



**ELECTIONS BC**  
Province of British Columbia

869 (02/09)

# GUIDE TO THE INITIATIVE PROCESS

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## **Definitions**

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<b>Advertising:</b>	Advertising is any public promotional material including, but not limited to leaflets, lawn signs, billboards, brochures, buttons, badges, Web sites, newspapers, radio, television, newsletters and public address systems.
<b>Authorized Participant:</b>	<p>The authorized participants for an initiative petition are the proponent of the petition and registered opponents.</p> <p>The authorized participants for an initiative vote are the registered proponents of the initiative vote, which may include the proponent of the petition, other proponents and registered opponents.</p>
<b>Canvasser:</b>	A volunteer who helps a proponent gather signatures on a petition. Canvassers must be registered with Elections BC.
<b>Chief Electoral Officer:</b>	An Officer of the Legislature. The Chief Electoral Officer is responsible for the administration of the <i>Recall and Initiative Act</i> .
<b>Conduct:</b>	Conducting advertising means to publish or sponsor initiative advertising. Publish means the dissemination of initiative advertising through various media: print, electronic (radio, television, and Web sites) and public address systems.
<b>Initiative Advertising:</b>	Advertising used during an initiative petition period to promote or oppose, directly or indirectly, the initiative petition or draft Bill, or during an initiative vote period to promote or oppose, directly or indirectly, an initiative.
<b>Initiative Petition:</b>	A petition to have a proposed law introduced into the Legislative Assembly.

<b>Initiative Petition/ Initiative Vote Contribution:</b>	An initiative petition or initiative vote contribution is an amount of money or the value of any property or services provided, without compensation by way of donation, advance, deposit, discount or otherwise to an authorized participant at any time in relation to an initiative petition or initiative vote.
<b>Initiative Petition/ Initiative Vote Expense:</b>	An initiative petition or initiative vote expense is the value of property or services used during an initiative petition period or initiative vote period to promote or oppose, directly or indirectly, an initiative petition, draft Bill, or an initiative in relation to an initiative vote.
<b>Initiative Petition/ Initiative Vote Opponents:</b>	Opponents of an initiative petition or initiative vote are individuals and organizations for whom a financial agent has been designated by the Chief Electoral Officer.
<b>Initiative Petition Period:</b>	The period commencing on the day on which an initiative petition application is approved in principle by the Chief Electoral Officer and ending either 90 days from the date on which the petition was issued by the Chief Electoral Officer, or on the day on which the petition is submitted to the Chief Electoral Officer, if earlier.
<b>Initiative Petition Proponent:</b>	A registered voter who applied for the issuance of an initiative petition.
<b>Initiative Vote:</b>	If the Select Standing Committee refers an initiative petition and draft Bill to the Chief Electoral Officer, the Chief Electoral Officer must hold an initiative vote under the <i>Recall and Initiative Act</i> .

- Initiative Vote Period:** An initiative vote period is the period commencing 60 days before General Voting Day for an initiative vote and ending at the close of general voting for the initiative vote.
- Initiative Vote Proponent:** The proponent(s) of an initiative vote may be the proponent of the initiative petition, or individuals or organizations for whom a financial agent has been designated by the Chief Electoral Officer.
- Select Standing Committee:** At the commencement of the first session of each Parliament, the committee of selection appointed under the Standing Orders of the Legislative Assembly must appoint a Select Standing Committee on Legislative Initiatives for the purposes of the *Recall and Initiative Act*.
- The Select Standing Committee remains in existence until the dissolution of the Parliament for which the members of the committee are appointed.
- Sponsor:** A sponsor is an individual or organization, other than the proponent or opponent who pays for initiative advertising. A sponsor of initiative advertising must be registered with the Chief Electoral Officer.



## **Introduction**

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Elections BC has prepared this guide to help you understand the initiative process. This guide, however, is not meant to substitute for the provisions of the *Recall and Initiative Act*. To ensure compliance with the law, participants in the initiative process should refer to the *Recall and Initiative Act* and Regulations.

## **An Overview of the Initiative Process**

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Initiative is a process that allows registered voters to propose new laws or change existing laws. A suggested law must be within the jurisdiction of the Legislature of British Columbia and not a matter of federal responsibility.

Any registered voter can apply to have a petition issued to gather support for a legislative proposal. A legislative proposal (draft Bill) can be on any matter within the jurisdiction of the Provincial Legislature. A registered voter who wants to start an initiative petition must obtain an application form from the Chief Electoral Officer. The completed application form must be submitted to the Chief Electoral Officer with a processing fee of \$50 and a copy of the proposed law in the form of a draft Bill.

If the application is approved, a petition is issued to the applicant (called a “proponent”) 60 days later. The proponent then has 90 days to collect signatures of 10% of the registered voters in each electoral district. The proponent may be helped by volunteers when canvassing for signatures.

When all the signed signature sheets are submitted, the Chief Electoral Officer has 42 days to verify that enough valid signatures have been collected. If the verification process shows that sufficient signatures have been collected and the financing requirements have been met by the proponent, the Chief Electoral Officer sends a copy of the petition and draft Bill to a Select Standing Committee of the Legislature.

The Select Standing Committee on Legislative Initiatives must meet within 30 days of receipt of the initiative petition and draft Bill. The Select Standing Committee has 90 days to consider the legislative proposal. The Committee must either table a report recommending introduction of the draft Bill or refer the initiative petition and draft Bill to the Chief Electoral Officer for an initiative vote.

If an initiative vote is required, initiative votes must be held every three years, on the last Saturday of September, starting in 1996. If more than 50% of the total number of registered voters in the Province vote in favour of the initiative, and more than 50% of the total number of registered voters in each of at least 2/3 of the electoral districts in the Province vote in favour of the initiative, the Chief Electoral Officer must declare an initiative vote to be successful and the Government must introduce the Bill at the earliest practicable opportunity.

After a Bill is introduced into the Legislature, the requirements of the *Recall and Initiative Act* have been satisfied, and any subsequent reading, amendment, or passage of the Bill will proceed as with any other Bill, with no guarantee of passage.

## **The Initiative Petition**

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### **The application process**

- S. 3 Any registered voter can apply to have a petition issued to gather support for a legislative proposal. Organizations cannot apply to have a petition issued; only an individual who is a registered voter in British Columbia is eligible to apply. A legislative proposal (or draft Bill) can be on any matter within the jurisdiction of the Provincial Legislature. However, the draft Bill must not be the same as, or substantially similar to, the topic of an initiative petition currently in process or under review.

A registered voter who wants to start an initiative petition must obtain an application package from the Chief Electoral Officer. When an application is submitted, it is checked to ensure it is complete. If it is incomplete in any way, the applicant is notified immediately so any errors or omissions can be corrected.

A complete application consists of the fully completed and signed application form, a copy of the draft Bill, and a non-refundable \$50 processing fee.

The processing fee may be paid by cash, money order, traveller's cheque, or a certified cheque payable to the Minister of Finance. Uncertified cheques will not be accepted.

The application form requires the applicant's name, residential and mailing addresses, telephone number and a solemn declaration. The solemn declaration must be witnessed by a Commissioner for taking affidavits for British Columbia. Government Agents may witness the declaration at no charge.

A draft Bill must be written in a clear and unambiguous manner and the subject matter must fall within Provincial jurisdiction. If a draft Bill appears to be unacceptable due to problems in drafting or constitutionality, the petitioner is notified and given an opportunity to correct the problems with the draft Bill before it is forwarded to the Chief Electoral Officer for formal review.

### **Opponents of an initiative petition**

S. 31 An individual or organization who wishes to oppose an initiative petition and wishes to incur expenses in their opposition campaign must apply to register as either an opponent or as an initiative advertising sponsor.

Potential opponents must apply to the Chief Electoral Officer within 30 days after the day on which notice of approval in principle for the petition is published in the *British Columbia Gazette*.

The Chief Electoral Officer appoints the financial agent for opponents and opponent groups. An opponent or opponent group must not act in that capacity until given notice by the Chief Electoral Officer that they are registered and that an individual has been appointed as financial agent.

### **Issue of initiative petition**

S. 4 If the application and draft Bill meet the requirements of the *Recall and Initiative Act*, the Chief Electoral Officer notifies the proponent that approval in principle will be granted and that a petition will be issued. Approval in principle of an application is officially granted at the time a notice of petition is published in the *British Columbia Gazette*. Notice is also published in at least one daily newspaper circulating in the Province.

The Chief Electoral Officer must issue the petition to the proponent 60 days after notice is published in the *British Columbia Gazette*.

### **The initiative petition period**

S. 4 The “initiative petition period” begins on the day a petition application is approved in principle, and ends either 90 days after the petition is issued, or when the proponent submits the signed signature sheets to the Chief Electoral Officer for verification, if earlier.

### **Who may sign an initiative petition**

S. 5, 7 The *Recall and Initiative Act* requires that an initiative petition be signed by 10% of the registered voters in each electoral district in the Province. The proponent is provided with the total number of registered voters in each electoral district as of the date on which the petition is issued. It is this number that is used to determine the 10% threshold.

An initiative petition can only be signed by a registered voter who was registered to vote on the date the petition was issued. A person may only sign the petition signature sheet for the electoral district in which they are a registered voter at the time of signing. A signature on a petition must be accompanied by the residential address at which the individual who signed is registered as a voter and must be witnessed by the individual who canvassed the signature (a registered canvasser). Signatures that do not include the residential address of the voter who signed the petition will not be counted. Mailing addresses are not acceptable.

The Provincial Voters List is not available to the proponent or opponents of an initiative petition. It is recommended that considerably more signatures be gathered to compensate for any invalid signatures that may be inadvertently collected.

#### **Who may canvass for signatures**

S. 6 A proponent may be helped by volunteers to gather signatures. The volunteers are called “canvassers”. Canvassers may not accept, directly or indirectly, any pay or other inducement for canvassing for signatures.

Canvassers must be registered voters, and must have been a resident in British Columbia for at least 6 months before the date on which they intend to begin canvassing. Canvassers must register with the Chief Electoral Officer prior to canvassing for signatures. Registered canvassers may canvass for signatures in any electoral district.

Canvasser application forms are available from the Chief Electoral Office. Registered voters may apply to be canvassers any time after an application for an initiative petition has been submitted to the Chief Electoral Officer. Applications for registration as a canvasser must include the applicant’s name, residential address and telephone number and be signed by the applicant and proponent. Each application is reviewed by the Chief Electoral Office. This review includes verification that the applicants are registered voters.

Signatures gathered by unregistered canvassers are not accepted during the petition verification process.

**Responsibilities of the canvasser**

S. 5, 159 All canvassers must be registered with Elections BC prior to canvassing for signatures.

Canvassers must ensure that the following rules are observed:

- Canvassers must witness every signature they collect. It is the responsibility of the canvasser to ensure that a person only signs a petition once.
- Canvassers must carry the identification issued by the Chief Electoral Officer and produce it upon request.
- It is an offence to knowingly make any false or misleading statements about the petition or the subject of the petition.
- Information obtained in canvassing for signatures must not be used for any other purpose.
- Canvassers must not remove, cross out or interfere with any signature on a petition.
- Canvassers must not accept initiative contributions of money, goods or services unless appointed as an assistant financial agent by the financial agent to the proponent.
- Canvassers must ensure an individual only signs the petition sheet for the electoral district in which the voter is registered.
- Canvassers must ensure the signature sheets are signed in ink on the pre-printed side of the signature sheets. No lines or marks (other than relevant signatures and necessary handwriting for record keeping purposes) should be made on signature sheets.
- Canvassers must ensure a cover sheet is attached to the signature sheet(s) while being circulated for signatures.

- The canvassers must canvass only during the petition period. Canvassing for signatures is not permitted following the close of a petition period, regardless of whether or not the full 90 days has elapsed.
- Canvassers must not accept inducement for canvassing for signatures on a petition.

### **Requirements for the initiative petition**

When a petition is issued, the Chief Electoral Officer provides to the proponent a cover sheet and a separate signature sheet for each electoral district. The cover sheet and signature sheets provided must not be altered in any way. Only signatures gathered on copies of the “official” signature sheet will be considered for petition verification purposes. Signatures gathered on other forms or sheets will not be accepted.

It is the responsibility of the proponent to ensure that signature sheets and cover sheets are duplicated in sufficient quantities for signature gathering.

Petition signature sheets must be printed on white 20 lb. bond paper. This is the paper normally used in most photocopiers. Signature sheets must be printed on only one side, and must not be photocopied from a faxed “original”. This is to ensure that the imaging system used in signature verification can accurately read each signature line.

Petition cover sheets contain the summary of the draft Bill, and information regarding the proponent and financial agent of the initiative. Cover sheets may be photocopied on any colour or weight of paper. A cover sheet must be attached to the signature sheet(s) while the signature sheets are in circulation.

### **Submitting petitions**

S. 7 The proponent must submit, at one time, all of the petition pages containing signatures to the Chief Electoral Officer. The petition period ends when the proponent submits the petition to the Chief Electoral Officer, regardless of whether the full 90 days has elapsed. No late submissions or partial submissions will be accepted. It is therefore recommended that proponents be fully satisfied that they have gathered adequate signatures in all electoral districts, including a surplus to compensate for any invalid signatures, prior to submitting a petition for verification.

Original signed signature sheets must be submitted to the Chief Electoral Officer; photocopies and faxes of signed signature sheets are not acceptable. Signature sheets must be bundled by electoral district. Each bundle must have a completed “header” sheet showing how many pages are being submitted for the electoral district, and the total number of signatures they contain. A single summary sheet containing this information for all electoral districts must also be submitted at that time. The information contained on the summary sheet is verified by the Chief Electoral Office before any signature verification is conducted. The verified summary sheet serves as a receipt for the signed signature sheets. If it is apparent that there are insufficient signatures for any electoral district, the initiative petition will be rejected.

### **Verification by the Chief Electoral Officer**

S. 7, 8 Petition signatures are verified to ensure that the people who signed a petition were entitled to do so, and that the signatures on a petition match the signatures on file for those voters. Signatures that do not include the residential address of the voter who signed the petition will not be considered. The registration status of canvassers is also verified to ensure that signatures were gathered appropriately.

For verification, the Chief Electoral Officer will use a statistically valid random sample method for the selection of names and signatures to be verified. Verification is conducted one electoral district at a time. Names and residential addresses of signatories are matched to the Provincial Voters List. If no match can be



found, the signature is not considered valid. If a matching voter record is found, the signature on the petition must match the signature on file for the voter in order to be considered valid.

If it is evident from the random sample that the signatures gathered for an electoral district have a statistically high probability of exceeding the minimum requirement established by the *Recall and Initiative Act*, that portion of the petition is accepted. If the results of the random sample suggest that the number of valid signatures fall within a range of uncertainty, a further verification of signatures is conducted to eliminate any margin of error. If it is clear from the random sample that an electoral district has no likelihood of meeting the required number of valid signatures, the initiative petition fails.

Proponents and registered opponents of an initiative petition are permitted to observe the verification process, and are notified by the Chief Electoral Officer of the times and location where verification will be conducted.

## **Select Standing Committee**

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### **Referral of initiative to the Select Standing Committee**

S. 10, 11 If the verification process shows that sufficient valid signatures have been collected in every electoral district, and the financing requirements have been met by the proponent, the Chief Electoral Officer sends a copy of the initiative petition and the draft Bill to the Select Standing Committee on Legislative Initiatives. The Select Standing Committee must meet within 30 days of receipt of the initiative petition and draft Bill. From their first meeting, the Committee has 90 days to consider the legislative proposal. Within the 90 days, the Committee must either table a report recommending introduction of the draft Bill, or refer the initiative petition and draft Bill to the Chief Electoral Officer for an initiative vote.

If the Committee recommends introduction of the draft Bill, the Government must introduce the Bill at the earliest practicable opportunity. After the Bill is introduced to the Legislature, the requirements of the *Recall and Initiative Act* have been satisfied, and any subsequent reading, amendment and passage of the Bill will proceed as with any other Bill, with no guarantee of passage.

If the Committee refers the initiative petition and draft Bill to the Chief Electoral Officer, an initiative vote must be held. If an initiative vote is declared successful by the Chief Electoral Officer, the Government must introduce the Bill at the earliest practicable opportunity. In the event of a successful initiative vote, once the Bill is introduced to the Legislature, the requirements of the *Recall and Initiative Act* have been satisfied, and any subsequent reading, amendment and passage of the Bill will proceed as with any other Bill, with no guarantee of passage.

### **Initiative Vote**

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- S. 14, 15 Initiative votes are conducted on a fixed schedule commencing on September 28, 1996, and on the last Saturday of September in every third year after that date. Initiative votes are conducted according to regulations established by the Lieutenant Governor in Council. Several initiatives may be voted on at one time.

A notice must be published in the *British Columbia Gazette* by the Chief Electoral Officer at least 90 days before General Voting Day for an initiative vote. Notice is also published in at least one newspaper circulating in British Columbia.

For an initiative vote to be successful, more than 50% of the total number of registered voters in the Province must vote in favour of the initiative, and more than 50% of the total number of registered voters for each of at least 2/3 of the electoral districts in the Province must vote in favour of the initiative.

**Proponents of an initiative vote**

S. 60, 62 An individual or organization who wishes to be a proponent for an initiative vote must apply to the Chief Electoral Officer within 30 days after the day on which notice of the vote is published in the *British Columbia Gazette*. The Chief Electoral Officer must designate financial agents for proponents and establish proponent groups as soon as possible after the end of the application period.

**Opponents of an initiative vote**

S. 63 An individual or organization who wishes to be an opponent of an initiative vote must apply to the Chief Electoral Officer within 30 days after the day on which notice of the vote is published in the *British Columbia Gazette*. The Chief Electoral Officer must designate financial agents for opponents and establish opponent groups as soon as possible after the end of the application period.

**Initiative Petition/Initiative Vote Financing**

The *Recall and Initiative Act* contains many provisions governing the financing of initiative proponent and opponent campaigns. These provisions include the appointment of financial agents, obligations of financial agents, definitions of initiative petition and initiative vote contributions and expenses, expense limits, recording requirements, and more. It is essential that authorized participants observe these rules carefully. Failure to comply with the financing provisions of the *Recall and Initiative Act* may result in failure of the initiative petition or initiative vote, or may result in significant penalties.

## Financial Agents

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S. 29, 30, Initiative proponents, opponents, and opponent groups must have financial agents.

32, 59,

61, 62,

63

The following individuals are disqualified from acting as a financial agent:

- an individual who does not have the full capacity to enter into contracts (e.g., a minor child);
- an individual who has an unpaid penalty for incurring initiative petition expenses or initiative vote expenses over the allowable limits;
- an individual who has an unpaid penalty for failure to file an initiative petition financing report, or an initiative vote financing report, or who has not yet filed an overdue report;
- an individual who, at any time within the previous 7 years, has been convicted of an offence under the *Recall and Initiative Act* or the *Election Act* and
- an election official, a voter registration official or a member of the staff of the Chief Electoral Office.

The proponent of the petition may act as their own financial agent for the initiative petition and/or initiative vote. However, other proponents and proponent groups of an initiative vote may have their financial agents designated for them by the Chief Electoral Officer.

Within 60 days of publication in the *British Columbia Gazette* of approval in principle for an initiative petition, the proponent must provide the Chief Electoral Officer with a completed appointment form for the financial agent, or confirm that the proponent will be acting on their own behalf in that capacity. An initiative petition proponent who wishes to be an initiative vote proponent for the same initiative must appoint a financial agent within 30 days after the notice of the initiative vote is published in the Gazette.

The Chief Electoral Officer designates the financial agents for opponents and opponent groups. An opponent or opponent group must not act in that capacity until given notice by the Chief Electoral Officer that they are registered and that an individual has been appointed as financial agent. Sections 32 and 63 of the *Recall and Initiative Act* detail the relevant provisions.

### **Responsibilities of a financial agent**

S. 34, 64,  
76 Financial agents are responsible for ensuring that the financial activities of a proponent, proponent group, opponent or opponent group in relation to an initiative petition or an initiative vote are in compliance with the provisions of the *Recall and Initiative Act*. Some of the financial agent's responsibilities include:

- ensuring that all contributions, other income, initiative expenses, and other expenditures are recorded and reported as required;
- ensuring that every expenditure of more than \$25 is documented by a statement detailing the expenditure (e.g., an invoice or receipt);
- ensuring that all money received by or on behalf of the proponent or opponent in relation to the initiative petition or initiative vote is deposited in an account in a savings institution;
- ensuring that all expenditures of the authorized participant are paid from an account in a savings institution;
- retaining, in British Columbia, all financial records and receipts relative to a report filed under the Act for a period of 5 years after filing the report;
- filing an initiative petition financing report within 28 days after the end of the initiative petition period; and
- filing an initiative vote financing report within 90 days after the end of the initiative vote period.

A financial agent is not personally liable for any liability of a proponent or opponent unless the liability is personally guaranteed by the financial agent.

### **Assistant financial agents**

S. 35, 64 A financial agent may authorize one or more individuals to accept initiative contributions and incur initiative expenses on behalf of the financial agent.

Authorization to act as an assistant financial agent must be in writing, and a copy of the authorization must be sent to the Chief Electoral Officer as soon as possible.

Assistant financial agents must be appointed separately for initiative petition financing and initiative vote financing purposes.

### **Initiative Contributions**

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S. 36, 65 An initiative contribution is the amount of money or the value of any property (goods) or services provided without compensation by way of donation, advance, deposit, discount or otherwise to an authorized participant in relation to an initiative petition or initiative vote.

This means that any money, services, or property provided, at any time, without compensation to a proponent or registered opponent in relation to an initiative petition or initiative vote is an initiative contribution, even if the contribution was received after the initiative petition period or initiative vote period had ended, or before either period commenced.

Initiative contributions are not eligible for tax receipts, and may not be claimed as a tax credit for income tax purposes.

The definition of initiative contributions does not include:

- services provided by a volunteer;
- property of a volunteer, if the property is provided or used in relation to the services of the individual as a volunteer (e.g. the use of a volunteer's car by the volunteer is not a contribution);
- publishing without charge news, an editorial, an interview, a column, a letter or a commentary in a bona fide periodical publication or a radio or television program;
- broadcasting time provided, without charge, as part of a bona fide public affairs program;
- producing, promoting or distributing a publication for no less than its market value, if the publication was planned to be sold regardless of the initiative petition or initiative vote; and
- property or services provided by an election official, a voter registration official or any other employee of the Chief Electoral Officer in that official capacity.

If property or services are provided to an authorized participant at less than market value, the difference between the market value and the amount charged is an initiative contribution.

If an authorized participant provides goods or services to an organization or individual at greater than market value, the difference between the market value and the price paid is an initiative contribution.

“Market value” is the lowest price charged for an equivalent amount of equivalent property or services in the market area at the time the property or services are provided. Payable tax (G.S.T. and P.S.T.) forequivalent goods or services should be included in the calculation of market value.

### **Volunteers**

Volunteers are individuals who voluntarily perform the services and who receive no compensation, directly or indirectly, in relation to the services of the time spent providing the services. This means that employers cannot continue to pay people while they are working as volunteers. If they do continue to get paid, they are not volunteers and the value of their services is a contribution from their employer and an initiative expense.

### **Prohibited contributions**

S. 44, 70 If a prohibited contribution is received (for instance, \$40 cash anonymously by mail) the contribution must be returned. If it is not possible to return the contribution to the contributor, it must be turned over to the Chief Electoral Officer for remittance to the Consolidated Revenue Fund. Financial agents must keep a record of prohibited contributions and how each instance was resolved.

Prohibited initiative petition contributions must be returned within 14 days after the financial agent becomes aware of the contravention.

Prohibited initiative vote contributions must be returned within 30 days after the financial agent becomes aware of the contravention.

### **Contributions to own campaign**

S. 36, 65 Money that an authorized participant provides to their own initiative petition or initiative vote campaign is treated like any other initiative contribution, and it must be recorded and disclosed as such.

This means that any money a proponent or opponent contributes to his or her own campaign must be given to the financial agent. The financial agent is required to ensure that the money is deposited in the initiative account in a savings institution. Funds may be withdrawn from that account to pay any of the initiative expenses.



If the authorized participant is an individual, as opposed to an organization, any property or services that they provide to their own initiative campaign is not an initiative contribution.

### **Fundraising functions**

S. 38, 65 Section 38 of the *Recall and Initiative Act* provides special rules for fundraising functions. These special rules define what is, and what is not, an initiative contribution with respect to fundraising events.

#### **Rules for Din ners, etc.**

If an **organization** buys a ticket to a fundraising event held in relation to an initiative petition or initiative vote, the price paid is an initiative contribution. If the organization buys fundraising tickets and provides those tickets to other individuals for those individuals to attend the fundraising function, the organization is still the contributor for the purposes of the *Recall and Initiative Act*.

If an **individual** buys a ticket to a fundraising function and the ticket price is more than \$50, the individual is making an initiative contribution equal to the price of the ticket. If the price is \$50 or less, the price paid is not an initiative contribution. If the ticket price is \$50 or less, an individual may buy up to \$250 worth of tickets without it being considered an initiative contribution. If an individual is buying tickets to give to other individuals to attend the fundraising function, the person buying the tickets is still the contributor for the purposes of the *Recall and Initiative Act*.

#### **Rules for auc tions, ga rage sales, etc.**

If property or services are donated for sale at a fundraising function, and have a market value of \$250 or less, the property or services are **not** considered initiative contributions.

If property or services are purchased at a fundraising event at greater than market value, the difference between the price paid and the market value is an initiative contribution.

**Example:**

A proponent is holding a garage sale to raise funds. If an individual donates a black and white television worth \$75 for resale at the garage sale, the individual donating the television is not making a contribution.

If the television is sold at the garage sale for \$75 or less, the purchaser of the television is not making a contribution. If the television is sold for \$275, the purchaser is making an initiative contribution of \$200.

**Anonymous contributions**

S. 41, 68 An anonymous contribution means that the recipient does not know who made the contribution. An individual cannot request that a contribution be accepted and reported as an anonymous contribution.

Anonymous contributions are not permitted unless the contribution is made in response to a general solicitation for funds (“passing the hat”) made at a function held by or on behalf of an authorized participant **and** if the amount contributed by an individual has a value of **less than \$50**.

Individuals wishing to donate \$50 or more cannot do so anonymously, and should give the contribution directly to the financial agent, or place a cheque in “the hat” rather than cash, or put the contribution in an envelope with the date, the amount contributed, and the contributor’s name and address printed on the envelope.

When accepting contributions made anonymously at a function, the financial agent is required to record a description of the function at which the contributions were collected, the date of the function, the number of people at that function, and the total amount of anonymous contributions accepted.

Authorized participants may want to consider having someone supervise the “passing of the hat” to ensure that no one places a \$50 bill or more in the hat. If there is a total of \$50 or more per individual in attendance contributed anonymously, **the total amount collected by passing the hat will be considered a prohibited contribution**. Prohibited contributions must be returned to the contributors or sent to the Chief Electoral Officer for remittance to the Consolidated Revenue Fund.

**Example:**

If 30 people were in attendance at an event where anonymous contributions were accepted and \$1,500 was received, the entire \$1,500 would be a prohibited contribution.

**Anonymous contribution limit**

S. 43, 69 The amount of anonymous contributions that an authorized participant can accept in relation to an initiative petition is limited to a total of \$5,000. An authorized participant may not accept more than \$10,000 in anonymous contributions in relation to an initiative vote.

**Valuing property (goods) and services**

S. 40, 67 If property (goods) or services are donated at no cost, the value of the contribution is the market value of the goods and services. The “market value” is the lowest price charged for an equivalent amount of equivalent property or services in the market area at the time the property or services are provided. Payable tax for equivalent goods or services (G.S.T. and P.S.T.) should be included in the calculation of market value of donated goods or services.

**Example:**

If a printer provides brochures for free, the fair market value would be what the printer would normally charge, including taxes, for those brochures.

When capital assets are donated, the contribution is the value of using the property.

**Example:**

If a landlord provides office space at no charge, the landlord is making a contribution equal to the market value of renting the office space.

If free advertising space in a periodical publication (magazines, newspapers, etc.) or free broadcast time is provided equitably to all authorized participants for an initiative petition or an initiative vote, the value of the advertising is considered nil.

**Discounted property (goods) and services**

S. 36, 65 If someone gives an authorized participant a discount on property (goods) and services, by offering them at less than market value, then that person is considered to have made an initiative contribution equal to the difference between the market value and the amount charged.

**Example:**

A printer gives a proponent a preferred rate on signs. The signs would normally cost \$1,500, but the printer only charges the proponent \$1,000. The printer's contribution is valued and recorded as \$500.

**Loans**

S. 37, 65 Loans to an authorized participant are generally not considered to be initiative contributions. However, a loan does become an initiative contribution if it is forgiven or written off. Additionally, if a loan is given with a preferential interest rate, the benefit derived from that preferential rate is an initiative contribution. A

preferential interest rate is a rate of interest that is less than the prime rate of the principal banker to the government of B.C.

### **Debts**

S. 37, 65 If an authorized participant has any debts that remain unpaid for six months after they become due, and no legal proceedings to recover the debt have been commenced by the creditor, the amount of the unpaid debt becomes an initiative contribution and must be recorded as such.

### **Recording requirements for contributions to authorized participants**

S. 45, 71 The financial agent is required to record the following information for each initiative contribution made to the authorized participant, whatever the value of the contribution:

- the full name and address of the contributor;
- the value of the contribution;
- the date on which the contribution was made;
- the class of the contributor; and
- if the contributor is a numbered corporation or a class 3, 4, 5 or 6 contributor, the financial agent is also required to record the full names and addresses of at least two individuals who are directors, principal officers, or principal members of the organization.

The classes of contributors are: individuals; corporations; unincorporated organizations engaged in business or commercial activity (includes sole proprietors and partnerships); trade unions; non-profit organizations; and other contributors.

For **fundraising events** held by or on behalf of an authorized participant, the financial agent is required to record:

- a description of the function;
- the date of the function; and
- the cost, gross income and the net income or loss arising from the function.

In relation to all **anonymous contributions** received, the financial agent must record:

- a description of the function;
- the date of the function;
- the number of people in attendance; and
- the total amount of anonymous contributions received.

## **Initiative Expenses**

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### **Expense limits for initiative proponent and/or proponent group**

S. 48, 74      During an initiative petition or initiative vote, the proponent or proponent group of the initiative may not exceed the expense limit established by the *Recall and Initiative Act*. The total value of initiative expenses which may be incurred by the proponent or proponent group is calculated according to the number of registered voters on the Provincial Voters List as of the date on which the petition was issued or initiative vote period began.

For an initiative petition, the expense limit for the proponent is \$0.25 cents per registered voter. For an initiative vote, the total collective expenses limit for all proponents is \$1.25 per registered voter.

The expense limit may be adjusted by the Chief Electoral Officer to reflect changes in the Consumer Price Index.

The Chief Electoral Officer directly advises the financial agents of the proponent and/or proponent group of their expenses limit and publishes the amount in the *British Columbia Gazette*.

#### **Expense limits for initiative opponent and/or opponent group**

S. 48, 74 Initiative petition opponents share an equivalent expense limit collectively to that of the proponent. However, during an initiative vote, where there may be more than one proponent and/or proponent group, the expense limit for the opponent and/or opponent group is adjusted according to section 74(2)(c) of the *Recall and Initiative Act*.

The Chief Electoral Officer directly advises the financial agents of the opponent and/or opponent group of their expense limits and publishes the amount in the *British Columbia Gazette*.

#### **Effect of incurring expenses over limit**

S. 53, 79 If the proponent exceeds the expenses limit, the initiative petition or initiative vote fails and the proponent must pay to the Chief Electoral Officer a penalty of double the amount of which the expenses exceed the limit. Proponents who are members of the proponent group are jointly and separately liable to pay the penalty.

If the total initiative petition or initiative vote expenses of an opponent group exceed the expenses limit for that opponent group, the members of the opponent group are jointly and separately liable to pay to the Chief Electoral Officer a penalty of 10 times the amount by which the expenses exceed the limit.

**Initiative expenses**

- S. 39, 46, 66, 72 No individual or organization may incur an initiative expense unless they are a proponent, a proponent group, opponent, an opponent group, or a registered initiative advertising sponsor. Unauthorized participants who incur expenses are subject to significant penalties.

An initiative petition expense is the value of property or services used during an initiative petition period to promote or oppose, directly or indirectly, an initiative petition or draft Bill.

An initiative vote expense is the value of property or services used during an initiative vote period to promote or oppose, directly or indirectly, an initiative in relation to an initiative vote.

These definitions mean that anything used in an initiative petition period or initiative vote period is an initiative expense, even if the item was purchased before the initiative petition period or initiative vote period commenced.

**Example:**

An individual buys 1000 posters at a cost of a \$1 each six months before the initiative vote. During the initiative vote period, only 800 posters are used. The initiative vote expense with respect to the posters is the value of the 800 posters used (i.e. \$800).

Certain expenses are not considered to be initiative expenses. Any goods that an authorized participant produces from their own property are excluded from the definition of an initiative expense.

Services and property provided by a volunteer, and the goods produced by a volunteer from the property of that individual are not considered initiative expenses. Volunteers must not receive any compensation, directly or indirectly, in relation to the services or time spent providing the services. This means that employers cannot continue to pay people while they are working as volunteers. If they do continue to get paid they are not volunteers and the value of their services is a contribution from their employer and an initiative expense.



**Expenses not subject to expense limits**

S. 47, 73 Some expenses are not included as initiative petition expenses or initiative vote expenses for the purposes of determining whether an authorized participant has complied with the applicable expenses limit. The following expenses must be reported, but do not count against the allowable expenses limit. Those expenses are:

- fees charged by the Chief Electoral Officer under the *Recall and Initiative Act*;
- costs incurred for producing copies of the petition for gathering signatures;
- legal or accounting services provided to comply with this Act;
- services provided by a financial agent in that capacity;
- expenses incurred in holding a fundraising function if no deficit is incurred;
- interest on a loan for initiative expenses to an authorized participant; and
- the cost of any communication that an authorized participant that is an organization sends exclusively to its members.

Expenses excluded for the purpose of determining whether an authorized participant is in compliance with the applicable expenses limit remains an initiative expense and is subject to all other provisions of the Act.

**Additional rules about initiative expenses**

S. 29, 34, 46, 59, 64, 72 All expenditures must be paid from money held in an account established for that purpose in a savings institution. Additionally, other than a registered initiative advertising sponsor, only a financial agent or an individual authorized in writing by a financial agent can incur an initiative expense.

**Recording expenses**

S. 34, 64 The financial agent must make every reasonable effort to ensure that all expenditures greater than \$25 are documented by a statement setting out the particulars of the expenditure (i.e., an invoice or a bill).

The financial agent must also keep track of initiative contributions of property (goods) and services that are used by the authorized participant.

**Example:**

If a printer donates leaflets worth \$1,000 and the leaflets are used in the initiative petition period, the financial agent would record an initiative expense of \$1,000, as well as recording that the printer made a \$1,000 contribution. If only half of those leaflets were used, the initiative expense would be recorded as \$500, although it would still be reported that the printer made a \$1,000 contribution.

**Initiative Petition/Initiative Vote Financing Reports**

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**Initiative financing reports**

S. 50, 76 The financial agent is required to file an initiative financing report on an authorized participant's behalf. An initiative petition financing report must be filed with the Chief Electoral Officer within 28 days after the end of the initiative petition period.

An initiative vote financing report must be filed with the Chief Electoral Officer within 90 days after the end of the initiative vote period.

If a proponent fails to file an initiative petition financing report, the initiative petition fails. Failure to file an initiative vote financing report on behalf of the proponent or proponent group will result in failure of the initiative vote.

#### **Additional requirements for financing reports**

S. 50, 76 Initiative financing reports must be prepared in accordance with generally accepted accounting principles and must be filed with a solemn declaration of the financial agent as to its accuracy.

If any of the information required to be contained in a financing report changes, or if an authorized participant should discover that the report did not completely and accurately disclose the required information, a supplementary report must be filed with the Chief Electoral Officer within 14 days for an initiative petition financing report, and within 30 days for an initiative vote financing report after the financial agent or authorized participant becomes aware of the incompleteness or inaccuracy.

#### **Auditing of reports**

S. 50, 76 After examining an initiative financing report, the Chief Electoral Officer may require the report to be audited at the expense of the authorized participant and may establish a time limit by which the financial agent must provide the report to the Chief Electoral Officer.

#### **Public inspection of initiative financing reports**

S. 50, 76 Initiative financing reports are available for public inspection at the Chief Electoral Office in Victoria during its regular office hours, as well as on the Elections BC Web site.

## **Initiative Advertising**

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“Initiative advertising” is advertising used during an initiative petition period to promote or oppose, directly or indirectly, the initiative petition or draft Bill; or advertising used during an initiative vote period to promote or oppose, directly or indirectly, the initiative. This includes all forms of advertising, such as media advertising, brochures, signs, etc.

Initiative advertising can only be conducted by a proponent, proponent group(s), registered opponent or opponent group(s), or a registered initiative advertising sponsor. Initiative advertising sponsors should refer to the Guide to Initiative Communications for more detailed information regarding the requirements of the *Recall and Initiative Act*.

### **Sponsorship of initiative advertising**

S. 86 The sponsor of initiative advertising is the individual or organization who pays for the advertising, who receives the advertising as a contribution, or has initiative advertising conducted on their behalf.

An individual or organization must not sponsor initiative advertising with the property of any other individual or organization or indirectly through any other individual or organization.

### **Registration of initiative advertising sponsor**

S. 96, 97 An individual or organization who wishes to become a registered sponsor in relation to an initiative petition or an initiative vote must file an application with the Chief Electoral Officer. Applications for registration as an initiative advertising sponsor may be submitted at any time during the initiative petition or initiative vote period.

**Initiative advertising must identify sponsor**

- S. 88 Initiative advertising must not be conducted (or published) unless it identifies the name of the registered sponsor, indicates that the sponsor is registered under the *Recall and Initiative Act* and indicates that it was authorized by the identified sponsor or, in the case of an authorized participant, the financial agent; and gives a British Columbia telephone number or British Columbia mailing address at which the registered sponsor or financial agent may be contacted regarding the advertising. For example:

*Authorized by Jane Doe, financial agent, (250) 123-4567; or  
Authorized by Jane Doe Company, registered sponsor, (250) 123-4567.*

Sponsors, proponents and opponents are required to make available an individual responsible for answering questions from the public that are directed to the address or phone number indicated on the advertising.

**Restrictions on rates charged for initiative advertising**

- S. 89 Individuals and organizations must not charge a rate for initiative advertising in a periodical publication (newspaper, magazine, etc.) or on radio or television that exceeds the lowest rate charged by the individual or organization for equivalent advertising in the same medium during the same period.

**Initiative advertising disclosure reports**

- S. 100, 101 Sponsors must file advertising disclosure reports if the value of their initiative advertising exceeds \$500  
102, 103, during the initiative petition period or an initiative vote period. Disclosure reports must be filed with the  
104 Chief Electoral Officer. In the case of initiative advertising during an initiative petition period, the report must be filed within 28 days after the end of the initiative petition period. In the case of initiative advertising during an initiative vote period, the report must be filed within 90 days after the end of the initiative vote period.

Should the information required to be disclosed change, or the sponsor becomes aware of an inaccuracy, the sponsor must file a supplementary report within 14 days after the sponsor becomes aware of the change of inaccuracy with regard to initiative petition advertising or within 30 days in relation to initiative vote advertising.

An authorized participant for an initiative petition or initiative vote is not required to file a report if they file an initiative petition or initiative vote financing report where the initiative advertising costs are disclosed as an initiative expense.

A sponsor may be subject to a \$500 late filing fee if a report is not filed by the deadline. The late filing period is 30 days from the original filing deadline.

If an initiative advertising report is not filed with the Chief Electoral Officer at the end of the late filing period, the sponsor is deregistered and must pay \$500 for each day the report remains unfiled.

A sponsor may apply to the Supreme Court to seek relief from an obligation to file an initiative advertising disclosure report or from the penalty in relation to the filing of the report.

### **Obligation to maintain records**

S. 105 Anyone who is, or has been, a sponsor of initiative advertising must:

- ensure that the records required to be maintained are maintained in British Columbia; and
- retain those records for at least five years, or a longer period if specified by the Chief Electoral Officer, from the date of filing a report.

## **Initiative Campaign Restrictions**

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- S. 90, 91      There are certain restrictions relating to advertising and campaigning during an initiative vote period and near voting places.

During voting hours of Advance Voting or General Voting for an initiative vote, initiative advertising by means of a public address system or loudspeaker is not permitted within hearing distance of a voting place.

### **Prohibition against certain initiative advertising on General Voting Day**

- S. 90      On General Voting Day for an initiative vote, there is a prohibition against conducting or sponsoring initiative advertising by publishing it in a newspaper or magazine or on radio or television. The prohibition against sponsoring initiative advertising on General Voting Day applies whether the publication is done within British Columbia or outside the Province.

### **100-metre no campaigning zones**

- S. 91      **District Electoral Officer offices**  
During an initiative vote period, no one may post, display or disseminate any initiative advertising within 100-metres of the building where the district electoral office is located.

If any contravening material is posted or displayed, etc., within the 100-metre no campaigning zone, the District Electoral Officer may enter the property where the materials are located and remove, cover or otherwise obscure them from view.

- S. 91 **Voting places**  
While Advance Voting or General Voting for an initiative vote is being conducted at a voting place, there is a 100-metre no campaigning zone around the building where the voting is being conducted.

Within this 100-metre zone, an individual or organization must not:

- post, display or disseminate any initiative advertising;
- canvass or solicit votes or otherwise attempt to influence how a voter votes;
- carry, wear or supply a flag, badge or anything indicating that the individual using it is a supporter of a particular response to an initiative; and
- post, display, disseminate or openly leave a representation of a ballot marked for a particular response to an initiative.

#### **Initiative campaign signs**

The sign policy of the Ministry of Transportation and Highways does not allow the placement of initiative campaign signs along provincial highways.

There may be additional rules at the municipal level regarding where signs may be placed. Authorized participants and initiative advertising sponsors are advised to check for municipal by-laws regulating the placement of signs in any municipality where they wish to erect signs.



## Questions?

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**For more information**  
**Phone toll-free 1-800-661-8683 / TTY 1-888-456-5448**

or contact

Elections British Columbia

Write: PO Box 9275 Stn Prov Govt, Victoria BC V8W 9J6

Location: 1075 Pendergast Street, Victoria

Phone: (250) 387-5305

Facsimile: (250) 387-3578

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GUIDE TO THE INITIATIVE PROCESS

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