the legal person. To achieve its object, the legal person may, with the authorization of the Minister, associate with any other enterprise in the public or private sector.

CHAPTER IV**SOCIÉTÉ DE TRANSPORT DE LONGUEUIL**

168. The Société de transport de Longueuil may operate part of its public bus transportation enterprise outside its territory with the authorization of the Agence métropolitaine de transport.

169. Notwithstanding subparagraph 1 of the first paragraph of section 126, the Agence métropolitaine de transport shall receive, in the place and stead of the Société de transport de Longueuil, the contribution of motorists to public transit determined by a regulation under section 88.6 of the Transport Act.

170. The Société de transport de Longueuil succeeds to the rights and obligations of the municipality of Saint-Bruno with respect to any public bus transportation contract entered into by that municipality. Notwithstanding any provision to the contrary, a carrier party to such a contract may, without further authorization, continue in accordance with the contract to transport persons for remuneration in the territory of the Société de transport de Longueuil until the end of the contract.

171. On producing the strategic development plan, the Société de transport de Longueuil shall also transmit, for information, a copy of the plan to the Agence métropolitaine de transport.

CHAPTER V

SOCIÉTÉ DE TRANSPORT DE LÉVIS

172. The Société de transport de Lévis succeeds to the rights and obligations of the municipalities of Saint-Étienne-de-Lauzon, Saint-Nicolas, Saint-Rédempteur, Saint-Lambert-de-Lauzon and Sainte-Hélène-de-Breakeyville with respect to any public bus transportation contract entered into by those municipalities. Notwithstanding any provision to the contrary, a carrier party to such a contract may, without further authorization, continue in accordance with the contract to transport persons for remuneration in the territory of the Société de transport de Lévis until the end of the contract.

173. Ville de Lévis, the municipality of Saint-Lambert-de-Lauzon and the Société de transport de Lévis shall, in the 12 months preceding the end of the transport contract referred to in section 172, enter into an agreement concerning the fares and rates, level of service and financial contribution of the municipality of Saint-Lambert-de-Lauzon with respect to the services referred to in that section, to enable the Société to serve that municipality once the contract has ended.

174. The Société de transport de Lévis succeeds to the rights and obligations of the municipality of Pintendre with respect to any public bus transportation contract entered into by that municipality. Notwithstanding any provision to the contrary, a carrier party to such a contract may, without further authorization, continue in accordance with the contract to transport persons for remuneration in the territory of the Société de transport de Lévis until the end of the contract.

175. The Société de transport de Laval may request the Inspector General of Financial Institutions to constitute, by articles, a legal person having as an object the providing, for remuneration, of any services and goods for the purpose of the construction, laying out or repairing of infrastructures, equipment and rolling stock for any mode of shared transportation and their management and administration. The legal person may contract in Québec or abroad with any person and any government, one of its departments, bodies or mandataries. Section 3.11 of the Act respecting the Ministère du Conseil exécutif and

section 23 of the Act respecting the Ministère des Relations internationales apply to the legal person. To achieve its object, the legal person may, with the authorization of the Minister, associate with any other enterprise in the public or private sector.

CHAPTER VI

SOCIÉTÉ DE TRANSPORT DE LAVAL

176. The Société de transport de Laval may, with the authorization of the Agence métropolitaine de transport, operate part of its public bus transportation enterprise outside its territory.

177. Notwithstanding subparagraph 1 of the first paragraph of section 126, the Agence métropolitaine de transport shall receive, in the place and stead of the Société de transport de Laval, the contribution of motorists to public transit determined by a regulation under section 88.6 of the Transport Act.

178. On producing the strategic development plan, the Société de transport de Laval shall also transmit, for information, a copy of the plan to the Agence métropolitaine de transport.

CHAPTER VII

SOCIÉTÉ DE TRANSPORT DES FORGES

179. For the purposes of sections 114 and 116, the municipalities of Cap-de-la-Madeleine, Trois-Rivières and Trois-Rivières-Ouest shall share the payment of any operating deficit of the Société de transport des Forges on the basis of any of the following factors or a combination thereof: the number of kilometres travelled, the number of hours of service, the number of residents or the fiscal potential, within the meaning of section 261.6 of the Act respecting municipal taxation. Factors such as the number of kilometres travelled or service time may be determined by sampling. The Société and the municipalities may agree on other factors that must however be approved by the Minister.

The Société is not required to retain the same factors for every municipality.

180. The Société de transport des Forges shall establish, by a by-law approved by two of the municipalities referred to in subparagraph 7 of the first paragraph of section 1, the methodology and terms to apply to the apportionment of its deficit, the determination of the municipal aliquot shares and the payments to be made.

The by-law may, in particular, prescribe the period retained for the purpose of considering the number of the kilometres travelled and service time as well as

(1) the date on which provisional or final data is to be considered;

(2) the time limit for determining the aliquot shares and informing the municipalities of them;

(3) the option, for a municipality, to pay its aliquot share in a single payment or in instalments;

(4) the time limits for payment;

(5) the rate of interest applicable to overdue payments, which may vary and be fixed, by resolution of the Société, only on the date of adoption of its budget;

(6) the adjustments that may result from the deferred coming into force of all or part of the budget of the Société or from the successive use of provisional and final data in determining the apportionment.

181. Not later than 1 October each year, the Société de transport des Forges shall submit its budget for the following fiscal year for adoption by the municipalities. The budget must be accompanied by a notice of payment.

The budget must be adopted by at least two municipalities. It comes into force on 1 January or on the fifteenth day after the date of its adoption if that date is later.

182. A municipality or the Société may apply to the Minister to have the Minister designate a conciliator to assist the parties in reaching an agreement where a dispute arises concerning the budget of the Société.

The applicant must transmit a copy of the application to each municipality and, where applicable, to the secretary of the Société.

The Minister must then designate a conciliator who must make a conciliation report to the Minister within the time prescribed.

183. Where the budget does not come into force on 1 January, one-quarter of the budget for the previous fiscal year is deemed to be adopted at the beginning of each quarter of the fiscal year and remains in force until it is replaced by the budget for the current fiscal year.

184. During a fiscal year, the Société may present a supplementary budget.

A supplementary budget shall be submitted for adoption at a special meeting called for that purpose within 15 days after each municipality receives a copy thereof. The supplementary budget must be adopted by at least two of the municipalities.

185. A copy of the budget and, as the case may be, of the supplementary budget, shall be sent to the Minister and to the Minister of Municipal Affairs and Greater Montréal within 30 days after its adoption by the municipalities.

186. Not later than 1 April each year, each municipality must pay to the Société the amount owed by the municipality under the budget adopted.

Each municipality must also pay its aliquot share of the deficit of the Société within the time prescribed by the by-law adopted under section 180.

If a municipality fails to pay within the time prescribed, the Commission municipale du Québec may, on the application of the Société, file a motion to have the municipality declared in default in accordance with Division VI of the Act respecting the Commission municipale (chapter C-35).

187. Every budget adopted by the municipalities of Cap-de-la-Madeleine, Trois-Rivières and Trois-Rivières-Ouest on behalf of the Société intermunicipale de transport des Forges is deemed to be a budget adopted on behalf of the Société de transport des Forges.

CHAPTER VIII

SOCIÉTÉ DE TRANSPORT DU SAGUENAY

188. For the purposes of sections 114 and 116, the municipalities of Chicoutimi, Jonquière and La Baie shall share the payment of any operating deficit of the Société de transport du Saguenay on the basis of any of the following factors or a combination thereof: the number of kilometres travelled, the number of hours of service, the number of residents or the fiscal potential, within the meaning of section 261.6 of the Act respecting municipal taxation. Factors such as the number of kilometres travelled or service time may be determined by sampling. The Société and the municipalities may agree on other factors that must however be approved by the Minister.

The Société is not required to retain the same factors for every municipality.

189. The Société de transport du Saguenay shall establish, by a by-law approved by two of the municipalities referred to in subparagraph 8 of the first paragraph of section 1, the methodology and terms to apply to the apportionment of its deficit, the determination of the municipal aliquot shares and the payments to be made.

The by-law may, in particular, prescribe the period retained for the purpose of considering the number of the kilometres travelled and service time as well as

- (1) the date on which provisional or final data is to be considered;
- (2) the time limit for determining the aliquot shares and informing the municipalities of them;
- (3) the option, for a municipality, to pay its aliquot share in a single payment or in instalments;

(4) the time limits for payment ;

(5) the rate of interest applicable to overdue payments, which may vary and be fixed, by resolution of the Société, only on the date of adoption of its budget ;

(6) the adjustments that may result from the deferred coming into force of all or part of the budget of the Société or from the successive use of provisional and final data in determining the apportionment.

190. Not later than 1 October each year, the Société de transport du Saguenay shall submit its budget for the following fiscal year for adoption by the municipalities. The budget must be accompanied by a notice of payment.

The budget must be adopted by at least two municipalities. It comes into force on 1 January or on the fifteenth day after the date of its adoption if that date is later.

191. A municipality or the Société may apply to the Minister to have the Minister designate a conciliator to assist the parties in reaching an agreement where a dispute arises concerning the budget of the Société.

The applicant must transmit a copy of the application to each municipality and, where applicable, to the secretary of the Société.

The Minister must then designate a conciliator who must make a conciliation report to the Minister within the time prescribed.

192. Where the budget does not come into force on 1 January, one-quarter of the budget for the previous fiscal year is deemed to be adopted at the beginning of each quarter of the fiscal year and remains in force until it is replaced by the budget for the current fiscal year.

193. During a fiscal year, the Société may present a supplementary budget.

A supplementary budget shall be submitted for adoption at a special meeting called for that purpose within 15 days after each municipality receives a copy thereof. The supplementary budget must be adopted by at least two of the municipalities.

194. A copy of the budget and, as the case may be, of the supplementary budget, shall be sent to the Minister and to the Minister of Municipal Affairs and Greater Montréal within 30 days after its adoption by the municipalities.

195. Not later than 1 April each year, each municipality must pay to the Société the amount owed by the municipality under the budget adopted.

Each municipality must also pay its aliquot share of the deficit of the Société within the time prescribed by the by-law adopted under section 189.

If a municipality fails to pay within the time prescribed, the Commission municipale du Québec may, on the application of the Société, file a motion to have the municipality declared in default in accordance with Division VI of the Act respecting the Commission municipale.

196. Every budget adopted by the municipalities of Chicoutimi, Jonquière and La Baie on behalf of the Société intermunicipale de transport du Saguenay is deemed to be a budget adopted on behalf of the Société de transport du Saguenay.

CHAPTER IX

SOCIÉTÉ DE TRANSPORT DE SHERBROOKE

197. Notwithstanding section 6, the board of directors of the Société de transport de Sherbrooke shall be composed of ten members.

198. For the purposes of sections 114 and 116, the municipalities of Ascot, Fleurimont, Lennoxville, Rock Forest and Sherbrooke shall share the payment of any operating deficit of the Société de transport de Sherbrooke on the basis of any of the following factors or a combination thereof: the number of kilometres travelled, the number of hours of service, the number of residents or the fiscal potential, within the meaning of section 261.6 of the Act respecting municipal taxation. Factors such as the number of kilometres travelled or service time may be determined by sampling. The Société and the municipalities may agree on other factors that must however be approved by the Minister.

The Société is not required to retain the same factors for every municipality.

199. The Société de transport de Sherbrooke shall establish, by a by-law approved by three of the municipalities referred to in subparagraph 9 of the first paragraph of section 1, the methodology and terms to apply to the apportionment of its deficit, the determination of the municipal aliquot shares and the payments to be made.

The by-law may, in particular, prescribe the period retained for the purpose of considering the number of the kilometres travelled and service time as well as

- (1) the date on which provisional or final data is to be considered;
- (2) the time limit for determining the aliquot shares and informing the municipalities of them;
- (3) the option, for a municipality, to pay its aliquot share in a single payment or in instalments;
- (4) the time limits for payment;

(5) the rate of interest applicable to overdue payments, which may vary and be fixed, by resolution of the Société, only on the date of adoption of its budget;

(6) the adjustments that may result from the deferred coming into force of all or part of the budget of the Société or from the successive use of provisional and final data in determining the apportionment.

200. Not later than 1 October each year, the Société de transport de Sherbrooke shall submit its budget for the following fiscal year for adoption by the municipalities. The budget must be accompanied by a notice of payment.

The budget must be adopted by at least three municipalities. It comes into force on 1 January or on the fifteenth day after the date of its adoption if that date is later.

201. A municipality or the Société may apply to the Minister to have the Minister designate a conciliator to assist the parties in reaching an agreement where a dispute arises concerning the budget of the Société.

The applicant must transmit a copy of the application to each municipality and, where applicable, to the secretary of the Société.

The Minister must then designate a conciliator who must make a conciliation report to the Minister within the time prescribed.

202. Where the budget does not come into force on 1 January, one-quarter of the budget for the previous fiscal year is deemed to be adopted at the beginning of each quarter of the fiscal year and remains in force until it is replaced by the budget for the current fiscal year.

203. During a fiscal year, the Société may present a supplementary budget.

A supplementary budget shall be submitted for adoption at a special meeting called for that purpose within 15 days after each municipality receives a copy thereof. The supplementary budget must be adopted by at least three of the municipalities.

204. A copy of the budget and, as the case may be, of the supplementary budget, shall be sent to the Minister and to the Minister of Municipal Affairs and Greater Montréal within 30 days after its adoption by the municipalities.

205. Not later than 1 April each year, each municipality must pay to the Société the amount owed by the municipality under the budget adopted.

Each municipality must also pay its aliquot share of the deficit of the Société within the time prescribed by the by-law adopted under section 199.

If a municipality fails to pay within the time prescribed, the Commission municipale du Québec may, on the application of the Société, file a motion to have the municipality declared in default in accordance with Division VI of the Act respecting the Commission municipale.

206. Every budget adopted by the municipalities of Ascot, Fleurimont, Lennoxville, Rock Forest and Sherbrooke on behalf of the Société métropolitaine de transport de Sherbrooke is deemed to be a budget adopted on behalf of the Société de transport de Sherbrooke.

TITLE III

AMENDING, TRANSITIONAL AND FINAL PROVISIONS

207. Section 3 of the Act respecting the Agence métropolitaine de transport (R.S.Q., chapter A-7.02) is replaced by the following section:

“3. The area of jurisdiction of the Agency is the territory of the Communauté métropolitaine de Montréal and of the Kahnawake Indian Reserve.

For the purposes of this Act, “municipality”, except in the expression “regional county municipality”, and “municipal territory” mean, respectively, a municipality situated within the area of jurisdiction of the Agency and the territory of such a municipality.”

208. Section 5 of the said Act, amended by section 82 of chapter 56 of the statutes of 2000, is again amended by replacing the second paragraph by the following paragraphs:

“The board of directors shall be composed of the following persons:

(1) one person designated by the council of the Communauté métropolitaine de Montréal from among its members representing Ville de Montréal;

(2) one person designated by the council of the Communauté métropolitaine de Montréal from among its members representing Ville de Longueuil or Ville de Laval;

(3) one person designated by the council of the Communauté métropolitaine de Montréal from among its members representing the other municipalities referred to in Schedule III or Schedule IV to the Act respecting the Communauté métropolitaine de Montréal (2000, chapter 34);

(4) four persons appointed by the Government.

The term of office of the persons referred to in subparagraphs 1 and 4 of the second paragraph is four years.

The term of office of the persons referred to in subparagraphs 2 and 3 is two years.

Notwithstanding the first paragraph, at the end of the two-year term, the council of the Communauté métropolitaine de Montréal shall designate a person representing another municipality. Furthermore, in the case referred to in subparagraph 3, that other municipality must not be listed in the same schedule.

The term of a person referred to in any of subparagraphs 1 to 3 of the second paragraph shall terminate when the person ceases to be a member of the council of the Communauté métropolitaine de Montréal.

Where the term of a person referred to in subparagraph 2 or 3 of the second paragraph terminates prematurely, the council of the Communauté métropolitaine de Montréal shall designate another person from the same city or listed in the same schedule, as the case may be, for the remainder of the term of the person to be replaced.”

209. Section 19 of the said Act is replaced by the following section :

“19. For the purposes of this Act, “public transit operating authority” means the Société de transport de Montréal, the Société de transport de Laval, the Société de transport de Longueuil and any other legal person established in the public interest, including a municipality, that is authorized by an Act or its constituting act to organize public transportation services in the area of jurisdiction of the Agency.”

210. Section 20 of the said Act is amended

(1) by replacing “urbaine” by “métropolitaine”;

(2) by replacing “listed in Schedule A” by “within the area of jurisdiction of the Agency”.

211. Section 21.1 of the said Act is amended by striking out “la Communauté urbaine de” in the second paragraph.

212. The heading of Division I of Chapter II of the said Act is replaced by the following heading :

“GUIDED LAND TRANSPORT SYSTEMS”.

213. Section 24 of the said Act is amended

(1) by replacing subparagraph 2 of the first paragraph by the following subparagraph :

“(2) enter into contracts with railway undertakings providing for the procurement of services relating to the operation of such an undertaking that is within the legislative authority of the Parliament of Canada or, with the authorization of the Minister, present to the federal authorities an application for a certificate of fitness for the construction or operation of a railway within the meaning of the Canada Transportation Act (Statutes of Canada, 1996, chapter 10) and, where applicable, authorize the directors it designates to constitute a legal person for the construction and operation of a railway, with the proviso that the Agency be the sole shareholder, that the executives of the legal person be the same as those of the Agency, and that the activities of the railway undertaking be limited to operating suburban trains or a sightseeing service;”;

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

“(7) with the authorization of the Minister and on the conditions the Minister determines, operate, in its area of jurisdiction and to outside points, a railway sightseeing service and railway shuttle service ;

“(8) enter into contracts with a public transit operating authority, or a carrier, providing for the procurement of public bus transportation services in the case of an interruption of train service.”

214. Section 26 of the said Act is amended by adding “vehicles,” after “trains,” in the first paragraph.

215. The said Act is amended by inserting the following section after section 26:

“26.1. The Agency is, in case of default, liable for the repayment of the amount of debt service of the Société de transport de Montréal with respect to the property of the suburban train system transferred under the first paragraph of section 152.

The treasurer of the Société de transport de Montréal shall include in the financial statements a note indicating the Agency’s obligation with respect to the liabilities related to such property.”

216. Section 27 of the said Act is amended by inserting the following sentence at the end of the first paragraph : “It may also enter into an agreement with any person to promote carpooling and the use of any other mode of shared transportation.”

217. Section 30 of the said Act is amended by striking out “and the Communauté urbaine de Montréal inasmuch as it is concerned,” in the third paragraph.

218. Section 35 of the said Act is amended

(1) by adding “issue them on any medium” after “authorities,” in subparagraph 4 of the first paragraph;

(2) by replacing subparagraph 6 of the first paragraph by the following subparagraph:

“(6) approve any type of integrated system, chosen by a public transit operating authority for transit ticket sales and fare collection, for the sole purpose of ensuring that the various types of fare collection equipment enable the metropolitan fare structure to be applied, are compatible with one another and enable data to be read and entered on a smart card;”;

(3) by adding the following subparagraphs at the end of the first paragraph:

“(11) establish metropolitan transit tickets for the public bus transportation services it organizes, and fix the fares;

“(12) acquire, possess and operate businesses in or on its immovables;

“(13) lease advertising space in or on its immovables and vehicles;

“(14) alienate, without any permission or special formality, any movable or immovable property the value of which does not exceed \$10,000.”

219. The said Act is amended by adding the following sections after section 35:

“35.1. The Agency may, by by-law approved by the Government, prescribe standards of safety and conduct to be observed by passengers in the rolling stock and immovables operated by the Agency. The by-law may determine, among its provisions, those the contravention of which is punishable under section 98.

In addition, the Agency may, notwithstanding the Civil Code of Québec, make a by-law on the disposal of things lost or found in the rolling stock and immovables operated by the Agency. The by-law shall be published in a newspaper distributed in the area of jurisdiction of the Agency and come into force fifteen days after its publication or on any later date fixed therein.

“35.2. The Agency shall publish each month in a newspaper distributed in the area of jurisdiction of the Agency a notice mentioning the property it alienated in the preceding month, the person to whom the property was alienated and the price of alienation.

“35.3. The Agency may not alienate property having a value of \$25,000 or more for which it has specifically been awarded a grant except with the authorization of the Minister.”

220. Section 40 of the said Act is amended by replacing “of subparagraph 4” by “of subparagraphs 4 and 11”.

221. Section 44 of the said Act is amended by replacing “fare collection equipment of a type” by “a system of public transportation ticket sales and revenue collection”.

222. Section 47 of the said Act is amended

(1) by striking out “la Communauté urbaine de”;

(2) by adding the following paragraphs after the first paragraph :

“The Agency may expropriate in its territory any property necessary for the extension of the subway system. The Agency shall transfer to the Société de transport de Montréal, on completion of the work or on the date fixed by the Government, all property necessary to the subway tunnel, lines, platforms, subway car garages, workshops and rectifier or ventilation stations. The Agency shall also transfer to the public transit authority concerned, according to the area of jurisdiction in which the property is situated, all other property acquired except property that has been declared to be metropolitan property.

Sections 154 and 155 of the Act respecting public transit authorities (2001, chapter 23) apply, with the necessary modifications, to subway extension work and to expropriations made by the Agency.”

223. Section 49 of the said Act is amended by striking out “la Communauté urbaine de”.

224. Section 50 of the said Act is amended

(1) by replacing “Société de transport de la Communauté urbaine de Montréal” and “Société de transport de la rive sud de Montréal”, respectively, by “Société de transport de Montréal” and “Société de transport de Longueuil” in the first paragraph ;

(2) by replacing “Société de transport de la Communauté urbaine de Montréal” in the second paragraph by “Société de transport de Montréal” ;

(3) by replacing “Communauté urbaine de Montréal” by “Ville de Montréal” and “Société de transport de la Communauté urbaine de Montréal” by “Société de transport de Montréal” in the third paragraph.

225. Section 70 of the said Act is amended by replacing the fourth paragraph by the following paragraph :

“Notwithstanding the first paragraph, the municipalities whose territory was not situated within the area of jurisdiction of the Agency on 30 December 2001 shall pay, for the year 2002, only one-third of the amount payable under

that paragraph for the year 2002 and two-thirds of that amount for the year 2003.”

226. Section 71 of the said Act is amended by striking out “la Communauté urbaine de” in subparagraph 1 of the second paragraph.

227. Section 73.1 of the said Act is repealed.

228. Section 78 of the said Act is amended by inserting “, including the capital expenditures relating to the subway extension,” after “program of capital expenditures”.

229. Section 84 of the said Act is amended by striking out “the Communauté urbaine de Montréal,”.

230. Section 87 of the said Act is amended by replacing “Société de transport de la Communauté urbaine de Montréal” by “Société de transport de Montréal”.

231. Section 98 of the said Act is amended by adding “or the first paragraph of section 35.1” after “of section 26”.

232. Section 99 of the said Act is amended by replacing “250” by “100”.

233. Section 154 of the said Act is repealed.

234. Section 168 of the said Act is amended by replacing “Société de transport de la Communauté urbaine de Montréal”, “Société de transport de la rive sud de Montréal” and “Société de transport de la Ville de Laval” by “Société de transport de Montréal”, “Société de transport de Longueuil” and “Société de transport de Laval”, respectively, in the first paragraph.

235. Schedule A to the said Act is repealed.

236. Sections 14 and 15 of the Act respecting intermunicipal boards of transport in the area of Montréal (R.S.Q., chapter C-60.1) are amended by replacing “30” by “15”.

237. The said Act is amended by inserting the following after section 18.4:

“DIVISION II.1

“AMALGAMATION OF INTERMUNICIPAL BOARDS

“18.5. The Minister may, at any time, order the amalgamation of boards and fix the time limit within which the member municipalities of those boards must enter into a new agreement under section 5. Current agreements continue to apply notwithstanding their expiry until a new board is established.

The order of the Minister may be made following a recommendation of a board.

“18.6. At the expiry of the time limit fixed by the Minister, the Government may order the establishment of a new board, designate the municipalities that will be part of the board and supply any deficiency with respect to the content of the agreement that was to be made by the municipalities.

It may also determine the obligations of a municipality that was a member of a board which has ceased to exist by reason of an amalgamation.

“18.7. The boards whose amalgamation has been ordered cease to exist on the date fixed in the order establishing the new board and are replaced by the new board.

“18.8. The new board succeeds to the rights and obligations of the boards which ceased to exist.

It becomes, without continuance of suit, a party to all proceedings in the place and stead of those boards.

“18.9. All acts of the boards which have ceased to exist continue to have effect and are deemed to be acts of the new board.

“18.10. The employees of and other persons employed by the boards which have ceased to exist become, without reduction in salary, such employees and other persons of the new council and retain their seniority and employment benefits.

They may not be laid off or dismissed solely by reason of the amalgamation.

“18.11. The employees of and other persons employed by a board which has ceased to exist continue, within the framework of the new board, to be members of the pension plans of which they were members before the amalgamation.

A new board is required to participate in those pension plans.

“18.12. Any new board comprising more than ten municipalities may, by by-law, establish an executive committee, determine its composition and delegate to it the powers it indicates.”

238. Schedule I to the said Act is replaced by the following schedule :

“SCHEDULE I

“MUNICIPALITIES WITHIN THE MEANING OF THIS ACT

Ville de Beauharnois
Ville de Bedford
Canton de Bedford
Ville de Beloeil
Ville de Berthierville
Ville de Blainville
Ville de Bois-des-Filion
Ville de Boisbriand
Municipalité de Brownsburg-Chatham
Paroisse de Calixa-Lavallée
Ville de Candiac
Ville de Carignan
Ville de Chambly
Ville de Charlemagne
Ville de Châteauguay
Municipalité de Chertsey
Ville de Contrecoeur
Municipalité de Crabtree
Ville de Delson
Ville de Deux-Montagnes
Municipalité d'Entrelacs
Ville de Farnham
Municipalité de Franklin
Municipalité de Grande-Île
Canton de Godmanchester
Municipalité d'Henryville
Village de Howick
Ville d'Hudson
Ville de Huntingdon
Ville de Joliette
Ville de L'Assomption
Paroisse de L'Épiphanie
Ville de L'Épiphanie
Ville de L'Île-Cadieux
Ville de L'Île-Perrot
Ville de La Plaine
Ville de La Prairie
Ville de Lachenaie
Ville de Lachute
Ville de Lafontaine
Municipalité de Lanoraie
Ville de Lavaltrie
Ville de Le Gardeur
Ville de Léry
Municipalité des Cèdres
Ville de Lorraine

Ville de Maple Grove
Ville de Marieville
Ville de Mascouche
Municipalité de McMasterville
Village de Melocheville
Ville de Mercier
Ville de Mirabel
Municipalité de Mont-Saint-Grégoire
Ville de Mont-Saint-Hilaire
Municipalité de Notre-Dame-de-L'Île-Perrot
Municipalité de Notre-Dame-de-la-Merci
Municipalité de Notre-Dame-des-Prairies
Municipalité d'Oka
Municipalité d'Ormstown
Ville d'Otterburn Park
Ville de Pincourt
Municipalité de Pointe-Calumet
Village de Pointe-des-Cascades
Municipalité de Rawdon
Ville de Repentigny
Ville de Richelieu
Municipalité de Rigaud
Ville de Rosemère
Paroisse de Saint-Alexis
Village de Saint-Alexis
Municipalité de Saint-Amable
Paroisse de Saint-Anicet
Ville de Saint-Antoine
Municipalité de Saint-Armand
Ville de Saint-Basile-le-Grand
Municipalité de Saint-Charles-Borromée
Municipalité de Saint-Chrysostome
Ville de Saint-Constant
Municipalité de Saint-Donat
Municipalité de Saint-Esprit
Municipalité de Saint-Étienne-de-Beauharnois
Ville de Saint-Eustache
Paroisse de Saint-Hyppolyte
Ville de Saint-Hyacinthe
Paroisse de Saint-Isidore
Municipalité de Saint-Jacques
Ville de Saint-Jean-sur-Richelieu
Ville de Saint-Jérôme
Ville de Saint-Joseph-de-Sorel
Municipalité de Saint-Joseph-du-Lac
Paroisse de Saint-Lazare
Paroisse de Saint-Louis-de-Gonzague
Municipalité de Saint-Mathias-sur-Richelieu
Municipalité de Saint-Mathieu
Municipalité de Saint-Mathieu-de-Beloeil

Municipalité de Saint-Paul
Municipalité de Saint-Philippe
Municipalité de Saint-Pierre-de-Véronne-à-Pike-River
Ville de Saint-Rémi
Paroisse de Saint-Roch-de-l'Achigan
Municipalité de Saint-Roch-Ouest
Paroisse de Saint-Sébastien
Paroisse de Saint-Stanislas-de-Kostka
Paroisse de Saint-Sulpice
Paroisse de Saint-Thomas-d'Aquin
Ville de Saint-Timothée
Municipalité de Saint-Urbain-Premier
Paroisse de Sainte-Angèle-de-Monnoir
Paroisse de Sainte-Anne-de-Sabrevois
Paroisse de Sainte-Anne-de-Sorel
Ville de Sainte-Anne-des-Plaines
Paroisse de Sainte-Barbe
Municipalité de Sainte-Brigide-d'Iberville
Ville de Sainte-Catherine
Paroisse de Sainte-Clotilde-de-Châteauguay
Paroisse de Sainte-Geneviève-de-Berthier
Ville de Sainte-Julie
Municipalité de Sainte-Julienne
Village de Sainte-Madeleine
Paroisse de Sainte-Marie-Madeleine
Paroisse de Sainte-Marie-Salomé
Ville de Sainte-Marthe-sur-le-Lac
Municipalité de Sainte-Martine
Ville de Sainte-Thérèse
Ville de Salaberry-de-Valleyfield
Ville de Sorel-Tracy
Municipalité de Stanbridge Station
Municipalité de Terrasse-Vaudreuil
Ville de Terrebonne
Paroisse de Très-Saint-Sacrement
Ville de Varennes
Ville de Vaudreuil-Dorion
Village de Vaudreuil-sur-le-Lac
Municipalité de Venise-en-Québec
Municipalité de Verchères».

239. Section 2 of the Fuel Tax Act (R.S.Q., chapter T-1) is amended by inserting the following paragraph at the end:

“For the purposes of the third paragraph, the Government may specify the municipalities to which the increase in the tax does not apply.”

240. Section 88.1 of the Transport Act (R.S.Q., chapter T-12) is amended by replacing the definition of “public transit authorities” by the following definition:

““public transit authorities” means the Agence métropolitaine de transport, the Société de transport de Montréal, the Société de transport de Québec, the Société de transport de l’Outaouais, the Société de transport de Longueuil, the Société de transport de Lévis, the Société de transport de Laval, the Société de transport des Forges, the Société de transport du Saguenay and the Société de transport de Sherbrooke.”

241. Section 88.6 of the said Act is replaced by the following section :

“88.6. The sums which the Minister must pay shall be apportioned in proportion to the contributions collected, since the preceding payment, in each metropolitan community and each region described in Schedule A.

Every public transit authority shall receive the whole part attributable to its region except the authorities whose territories are situated within the territory of the Communauté métropolitaine de Québec which shall share the part attributable to that territory.

The Government shall determine, by regulation, the criterion of apportionment of the part attributable to the Communauté métropolitaine de Québec between the Société de transport de Québec and the Société de transport de Lévis. Before submitting a draft regulation, the Minister shall consult the interested municipalities and transit authorities.

The conditions of payment established under section 88.5 may provide for the successive use of provisional and final data for the purposes of the apportionment based on the criterion prescribed by the regulation and provide for adjustments as a result of a difference between provisional data and final data.”

242. Schedule A to the said Act is replaced by the following schedule :

“SCHEDULE A

“METROPOLITAN COMMUNITIES, MUNICIPALITIES AND INDIAN RESERVES IN THE TERRITORY FOR WHICH A CONTRIBUTION OF MOTORISTS TO PUBLIC TRANSIT IS PAYABLE

1. Communauté métropolitaine de Montréal
2. Communauté métropolitaine de Québec
3. Hull-Gatineau region :

Municipalité de Cantley
Municipalité de Chelsea
Ville de Hull-Gatineau

4. Trois-Rivières region :

Ville de Cap-de-la-Madeleine
Municipalité de Pointe-du-Lac
Ville de Saint-Louis-de-France
Paroisse de Saint-Maurice
Ville de Sainte-Marthe-du-Cap
Ville de Trois-Rivières
Ville de Trois-Rivières-Ouest
Wolinak Indian Reserve

5. Chicoutimi region :

Ville de Chicoutimi
Ville de Jonquière
Ville de La Baie
Municipalité de Lac-Kénogami
Municipalité de Saint-Fulgence
Municipalité de Saint-Honoré
Municipalité de Shipshaw
Canton de Tremblay

6. Sherbrooke region :

Municipalité d'Ascot
Municipalité d'Ascot Corner
Ville de Bromptonville
Municipalité de Deauville
Ville de Fleurimont
Canton de Hatley
Ville de Lennoxville
Ville de Rock Forest
Paroisse de Saint-Denis-de-Brompton
Municipalité de Saint-Élie-d'Orford
Ville de Sherbrooke
Municipalité de Stoke”.

243. Section 158 of the Act respecting the Communauté métropolitaine de Montréal (2000, chapter 34), amended by section 49 of chapter 56 of the statutes of 2000, is again amended by adding the following paragraph after the second paragraph :

“The Community shall approve the strategic development plans of the public transit authorities in its territory. For that purpose, the Community may consult the Agence métropolitaine de transport, which shall transmit its opinion to the Community within the prescribed time.”

244. The following Acts are repealed :

- the Act respecting municipal and intermunicipal transit authorities (R.S.Q., chapter S-30.1);
- the Act respecting the Société de transport de la Ville de Laval (1984, chapter 42);
- the Act respecting the Société de transport de la rive sud de Montréal (1985, chapter 32).

245. The following transit authorities and intermunicipal transit authorities are dissolved :

- The Société de transport de la Communauté urbaine de Montréal ;
- The Société de transport de la Communauté urbaine de Québec ;
- The Société de transport de la Communauté urbaine de l'Outaouais ;
- The Société de transport de la Ville de Laval ;
- The Société de transport de la rive sud de Montréal ;
- The Société intermunicipale de transport de la rive sud de Québec ;
- The Société intermunicipale de transport des Forges ;
- The Société intermunicipale de transport du Saguenay ;
- The Société métropolitaine de transport de Sherbrooke.

246. Each public transit authority referred to in section 1 succeeds to the rights and obligations of the dissolved public transit authority or the dissolved intermunicipal transit authority whose area of jurisdiction it occupies in whole or in part.

The property and assets of the dissolved former public transit authority or former intermunicipal transit authority become, without further formality, the property and assets of the new transit authority replacing it.

247. In every matter pending to which a dissolved former public transit authority or former intermunicipal transit authority is a party or is impleaded, the new transit authority is substituted for the former transit authority without continuance of suit.

248. All acts performed for and by a dissolved former public transit authority or former intermunicipal transit authority are binding on the new transit authority as if the latter had performed them or as if the acts had applied to it.

249. The records and other documents of a dissolved former public transit authority or former intermunicipal transit authority become the records and other documents of the new transit authority.

250. The employees of and other persons employed by a dissolved former public transit authority or former intermunicipal transit authority become, without further formality, the employees of and other persons employed by the new transit authority and retain their seniority and employment benefits.

They may not be laid off or dismissed solely by reason of the succession nor may their salary be reduced.

251. The associations of employees certified in accordance with the provisions of the Labour Code (R.S.Q., chapter C-27) which represented groups of employees of a dissolved former public transit authority or former intermunicipal transit authority on the date of coming into force of this Act shall continue to represent those employees at the new transit authority until the expiry of the collective agreements in force at the time of the transfer.

Such associations of employees shall also represent the future employees of the new transit authority, according to the group to which they belong, until the expiry of the collective agreements referred to in the first paragraph.

The provisions of such collective agreements continue to apply to the employees of the new transit authority to the extent that they are applicable to them, until their date of expiry.

252. The employees of and other persons employed by a dissolved former public transit authority or former intermunicipal transit authority continue, within the framework of the new transit authority, to be members of the pension plans of which they were members.

A new transit authority is required to participate in those pension plans.

253. A new transit authority may, for a period of three years, use the name, acronym and graphic symbol of the dissolved former public transit authority or former intermunicipal transit authority it replaces, in addition to its new name and graphic symbol.

254. For the purposes of section 177 of Schedule I, section 157 of Schedule II, section 114 of Schedule III, section 115 of Schedule IV and section 128 of Schedule V to the Act to reform the municipal territorial organization of the metropolitan regions of Montréal, Québec and the Outaouais (2000, chapter 56), a transition committee has jurisdiction, with respect to transit authorities and an intermunicipal transit authority that pledge the credit of, as the case may be, an urban community or a municipality referred to in that Act, only to authorize or approve the budget of the transit authorities for the year 2002 and, as the case may be, their supplementary budget for the year 2001.

No contract made by a transit authority referred to in the first paragraph, including a contract of employment or a collective agreement entered into or amended as of 15 November 2000, may be invalidated solely on the ground that it was not authorized or approved by the transition committee having jurisdiction.

This section has effect from 1 January 2001.

255. Where a budget referred to in section 254 is authorized or approved by a transition committee, it is deemed to be, as the case may be, the budget of the Société de transport de Montréal, the Société de transport de Québec, the Société de transport de l'Outaouais, the Société de transport de Longueuil or the Société de transport de Lévis for the year 2002.

However, if a budget referred to in section 254 is not authorized or approved to come into force on 1 January 2002, the first quarter of the budget for the fiscal year 2001 of a dissolved transit authority is deemed to constitute the first quarter of the budget for the fiscal year of the new transit authority and to apply from 1 January 2002 until it is replaced, for the new transit authority, by the budget for the current fiscal year. The same applies at the beginning of each following quarter until the budget for the new transit authority is adopted, which may be retroactive to 1 January.

256. Every budget adopted during the year 2001 for the Société de transport de la Ville de Laval, the Société intermunicipale de transport des Forges, the Société intermunicipale de transport du Saguenay or the Société métropolitaine de transport de Sherbrooke is deemed to be, as the case may be, the budget of the Société de transport de Laval, the Société de transport des Forges, the Société de transport du Saguenay or the Société de transport de Sherbrooke for the year 2002.

257. Any fare or rate established during the year 2001 by a dissolved former public transit authority or former intermunicipal transit authority is deemed to have been established by the new transit authority replacing it.

258. The members of the board of directors of the Société de transport de la Ville de Laval, the Société intermunicipale de transport des Forges, the Société intermunicipale de transport du Saguenay and the Société métropolitaine de transport de Sherbrooke on 31 December 2001 temporarily form the board of directors of the Société de transport de Laval, the Société de transport des Forges, the Société de transport du Saguenay and the Société de transport de Sherbrooke, respectively, until they are confirmed or replaced.

The Government may determine rules enabling a dispute over the designation of a member of the board of directors or the appointment of the chair or vice-chair of the Société de transport des Forges, the Société de transport du Saguenay or the Société de transport de Sherbrooke to be settled.

259. Where a public transit authority succeeds to the rights and obligations of a municipality with respect to a public bus transportation contract, the obligation chargeable to the immovables situated in the territory corresponding to the former municipal territory may not be established to cover more than the costs of operating the service provided for in the contract, except where a service is added, for as long as the contract is effective.

260. Sections 86, 160, 167 and 175 apply, as the case may be and with the necessary modifications, to the Société de transport de la Communauté urbaine de Montréal, the Société de transport de la Ville de Laval and the Société de transport de la rive sud de Montréal.

261. The Government may, by order, exempt motorists residing in the territory of a municipality it indicates from payment to the Société de l'assurance automobile du Québec of the contribution to public transit established under section 88.2 of the Transport Act. The order may have effect retroactively but not to a date before 1 January 2000.

Motorists may apply for a reimbursement of all or part of the contribution they have paid if at the time of the application they establish proof of payment of the contribution, that they resided in a municipality referred to in the order at the time of the payment and that they are still residing in such a municipality.

262. The Minister of Transport is responsible for the administration of this Act, except sections 93 to 111, sections 116 to 125, 136 to 139 and subparagraphs 2 to 7 of the first paragraph of section 150, the administration of which comes under the responsibility of the Minister of Municipal Affairs and Greater Montréal.

263. This Act comes into force on 31 December 2001, except sections 86, 160, 167, 175, 237, 238, 254, 255, 260 and 261, which come into force on 29 June 2001, and the provisions of section 208, which come into force on the date or dates to be fixed by the Government.