



MEMBER UPDATE

June 6, 2024

BILL 200 – THE HOMEOWNER PROTECTION ACT, 2024

On May 27, 2024, Hon. Todd McCarthy, Minister of Public and Business Service Delivery (“PBSD”), introduced legislation Homeowner Protection Act, 2024 (the “Act”).

[May 28 – OHBA Member Update: Province Introduces Bill 200](#)

There were several components of the Bill (Schedules) that would impact the development and residential construction industry at large, including the following:

1. Strengthening homeowner protection from exploitive business practices, including the misuse of Notice of Security Interest (NOSIs) registrations for consumer goods.
2. Believing that homeowners purchasing a home is one of their most important decisions, the government believes that new homebuyers should have adequate time to review their purchase and sale agreement so they can make a confident and informed decision when buying a new home.
3. Allow municipalities additional time to complete investigations for non-designated properties included in municipal registers of properties with cultural heritage value or interest.

It was brought to our attention late yesterday afternoon that Bill 200 had received 3rd reading and today was granted Royal Assent. The motivation to do so was most likely driven by the government wanting to protect seniors and other vulnerable constituents to various bad actors; the desire of the opposition parties to be seen in a similar capacity, and the strong likelihood that the Legislature will prorogue over the summer and in such a circumstance, the Bill would die on the order paper.

To be clear, OHBA was given no prior knowledge of the government actions to pass this legislation without it going through the conventional standing committee procedure. With that background, we want to bring members up-to-date on what is now in effect with respect to this legislation and what matters will come into force upon proclamation.

WHAT IS NOT IN EFFECT (ROYAL ASSENT – JUNE 6, 2024):

1. Schedule 1 – New Home Construction Licensing Act

This Schedule of the Bill would allow for a ten (10) day cooling-off period to apply to new home construction freehold real estate transaction.

However, this Schedule of the Bill is not in force until the day to be named by Proclamation of the Lieutenant Governor. In discussions with officials in the minister’s office, we are advised that the ministry will commence a consultation with stakeholders shortly and will also incorporate a transition period before this provision comes into effect. It was intimated that the timeline could be upwards of one year.

WHAT IS NOW IN EFFECT (ROYAL ASSENT – JUNE 6, 2024):

1. Schedule 2 – Ontario Heritage Act

Among other matters, Section 27 (16) of the Act is amended to grant an additional two (2) year extension to municipalities’ complete assessments of properties in the register as of January 1, 2023. The Bill 23 provisions allowed for a period ending December 31, 2025. Therefore, the end date is now December 31, 2027. Please refer to Schedule 2 of the Bill.

2. Schedule 4 –Personal Property Security Act amendments

This schedule amends the Act to have certain consumer goods not apply under the Act. The Bill also deems the expiry of NOSIs registered in respect of consumer goods that is in effect immediately before the day the Act receives Royal ascent and is deemed to have expired on that day. For greater certainty, the notice may not be extended, and the land described in the notice is not affected by any claim under the notice.

Furthermore, to protect individuals impacted by such NOSIs, the bill allows for the notice or the extension notice registered to be deleted from the title effective the day before the Act received Royal Assent.

INQUIRIES:

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