



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-SIXTH LEGISLATURE

Bill 39
(1999, chapter 26)

An Act respecting the Société nationale du cheval de course

Introduced 13 May 1999
Passage in principle 28 May 1999
Passage 18 June 1999
Assented to 19 June 1999

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EXPLANATORY NOTES

The object of this bill is to establish a new administrative framework for the Société de promotion de l'industrie des courses de chevaux (SPICC) inc., whose name is to be replaced by "Société nationale du cheval de course".

The bill provides that the Société will be composed of members from the horseracing industry, namely racehorse owners, breeders, trainers and drivers.

The bill also proposes the establishment of a committee to be known as the "Comité des membres", which will elect the board of directors of the Société.

Lastly, the bill proposes transitional provisions.

LEGISLATION AMENDED BY THIS BILL :

– Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (R.S.Q., chapter M-14).

Bill 39

AN ACT RESPECTING THE SOCIÉTÉ NATIONALE DU CHEVAL DE COURSE

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

1. The name of the Société de promotion de l'industrie des courses de chevaux (SPICC) inc., incorporated by letters patent issued on 10 December 1993 under Part III of the Companies Act (R.S.Q., chapter C-38), is changed to the name "Société nationale du cheval de course". The Inspector General of Financial Institutions shall deposit a notice of change of the Société's name in the register of sole proprietorships, partnerships and legal persons.

The mission of the Société nationale du cheval de course is to foster the promotion and development of the horseracing industry in Québec.

2. Subject to such admission formalities as may be prescribed in the by-laws of the Société, the following persons are members of the Société and shall elect the members of the members' committee established under section 4 :

(1) every racehorse owner and every holder of shares representing at least one unit, provided they hold an owner's licence issued pursuant to the Act respecting racing (R.S.Q., chapter C-72.1) ;

(2) every racehorse breeder, provided the breeder is the holder of an owner's licence issued pursuant to the Act respecting racing and provided all mares or stallions owned by the breeder or in respect of which the breeder holds shares representing at least one unit are registered for breeding purposes with the Société or a body recognized by the Société ;

(3) every racehorse trainer, provided the trainer is the holder of a trainer's licence issued pursuant to the Act respecting racing ;

(4) every racehorse driver, provided the driver is the holder of a driver's licence issued pursuant to the Act respecting racing.

The Société may, by by-law, establish conditions additional to those set out in subparagraphs 1 to 4 that may vary according to whether the persons concerned are owners, breeders, trainers and drivers of Standardbred horses, Thoroughbred horses or Quarter Horses. Such a by-law comes into force upon approval by the Government.

3. No person may be a member of the Société in more than one capacity.

4. A members' committee to be known as the "Comité des membres" is hereby established to

(1) elect the directors of the Société subject to the conditions provided in section 10;

(2) advise the board of directors of the Société on any matter submitted by the board that is within its jurisdiction;

(3) advise the Minister on any matter submitted to it by the Minister with respect to the development of the horseracing industry in Québec.

5. The members' committee shall be composed of

(1) twenty-three members elected for a term of four years as follows:

(a) eight members elected by and from among the members of the Société who are Standardbred owners, at least four of whom shall be from the different regions defined in the schedule to the Regulation respecting betting houses made by Order in Council 1209-93 (G.O. 2, 5124);

(b) eight members elected by and from among the members of the Société who are Standardbred breeders, at least four of whom shall be from the different regions defined in the schedule to the regulation mentioned in subparagraph *a*;

(c) three members elected by and from among the members of the Société who are racehorse trainers, at least one of whom shall be from outside the region defined in paragraph 1 of the schedule to the regulation mentioned in subparagraph *a*;

(d) one member elected by and from among the members of the Société who are racehorse drivers;

(e) two members elected by and from among the members of the Société who are Thoroughbred owners or breeders;

(f) one member elected by and from among the members of the Société who are Quarter Horse owners or breeders;

(2) the president of the Société des propriétaires et éleveurs de chevaux Standardbred du Québec inc., the president of the Association québécoise des conducteurs amateurs Standardbred inc., the president of the Association Trot et Amble du Québec, the president of the Circuit régional des courses de chevaux du Québec (C.R.C.C.Q.), the president of the Association du Jockey Club des courses montées du Québec, the president of the Association québécoise Quarter Horse and one person designated by the equine medicine research group of the Faculty of Veterinary Medicine of the Université de Montréal;

(3) eight members, known as “associate members”, chosen by reason of their expertise, five of whom shall be initially appointed by the Minister and the remaining three by such five members. Of the three members so appointed, at least two must be chosen from among the members referred to in subparagraph 1. In addition, at least two of the eight associate members must be chosen from among Thoroughbred owners or breeders. The term of an associate member is five years.

If the number of Thoroughbred brood mares covered during a given year represents over ten percent of the total number of Standardbred and Thoroughbred brood mares covered during the same year, the Thoroughbred owners and breeders will be entitled to elect two additional members from among their number to the members’ committee, and the associate members will be required to appoint an additional member to be chosen from among the members of the Société who are Thoroughbred owners or breeders. For the purposes of this paragraph, only the brood mares registered with the Société in accordance with its by-laws are to be considered.

6. On the expiry of the term of an associate member, the other associate members shall fill the vacant position by replacing the member whose term has expired or, with the approval of the members of the members’ committee, by reappointing the member. Where the member is replaced, the rule set out in the second paragraph of section 9 shall apply.

7. Where the members’ committee is of the opinion that a body mentioned in subparagraph 2 of the first paragraph of section 5 is no longer representative of the group concerned, the members’ committee may replace the body by any other body that, in its opinion, is representative of that group.

8. For the purposes of elections under subparagraph 1 of the first paragraph of section 5, the votes may be cast by mail.

The polling procedure shall be determined in a by-law of the Société. Failing a by-law, the procedure provided for in sections 67 to 74 of the Professional Code (R.S.Q., chapter C-26), adapted as required, shall apply to the poll.

9. Any vacancy in an elective position on the members’ committee shall be filled, for the unexpired portion of the term, by the board of directors of the Société, subject to the conditions that were applicable to the election of the member being replaced.

Any vacancy in the position of associate member shall be filled by the other associate members in accordance with the following rule : the first position to become vacant shall be filled from among the persons who are serving or have served as elected members of the members’ committee ; the next position that becomes vacant may be filled from among persons other than the abovementioned persons, and so forth for subsequent vacancies.

For the purposes of this section, a by-law of the Société may provide for the cases and circumstances in which a position becomes vacant.

10. The board of directors of the Société shall be composed of nine directors elected for a term of four years as follows :

(1) five directors, one of whom must be a Thoroughbred or Quarter Horse owner or breeder, elected by the members referred to in subparagraphs 1 and 2 of the first paragraph of section 5 from among the members elected under subparagraph 1 of the first paragraph of that same section ;

(2) four directors elected by and from among the associate members.

Any person designated by the Minister shall also be a member of the board of directors of the Société, for the duration of the fiscal year in which the Société receives, in any form whatsoever, a subsidy from the Government or any government body.

In the event that the second paragraph of section 5 applies, at least one director referred to in subparagraph 2 must be a Thoroughbred owner or breeder.

The president of a body connected with the horse industry may not serve as a director under this section.

Any vacancy in the position of elected director of the board of directors shall be filled, for the unexpired portion of the term, by the board of directors, subject to the conditions that were applicable to the election of the member being replaced.

11. The Société shall, for any fiscal year in which it has received, in any form whatsoever, a subsidy from the Government or any government body, file with the Minister, within 30 days of the holding of its annual meeting, its financial statements, including a detailed statement of the use of the subsidy, prepared in accordance with generally accepted accounting principles and submitted with the auditor's report.

The Minister shall table the financial statements before the National Assembly within 30 days of receiving them or, if it is not sitting, within 30 days of resumption.

The competent parliamentary committee of the National Assembly shall examine the financial statements and, where required, shall hear the officers of the Société.

12. The Société may not, except with the authorization of, and in accordance with the terms and conditions determined by, the Government, alienate or encumber

(1) the immovable described in the deed of sale executed before André Auclair, notary, on 28 May 1998 under No. 26306 of his minutes and registered on 2 June 1998 at the registry office of the registration division of Montréal under No. 5013802, or

(2) any other immovable designated by the Minister and constructed, acquired or renovated by the Société with funds granted by the Government.

The provisions of the first paragraph apply to a subsidiary of the Société but do not apply to transactions between the Société and a subsidiary, or between subsidiaries.

13. In the event of dissolution, the property of the Société devolves to the State after payment of its debts. The Government may, however, transfer all or part of the property to a legal person whose objectives coincide with those of the Société.

14. The first members' committee must be established before the 180th day preceding the expiry of the term of the directors referred to in section 15, and the term of the elected members mentioned hereinafter will be established as follows :

(1) of the eight members of the committee elected from among Standardbred owners, the four who receive the greatest number of votes shall serve for four years, and the remaining four shall serve for two years ;

(2) of the eight members of the committee elected from among Standardbred breeders, the four who receive the greatest number of votes shall serve for four years, and the remaining four shall serve for two years ;

(3) of the three members of the committee elected from among racehorse trainers, the two who receive the greatest number of votes shall serve for four years, and the remaining member shall serve for two years ;

(4) of the two members of the committee elected from among Thoroughbred owners or breeders, the member who receives the greatest number of votes shall serve for four years, and the remaining member shall serve for two years.

The term of the associate members will be established as follows :

(1) of the five associate members to be appointed by the Minister, two will be designated by the Minister to serve for three years, one for five years and two for seven years ;

(2) of the three members to be appointed by the five associate members mentioned above, two shall be designated by them to serve for four years. The remaining member shall serve for six years.

15. For the first two years following the coming into force of this Act, the affairs of the Société shall be administered by a board of directors composed of

(1) the directors of the Société de promotion de l'industrie des courses de chevaux (SPICC) inc. in office on (*insert here the date of the day preceding the day on which this Act comes into force*);

(2) six other directors appointed by the Minister, three of whom must be chosen from among the persons recommended by the bodies referred to in subparagraph 2 of the first paragraph of section 5.

The president of a body connected with the horse industry may not serve as director under this section.

The directors shall remain in office, notwithstanding the expiry of their term, until the first election held under section 10. Any vacancy on the board shall be filled by the Minister for the unexpired portion of the term of the director to be replaced.

16. The term of office of the directors elected at the first election held under section 10 shall be established as follows :

(1) of the five directors elected under subparagraph 1 of the first paragraph of section 10, the three who receive the greatest number of votes shall serve for four years, and the remaining two shall serve for two years ;

(2) of the four directors elected under subparagraph 2 of the first paragraph of section 10, the two who receive the greatest number of votes shall serve for four years, and the remaining two shall serve for two years.

17. The letters patent of the Société de promotion de l'industrie des courses de chevaux (SPICC) inc. are amended

(1) by adding the following sentence at the end of the provisions respecting the objects of the corporation :

“— La corporation peut, en outre, conclure toute entente en vue de favoriser le développement du cheval de compétition.”;

“— The corporation may also enter into an agreement to further the development of competition horses.” [TRANSLATION];

(2) by striking out the following provision :

“Les administrateurs doivent joindre à toute demande présentée à l'Inspecteur général des institutions financières pour l'obtention de lettres patentes supplémentaires, en vue de modifier les dispositions ci-dessus, une résolution unanime de tous les membres de la corporation.”.

“The directors must include, with any application for the issue of supplementary letters patent made to the Inspector General of Financial Institutions for the purpose of amending the abovementioned provisions, a unanimous resolution of all the members of the corporation.”
[TRANSLATION]

18. The provisions of this Act prevail over any incompatible provision of the Companies Act applicable to the Société and over any incompatible provision of its letters patent and by-laws.

19. The Act respecting the Ministère de l’Agriculture, des Pêcheries et de l’Alimentation (R.S.Q., chapter M-14) is amended by replacing “Société de promotion de l’industrie des courses de chevaux (SPICC) inc.” in sections 21.6 and 21.7 by “Société nationale du cheval de course”.

20. The Government shall designate the minister responsible for the administration of this Act.

21. This Act comes into force on the date to be fixed by the Government.