



---

---

# NATIONAL ASSEMBLY

---

---

SECOND SESSION

THIRTY-NINTH LEGISLATURE

## **Bill 120**

(2011, chapter 38)

### **An Act respecting political party leadership campaigns**

---

---

**Introduced 20 October 2010**  
**Passed in principle 9 December 2010**  
**Passed 9 December 2011**  
**Assented to 9 December 2011**

---

**Québec Official Publisher  
2011**

## **EXPLANATORY NOTES**

*This Act introduces new rules to govern the financing of leadership campaigns of authorized parties under the Election Act or the Act respecting elections and referendums in municipalities.*

*The rules, modeled after those relating to the financing of political parties, apply to the solicitation and payment of contributions, to loans and sureties, to expenses incurred by candidates and the party, to claims by creditors and to returns required to be filed. Penal provisions are also introduced.*

*In another connection, this Act increases the amount of certain fines imposed under the Election Act.*

## **LEGISLATION AMENDED BY THIS ACT:**

- Act respecting elections and referendums in municipalities (R.S.Q., chapter E-2.2);
- Act respecting school elections (R.S.Q., chapter E-2.3);
- Election Act (R.S.Q., chapter E-3.3);
- Taxation Act (R.S.Q., chapter I-3).

## Bill 120

### AN ACT RESPECTING POLITICAL PARTY LEADERSHIP CAMPAIGNS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

#### ELECTION ACT

**1.** The heading of Title III of the Election Act (R.S.Q., chapter E-3.3) is replaced by the following heading:

“AUTHORIZATION AND FINANCING OF POLITICAL PARTIES, INDEPENDENT MEMBERS OF THE NATIONAL ASSEMBLY AND INDEPENDENT CANDIDATES, AND FINANCING OF POLITICAL PARTY LEADERSHIP CAMPAIGNS”.

**2.** Section 88 of the Act is amended by adding the following paragraphs at the end:

“(9) the payment to the official representative of the party by a leadership candidate of the cost of goods and services furnished in accordance with section 417 referred to in section 127.11;

“(10) remaining sums of money transferred in accordance with section 127.18.”

**3.** Section 91 of the Act is amended by inserting “Except for a contribution described in section 127.7,” at the beginning of the first paragraph.

**4.** Section 114 of the Act is amended by inserting the following paragraph after paragraph 3.1:

“(3.2) the total of the amounts paid to the official representative of the party for the goods and services furnished in accordance with section 417 referred to in section 127.11;”.

**5.** Section 115 of the Act is amended by adding the following paragraph after paragraph 5:

“(5.1) the total amount of the remaining sums of money referred to in section 127.18;”.

**6.** The Act is amended by inserting the following after section 127:

**“CHAPTER III****“FINANCING OF A POLITICAL PARTY LEADERSHIP CAMPAIGN****“DIVISION I****“REQUIRED INFORMATION AND REGISTER**

**“127.1.** When an authorized political party decides to call a leadership campaign, the leader or interim leader of the party, or the person designated in writing by the leader or interim leader, as applicable, shall file with the Chief Electoral Officer a declaration stating the name of the person designated to oversee the leadership vote, the date on which the party leadership campaign is to begin, the final date for entering the race, the date of the leadership vote and the maximum amount of authorized expenses per candidate.

**“127.2.** The leader or interim leader of the party, or the person designated in writing by the leader or interim leader, as applicable, shall communicate in writing to the Chief Electoral Officer the given name, surname and domiciliary address of every leadership candidate and the date on which the candidate entered the race.

The leader, the interim leader or the designated person shall also communicate in writing to the Chief Electoral Officer the given name, surname and domiciliary address of every financial representative of a leadership candidate and the name of the leadership candidate on whose behalf the financial representative is acting. A document containing the written consent of each financial representative must also be filed.

For the purposes of this chapter, a person who has stated his or her intention to run as a leadership candidate and the person’s financial representative are presumed to have been, respectively, a candidate and the candidate’s financial representative from the time the intention was stated, even if that time was before the date on which the leadership campaign began.

**“127.3.** The Chief Electoral Officer shall keep a register of the leadership candidates, their financial representatives, any substitutes for those representatives, the person designated to oversee the leadership vote and the maximum amount of authorized expenses per candidate.

The Chief Electoral Officer shall make this register available to the public on the Chief Electoral Officer’s website.

**“DIVISION II****“CONTRIBUTIONS, EXPENSES AND PAYMENT OF CLAIMS**

**“127.4.** Contributions may only be solicited under the responsibility of a leadership candidate’s financial representative, who shall choose persons and

authorize them in writing to solicit and collect contributions for the exclusive purposes of the candidate's campaign.

Any person authorized to solicit and collect contributions must, on request, produce a certificate of authorization signed by the candidate's financial representative.

**“127.5.** A leadership candidate's financial representative shall open an account in a Québec branch of a bank, trust company or financial services cooperative.

Only sums of money collected under this chapter for the candidate's leadership campaign and the loans contracted in accordance with the first paragraph of section 127.10 may be deposited into that account.

In no case may the financial representative or a deputy financial representative pay a leadership campaign expense of their candidate otherwise than out of that account.

**“127.6.** The official representative or a deputy official representative of the party shall, for the purposes of the party leadership campaign, use an account referred to in the third paragraph of section 99 that is held by the official representative in the name of the party.

Loans contracted under the third paragraph of section 127.10 are paid into that account.

In no case may the official representative or a deputy official representative of the party pay a leadership campaign expense otherwise than out of that account.

**“127.7.** Only an elector may make a contribution in support of one or more leadership candidates.

Contributions must be paid to the candidate's financial representative or to a person authorized by the financial representative in accordance with section 127.4.

The total amount of an elector's contributions may not exceed \$1,000 during a given leadership campaign.

**“127.8.** Section 88 except subparagraphs 5 and 8 of the second paragraph, sections 89 and 90, the second and third paragraphs of section 91, sections 95 and 95.1, the last paragraph of section 96 and sections 98 and 100 apply, with the necessary modifications, to the contributions referred to in this chapter.

A leadership candidate's financial representative who, during political activities or rallies held for the purposes of the candidate's leadership campaign, collected amounts totalling over 3% of the total contributions collected by the

representative for the purposes of that campaign shall, within 30 days after the last return the representative is required to submit under Division III of this chapter, remit to the Chief Electoral Officer an amount equivalent to the portion of the amounts that exceeds that percentage. The Chief Electoral Officer shall remit the amount to the Minister of Finance.

The Chief Electoral Officer shall issue a receipt to a contributor annually for any contributions paid in accordance with section 127.7. All cheques or orders of payment must be made to the order of the candidate.

**“127.9.** On the seventh day after the date on which the leadership campaign begins and every seven days after that until the leadership vote, and every 30 days after the leadership vote, a candidate’s financial representative must send the Chief Electoral Officer the contribution slips related to the contributions received by the financial representative.

Not later than five working days after receipt of the contribution slips referred to in the first paragraph, the Chief Electoral Officer shall post on the Chief Electoral Officer’s website the name of each contributing elector, the city and postal code of the elector’s domicile, the amount paid and the name of the candidate who received the contribution.

**“127.10.** A leadership candidate’s financial representative may contract a loan, in accordance with section 105, to fund the candidate’s leadership campaign expenses.

Any such loan must first be authorized in writing by the candidate concerned. The authorization must include the information listed in section 105.

The official representative of the party may contract a loan, in accordance with section 105, to fund the leadership campaign expenses of the party.

**“127.11.** For the purposes of this chapter, leadership campaign expenses are the expenses incurred for the purposes of the campaign by

(1) the financial representative or any deputy or substitute financial representative of a leadership candidate, on behalf of that candidate; or

(2) the official representative or any deputy or substitute official representative of the party, on behalf of the party.

Sections 401 to 404, 406 to 413, 415 to 417, 421, 423, 424, 430 and 431 apply, with the necessary modifications. For the purposes of those sections, a leadership candidate’s financial representative is the candidate’s official agent, the official representative of the party is the official agent of the party and the person designated to oversee the leadership vote is the returning officer.

**“127.12.** Any person to whom an amount is due for an expense incurred under this chapter by a leadership candidate’s financial representative must

present a claim to the financial representative within 60 days after the leadership vote.

If the financial representative has died or resigned, or is unable to act, and has not been replaced, the claim must be presented within the same time to the candidate.

Failure to present the claim within the time prescribed in the first paragraph entails prescription of the claim.

**“127.13.** Any person to whom an amount is due for an expense incurred under this chapter by the official representative of the party must present a claim to the official representative within 60 days after the leadership vote.

If the official representative has died or resigned, or is unable to act, and has not been replaced, the claim must be presented within the same time to the party leader or interim leader.

Failure to present a claim within the time prescribed in the first paragraph entails prescription of the claim.

**“127.14.** Subject to section 127.15, a leadership candidate’s financial representative must, within 12 months after the leadership vote, pay all claims received in accordance with the first paragraph of section 127.12, except any claim he or she contests, and all loans contracted.

**“127.15.** A leadership candidate’s financial representative who, because of a lack of funds in the account referred to in section 127.5, is unable to pay all claims received and loans contracted may continue to collect contributions during the 12-month period following the leadership vote for the sole purpose of paying the outstanding claims and loans.

If there remains an unpaid balance on a claim or loan at the expiry of that period, the Chief Electoral Officer may authorize the financial representative to continue collecting contributions during an additional period of 12 months for the purpose of paying that balance. That 12-month period may be renewed once, with the authorization of the Chief Electoral Officer.

Contributions collected under the first and second paragraphs are deemed to have been collected for the purposes of the leadership campaign of the candidate concerned.

Any unpaid balance on a claim or loan at the expiry of the 36-month period following the leadership vote is deemed to be a contribution for which the candidate alone is accountable. Sections 100 and 567 do not apply to such a contribution.

### “DIVISION III

#### “RETURNS

“**127.16.** Within 90 days after the leadership vote, the financial representative of each leadership candidate must, whether the candidate remained in the race, withdrew, was excluded or died, file a return of the candidate’s leadership campaign income and expenses with the official representative of the party in the form prescribed by the Chief Electoral Officer.

All relevant vouchers and, if applicable, the written authorizations referred to in the second paragraph of section 127.10, and the deeds of appointment of any deputy financial representatives appointed under section 406 and any amendment to those deeds, must be filed with the return. The vouchers must be kept by the official representative of the party for a period of five years, and be filed with the Chief Electoral Officer at the latter’s request.

“**127.17.** If a leadership candidate’s financial representative has not, as of the filing date of the return referred to in section 127.16, paid all claims received and loans contracted, the financial representative must, every three months after that date and until full payment of the claims and loans or until the expiry of the applicable time limit under sections 127.14 and 127.15, file a complementary return with the official representative of the party in the form prescribed by the Chief Electoral Officer.

All relevant vouchers and, if applicable, the written authorizations referred to in the second paragraph of section 127.10 must be filed with the complementary return. The vouchers must be kept by the official representative of the party for a period of five years, and be filed with the Chief Electoral Officer at the latter’s request.

On receipt of a complementary return, the official representative must forward it to the Chief Electoral Officer.

“**127.18.** A leadership candidate’s financial representative must send to the official representative of the party, along with the return required under section 127.16 or the last complementary return required under section 127.17, any sum of money remaining after the payment of all claims and loans.

The official representative of the party must deposit that sum in an account referred to in section 99 that is held by the official representative of the party in the party’s name.

“**127.19.** Within 120 days after the leadership vote, the official representative of the party must file a return of the leadership campaign expenses of the party with the Chief Electoral Officer in the form prescribed by the Chief Electoral Officer.

The official representative shall file with the return all the returns received from the financial representatives of leadership candidates under section 127.16.



All relevant vouchers relating to the return and, if applicable, the deeds of appointment of any deputy official representatives appointed under section 406 and any amendment to those deeds must be kept by the official representative of the party for a period of five years, and be filed with the Chief Electoral Officer at the latter's request.

**“127.20.** If an error is found in a return filed under this chapter, the financial representative or the official representative concerned may correct the error at any time within the period prescribed for filing the return.

After the date prescribed for filing the return, the financial representative or the official representative concerned must obtain leave from the Chief Electoral Officer to correct the error on establishing that it was made through inadvertence.

**“127.21.** If a leadership candidate or the party leader or interim leader shows to the Chief Electoral Officer that the absence, death, illness or misconduct of the candidate's financial representative or the official representative of the party or any other reasonable cause has prevented the preparation and filing of a return required under this chapter, the Chief Electoral Officer may grant an extension of not more than 30 days for the preparation and filing of the return.”

**7.** Section 487 of the Act is amended by replacing paragraph 3 by the following paragraph:

“(3) receive, examine and, if necessary, audit financial reports and returns of election expenses;”.

**8.** The Act is amended by inserting the following section after section 487:

**“487.1.** In respect of political party leadership campaigns, the Chief Electoral Officer shall, in particular,

- (1) verify that the party leadership candidates are complying with the law;
- (2) receive, examine and, if necessary, audit reports and returns from the candidates and the party; and
- (3) inquire into the legality of leadership campaign contributions and expenses.”

**9.** Section 551 of the Act is amended

- (1) by replacing “\$100 to \$1,000” by “\$500 to \$2,000”;
- (2) by replacing “\$200 to \$2,000” by “\$3,000 to \$30,000”.

**10.** Section 551.1 of the Act is amended by replacing “\$500 to \$2,000” by “\$5,000 to \$20,000 for a first offence, and of \$10,000 to \$30,000 for any subsequent offence within 10 years”.

**11.** Section 551.1.1 of the Act is amended by replacing “\$500 to \$2,000” by “\$1,000 to \$10,000 in the case of a natural person, and of \$3,000 to \$30,000 in the case of a legal person”.

**12.** Section 551.2 of the Act is amended

- (1) by replacing “\$1,000” by “\$5,000”;
- (2) by replacing “\$3,000” by “\$10,000”.

**13.** Section 551.3 of the Act is amended

- (1) by replacing “\$1,000” by “\$5,000”;
- (2) by replacing “\$3,000” by “\$10,000”.

**14.** Section 552 of the Act is amended

- (1) by replacing “\$100 to \$1,000” by “\$500 to \$10,000”;
- (2) by replacing “\$200 to \$2,000” by “\$3,000 to \$30,000”.

**15.** Section 553 of the Act is amended

- (1) by replacing “\$100 to \$1,000” by “\$500 to \$2,000”;
- (2) by replacing “\$200 to \$2,000” by “\$3,000 to \$30,000”.

**16.** Section 553.1 of the Act is amended by replacing “\$500 to \$2,000” by “\$5,000 to \$20,000 for a first offence, and of \$10,000 to \$30,000 for any subsequent offence within 10 years”.

**17.** Section 554 of the Act is amended

- (1) by replacing “\$100 to \$1,000” by “\$5,000 to \$20,000”;
- (2) by replacing “\$200 to \$2,000” by “\$10,000 to \$30,000”;
- (3) by replacing “five” by “10”.

**18.** Section 555 of the Act is amended

- (1) by replacing “\$100 to \$1,000” by “\$500 to \$2,000”;
- (2) by replacing “\$200 to \$2,000” by “\$3,000 to \$30,000”.

**19.** Section 556 of the Act is amended by replacing “The following persons are liable to a fine of \$100 to \$1,000 for a first offence and of \$200 to \$2,000 for every subsequent offence within five years, in the case of a natural person, or, in the case of a legal person, to a fine of \$300 to \$3,000 for a first offence and of \$600 to \$6,000 for every subsequent offence within five years:” by “The following persons are liable to a fine of \$1,000 to \$10,000 for a first offence and of \$10,000 to \$30,000 for any subsequent offence within 10 years in the case of a natural person, or to a fine of \$5,000 to \$30,000 for a first offence and of \$20,000 to \$60,000 for any subsequent offence within 10 years in the case of a legal person:”.

**20.** Section 556.1 of the Act is amended by replacing “\$200 to \$1,000” by “\$500 to \$2,000”.

**21.** Section 557 of the Act is amended

(1) by replacing “\$1,000 to \$10,000” by “\$5,000 to \$20,000 for a first offence, and of \$10,000 to \$30,000 for any subsequent offence within 10 years”;

(2) by replacing “\$3,000 to \$30,000” by “\$10,000 to \$50,000 for a first offence, and of \$50,000 to \$200,000 for any subsequent offence within 10 years”.

**22.** Section 558 of the Act is amended by replacing “\$1,000 to \$10,000” in the first paragraph by “\$5,000 to \$20,000 for a first offence, and of \$10,000 to \$30,000 for any subsequent offence within 10 years”.

**23.** Section 559 of the Act is amended by replacing “\$1,000 to \$10,000” in the first paragraph by “\$5,000 to \$20,000”.

**24.** Section 559.0.1 of the Act is amended by replacing “\$1,000 to \$10,000” by “\$5,000 to \$20,000”.

**25.** The Act is amended by inserting the following section after section 559.0.1:

**“559.0.2.** Every financial representative of a political party leadership candidate is liable to a fine of \$5,000 to \$20,000 who

(1) files a false return or declaration;

(2) produces a false or falsified invoice, receipt or other voucher; or

(3) pays a claim otherwise than as permitted by sections 127.14 and 127.15.”

**26.** Section 559.1 of the Act is amended by replacing “\$1,000 to \$10,000” by “\$5,000 to \$20,000”.

**27.** Section 560 of the Act is replaced by the following section:

**“560.** Every candidate, party leader or interim leader who allows an election expense or party leadership campaign expense to be incurred or paid otherwise than as permitted by this Act is liable to a fine of \$5,000 to \$20,000.”

**28.** Section 561 of the Act is amended

(1) by replacing “\$1,000 to \$10,000” by “\$5,000 to \$20,000”;

(2) by replacing “\$3,000 to \$30,000” by “\$10,000 to \$50,000”;

(3) by inserting “or the financial representative of a party leadership candidate, as applicable,” after “Chief Electoral Officer”.

**29.** Section 563 of the Act is amended by inserting “, to send contribution slips in accordance with section 127.9” after “IV”.

**30.** Section 564 of the Act is amended

(1) by inserting “127.1, 127.2 and 127.4, the second paragraph of section 127.7, the third paragraph of section 127.8, sections 127.10,” after “106,”;

(2) by replacing “and 457.11 to 457.17” by “and 457.11 to 457.17, and the first paragraph of section 127.8 and section 127.11 to the extent that they refer to any of those sections”.

**31.** Section 564.2 of the Act is amended

(1) by replacing “413 to 415, 429 and 429.1” in the first paragraph by “127.5, 127.6, the first and third paragraphs of section 127.7, sections 413 to 415, 429 and 429.1, and the first paragraph of section 127.8 and section 127.11 to the extent that they refer to any of those sections”;

(2) by inserting “, the first and third paragraphs of section 127.7, and section 127.8 to the extent that it refers to any of those sections” after “91” in the second paragraph.

**32.** Section 564.3 of the Act is amended by inserting “, the first and third paragraphs of section 127.7, and the first paragraph of section 127.8 to the extent that it refers to section 90,” after “91” in the first paragraph.

**33.** Section 565 of the Act is amended by replacing “liable to a fine of not more than” by “sentenced to a fine of”.

**34.** Section 567 of the Act is amended

(1) by replacing “560” in the first paragraph by “559.1, in section 560”;

(2) by replacing “and 91” in the first paragraph by “, 91, the first and third paragraphs of section 127.7 and the first paragraph of section 127.8 to the extent that it refers to section 90”.

#### ACT RESPECTING ELECTIONS AND REFERENDUMS IN MUNICIPALITIES

**35.** The heading of Chapter XIII of Title I of the Act respecting elections and referendums in municipalities (R.S.Q., chapter E-2.2) is replaced by the following heading:

“AUTHORIZATION AND FINANCING OF MUNICIPAL POLITICAL PARTIES AND INDEPENDENT CANDIDATES, FINANCING OF POLITICAL PARTY LEADERSHIP CAMPAIGNS AND CONTROL OF ELECTION EXPENSES”.

**36.** Section 368 of the Act is amended by replacing subparagraph 4 of the first paragraph by the following subparagraph:

“(4) receive, examine and, if necessary, audit the reports and returns filed with the Chief Electoral Officer;”.

**37.** Section 379 of the Act is replaced by the following section:

“**379.** If the office of leader of an authorized party becomes vacant, the party must, within 30 days, appoint an interim leader and notify the Chief Electoral Officer of the appointment.”

**38.** Section 428 of the Act is amended by replacing paragraph 7.1 by the following paragraphs:

“(8) ancillary revenue collected at a political activity or rally in accordance with the Chief Electoral Officer’s directives;

“(9) the payment to the official representative of the party by a leadership candidate of the cost of goods and services furnished in accordance with section 461 referred to in section 499.11;

“(10) remaining sums of money transferred in accordance with section 499.18.”

**39.** Section 431 of the Act is amended by inserting “Except for a contribution described in section 499.7,” at the beginning.

**40.** Section 480 of the Act is amended by inserting the following paragraph after paragraph 4.1:

“(4.2) the total amount of the sums paid to the official representative of the party for goods and services furnished in accordance with section 461 referred to in section 499.11;”.

**41.** Section 481 of the Act is amended by adding the following subparagraph after subparagraph 6 of the first paragraph:

“(7) the total amount of the remaining sums of money referred to in section 499.18.”

**42.** The Act is amended by inserting the following after section 499:

#### “DIVISION VI.1

#### “FINANCING OF A POLITICAL PARTY LEADERSHIP CAMPAIGN

“§1. — *Required information and register*

“**499.1.** When an authorized political party decides to call a leadership campaign, the leader or interim leader of the party, or the person designated in writing by the leader or interim leader, as applicable, shall file with the Chief Electoral Officer a declaration stating the name of the person designated to oversee the leadership vote, the date on which the party leadership campaign is to begin, the final date for entering the race, the date of the leadership vote and the maximum amount of authorized expenses per candidate.

“**499.2.** The leader or interim leader of the party, or the person designated in writing by the leader or interim leader, as applicable, shall communicate in writing to the Chief Electoral Officer the given name, surname and domiciliary address of every leadership candidate and the date on which the candidate entered the race.

The leader, the interim leader or the designated person shall also communicate in writing to the Chief Electoral Officer the given name, surname and domiciliary address of every financial representative of a leadership candidate and the name of the candidate on whose behalf the financial representative is acting. A document containing the written consent of each financial representative must also be filed.

For the purposes of this division, a person who has stated his or her intention to run as a leadership candidate and the person’s financial representative are presumed to have been, respectively, a candidate and the candidate’s financial representative from the time the intention was stated, even if that time was before the date on which the leadership campaign began.

“**499.3.** The Chief Electoral Officer shall keep a register of the leadership candidates, their financial representatives, any substitutes for those representatives, the person designated to oversee the leadership vote and the maximum amount of authorized expenses per candidate.

The Chief Electoral Officer shall make this register available to the public on the Chief Electoral Officer's website.

“§2. — *Contributions, expenses and payment of claims*

“**499.4.** Contributions may only be solicited under the responsibility of a leadership candidate's financial representative, who shall choose persons and authorize them in writing to solicit and collect contributions for the exclusive purposes of the candidate's campaign.

Any person authorized to solicit and collect contributions must, on request, produce a certificate of authorization signed by the candidate's financial representative.

“**499.5.** A leadership candidate's financial representative shall open an account in a Québec branch of a bank, trust company or financial services cooperative.

Only sums of money collected under this division for the candidate's leadership campaign and the loans contracted in accordance with the first paragraph of section 499.10 may be deposited into that account.

In no case may the financial representative or a deputy financial representative pay a leadership campaign expense of their candidate otherwise than out of that account.

“**499.6.** The official representative or a deputy official representative of the party shall, for the purposes of the party leadership campaign, use an account referred to in the third paragraph of section 439 that is held by the official representative in the name of the party.

Loans contracted under the third paragraph of section 499.10 are paid into that account.

In no case may the official representative or a deputy official representative of the party pay a leadership campaign expense otherwise than out of that account.

“**499.7.** Only an elector of the municipality may make a contribution in support of one or more leadership candidates.

Contributions must be paid to the candidate's financial representative or to a person authorized by the financial representative in accordance with section 499.4.

The total amount of an elector's contributions may not exceed \$1,000 during a given leadership campaign.

**“499.8.** Section 427, section 428 except paragraph 6 and sections 430, 434, 436, 438 and 440 apply, with the necessary modifications, to the contributions referred to in this division.

A leadership candidate’s financial representative who, during political activities or rallies held for the purposes of the candidate’s leadership campaign, collected amounts totalling over 3% of the total contributions collected by the representative for the purposes of that campaign shall, within 30 days after the last return the representative must file under subdivision 3 of this division, remit to the Chief Electoral Officer an amount equivalent to the portion of the amounts that exceeds that percentage. The Chief Electoral Officer shall transfer the amount to the treasurer, who shall pay it into the general fund of the municipality.

**“499.9.** On the seventh day after the date on which the leadership campaign begins and every seven days after that until the leadership vote, and every 30 days after the leadership vote, a leadership candidate’s financial representative must file with the Chief Electoral Officer the receipts relating to the contributions received by the financial representative.

**“499.10.** A leadership candidate’s financial representative may contract a loan, in accordance with section 447 and, with the necessary modifications, section 447.1, to fund the candidate’s leadership campaign expenses.

Any such loan must first be authorized in writing by the candidate concerned. The authorization must include the information listed in section 447.

The official representative of the party may contract a loan, in accordance with section 447 and, with the necessary modifications, section 447.1, to fund the leadership campaign expenses of the party.

**“499.11.** For the purposes of this division, leadership campaign expenses are the expenses incurred for the purposes of the campaign by

(1) the financial representative or any deputy or substitute financial representative of a leadership candidate, on behalf of that candidate; or

(2) the official representative, or any deputy or substitute official representative of the party, on behalf of the party.

Sections 381, 383, 385 to 387, 450 to 456, 459 to 461, 463, 464 and 466 apply, with the necessary modifications. For the purposes of those sections, a leadership candidate’s financial representative is the candidate’s official agent and the official representative of the party is the official agent of the party.

**“499.12.** Any person to whom an amount is due for an expense incurred under this division by a leadership candidate’s financial representative must present a claim to the financial representative within 60 days after the leadership vote.



If the financial representative has died or resigned, or is unable to act, and has not been replaced, the claim must be presented within the same time to the candidate.

Failure to present the claim within the time prescribed in the first paragraph entails prescription of the claim.

**“499.13.** Any person to whom an amount is due for an expense incurred under this division by the official representative of the party must present a claim to the official representative within 60 days after the leadership vote.

If the official representative has died or resigned, or is unable to act, and has not been replaced, the claim must be presented within the same time to the party leader or interim leader.

Failure to present the claim within the time prescribed in the first paragraph entails prescription of the claim.

**“499.14.** Subject to section 499.15, a leadership candidate’s financial representative must, within 12 months after the leadership vote, pay all claims received in accordance with the first paragraph of section 499.12, except any claim he or she contests, and all loans contracted.

**“499.15.** A leadership candidate’s financial representative who, because of a lack of funds in the account referred to in section 499.5, is unable to pay all claims received and loans contracted may continue to collect contributions during the 12-month period following the leadership vote for the sole purpose of paying the outstanding claims and loans.

If there remains an unpaid balance on a claim or loan at the expiry of that period, the Chief Electoral Officer may authorize the financial representative to continue collecting contributions during an additional period of 12 months for the purpose of paying that balance. That 12-month period may be renewed once, with the authorization of the Chief Electoral Officer.

Contributions collected under the first and second paragraphs are deemed to have been collected for the purposes of the leadership campaign of the candidate concerned.

Any unpaid balance on a claim or loan at the expiry of the 36-month period following the leadership vote is deemed to be a contribution for which the candidate alone is accountable. Sections 440 and 645 do not apply to such a contribution.

**“§3. — Returns**

**“499.16.** Within 90 days after the leadership vote, the financial representative of each leadership candidate must, whether the candidate remained in the race, withdrew, was excluded or died, file a return of the

candidate's leadership campaign income and expenses with the official representative of the party in the form prescribed by the Chief Electoral Officer.

All relevant vouchers and, if applicable, the written authorizations referred to in the second paragraph of section 499.10, and the deeds of appointment of any deputy financial representatives appointed under section 385 and any amendment to those deeds, must be filed with the return. The vouchers must be kept by the official representative of the party for a period of five years, and be filed with the Chief Electoral Officer at the latter's request.

**“499.17.** If a leadership candidate's financial representative has not, as of the filing date of the return referred to in section 499.16, paid all claims received and loans contracted, the financial representative must, every three months after that date and until full payment of the claims and loans or until the expiry of the applicable time limit under sections 499.14 and 499.15, file a complementary return with the official representative of the party in the form prescribed by the Chief Electoral Officer.

All relevant vouchers and, if applicable, the written authorizations referred to in the second paragraph of section 499.10 must be filed with the complementary return. The vouchers must be kept by the official representative of the party for a period of five years, and be filed with the Chief Electoral Officer at the latter's request.

On receipt of a complementary return, the official representative must forward it to the Chief Electoral Officer.

**“499.18.** A leadership candidate's financial representative must send to the official representative of the party, along with the return required under section 499.16 or the last complementary return required under section 499.17, any sum of money remaining after the payment of all claims and loans.

The official representative of the party must deposit that sum in an account referred to in section 439 that is held by the official representative of the party in the party's name.

**“499.19.** Within 120 days after the leadership vote, the official representative of the party must file a return of the leadership campaign expenses of the party with the Chief Electoral Officer in the form prescribed by the Chief Electoral Officer.

The official representative shall file with the return all the returns received from the financial representatives of leadership candidates under section 499.16.

All relevant vouchers relating to the return and, if applicable, the deeds of appointment of any deputy official representatives appointed under section 385 and any amendment to those deeds must be kept by the official representative of the party for a period of five years, and be filed with the Chief Electoral Officer at the latter's request.

**“499.20.** If an error is found in a return filed under this division, the financial representative or the official representative concerned may correct the error at any time within the period prescribed for filing the return.

After the date prescribed for filing the return, the financial representative or the official representative concerned must obtain leave from the Chief Electoral Officer to correct the error on establishing that it was made through inadvertence.

**“499.21.** If a leadership candidate or the party leader or interim leader shows to the Chief Electoral Officer that the absence, death, illness or misconduct of the candidate’s financial representative or the official representative of the party or any other reasonable cause has prevented the preparation and filing of a return required under this division, the Chief Electoral Officer may grant an extension of not more than 30 days for the preparation and filing of the return.”

**43.** The Act is amended by inserting the following section after section 595:

**“595.0.1.** Every financial representative or deputy financial representative of a party leadership candidate is guilty of an offence who

(1) files a return, statement, invoice, receipt or other voucher that is incomplete or contains a false indication or false information; or

(2) pays a claim otherwise than as permitted by sections 499.14 and 499.15.”

**44.** Section 595.1 of the Act is replaced by the following section:

**“595.1.** Every candidate, party leader or interim leader who allows an election expense or party leadership campaign expense to be incurred or paid for otherwise than as permitted by Divisions V and VI.1 of Chapter XIII of Title I is guilty of an offence.”

**45.** Section 599 of the Act is amended by inserting the following paragraphs after paragraph 2:

“(3) every party leadership candidate who allows contributions to be solicited or collected, expenses to be incurred or loans to be contracted for the purposes of the candidate’s leadership campaign without a written authorization from the candidate’s financial representative;

“(4) every person who solicits or collects contributions, incurs expenses or contracts a loan for a party leadership candidate without a written authorization from the candidate’s financial representative.”

**46.** Section 610 of the Act is amended

(1) by inserting “, and every financial representative of a party leadership candidate or person authorized by the financial representative to solicit or collect contributions,” after “collect contributions” in paragraph 1;

(2) by adding “or 499.7” at the end of subparagraph *d* of paragraph 1.

**47.** The Act is amended by inserting the following section after section 625:

**“625.1.** Every person is guilty of an offence who contravenes

(1) any of sections 499.1, 499.2 and 499.4, the second paragraph of section 499.7, section 499.10, either of sections 434 and 436 referred to in section 499.8 or any of sections 381, 387, 460, 461, 464 and 466 referred to in section 499.11; or

(2) any of sections 499.5, 499.6, 427 except the third paragraph, 428 except paragraph 6 and 440 referred to in section 499.8, or either of the first paragraph of section 455 and section 459 referred to in section 499.11.”

**48.** Section 626 of the Act is replaced by the following section:

**“626.** Every official representative, official agent or financial representative of a leadership candidate, including one who has ceased prematurely to exercise such functions, who fails to file a report or return required under section 420, 479, 484, 485, 487, 492, 496, 499.16, 499.17 or 499.19 or the documents required to be filed with such a report or return within the time prescribed in those sections, or who fails to file the receipts required under section 499.9 within the time prescribed in that section, is guilty of an offence.”

**49.** Section 628 of the Act is amended

(1) by inserting “, official representative of a party or financial representative of a party leadership candidate” after “official agent”;

(2) by inserting “or party leadership campaign expenses” after “election expenses”.

**50.** Section 636.3 of the Act is amended by inserting “or paragraph 2 of section 625.1” after “622”.

**51.** Section 640 of the Act is amended by replacing “in any of sections 594 to 598” by “in section 594, paragraph 1 of section 596 or section 598”.

**52.** The Act is amended by adding the following section after section 640:

**“640.0.1.** Every person who is guilty of an offence described in any of sections 595 to 595.1, paragraph 2 of section 596 or section 597 is liable to a fine of not less than \$5,000 nor more than \$20,000.”

**53.** Section 641 of the Act is amended by inserting “and paragraph 1 of section 625.1” after “625”.

**54.** Section 641.1 of the Act is amended by replacing “and 636.3” in the first paragraph by “, paragraph 2 of section 625.1 and section 636.3”.

**55.** Section 659 of the Act is amended by replacing “or independent candidate and not required to appear in the financial report of the party or candidate” in the second paragraph by “, an authorized independent candidate or a leadership candidate of an authorized party and not required to appear in a financial report, return of leadership campaign income and expenses or complementary return, as applicable.”.

#### ACT RESPECTING SCHOOL ELECTIONS

**56.** Section 206.3 of the Act respecting school elections (R.S.Q., chapter E-2.3) is amended by replacing subparagraph 4 of the first paragraph by the following subparagraph:

“(4) receive, examine and, if necessary, audit the reports and returns filed with the Chief Electoral Officer.”

**57.** Section 221.1 of the Act is amended by replacing “219.1 to” by “219.1 and”.

**58.** The Act is amended by adding the following section after section 221.1:

“**221.1.0.1.** Every person who commits an offence under section 219.2 is liable to a fine of not less than \$5,000 nor more than \$20,000.”

#### TAXATION ACT

**59.** Section 776 of the Taxation Act (R.S.Q., chapter I-3) is amended

(1) by inserting “or to the financial representative of a party leadership candidate” after “independent candidate” in subparagraph *a* of the first paragraph;

(2) by replacing “or independent candidate” in subparagraph *b* of the first paragraph by “, independent candidate or party leadership candidate”.

#### FINAL PROVISION

**60.** This Act comes into force on 9 December 2011.