

Preparing for BC's new Societies Act

- The new Societies Act will come into effect on Nov. 28, 2016. In the two years following that date, every pre-existing society will be required to “transition” to the new Act.

- Best start: Read the [Societies Act Transition Guide](#)
 - http://www.bcregistryservices.gov.bc.ca/local/bcreg/documents/SocActFiles/Societies_Act_Transition_Guide.pdf

From the Guide:

- ❑ **“Transitioning”** requires a society to re-file, in electronic format, its current constitution and bylaws with the Corporate Registry. **A few changes to the content of the constitution and bylaws may be required.**
- ❑ Societies cannot transition until the new Act comes into effect on Nov. 28, 2016. They will then have two years, until Nov. 28, 2018, to file their Transition Application. The Transition Application will be an online form provided by the Corporate Registry – paper filings will not be allowed.
- ❑ **Constitution:** The society should prepare a version of its constitution that consists of nothing but the society’s existing name and purposes, word-for-word as they appear in the society’s constitution on file with the Corporate Registry. Any provisions of the existing constitution other than name and purposes must be relocated to the society’s bylaws.
- ❑ **Bylaws:** The society should prepare a complete set of bylaws consisting of the society’s existing bylaws in consolidated form (that is, the society’s original set of bylaws, updated to include any amendments to the original set that have been filed with the Corporate Registry).
- ❑ **Opportunity:** Instead of preparing a consolidated set of existing bylaws as described above, the society may wish to write a new set of bylaws (either partially new or completely new). A society could choose to use the Model Bylaws (available in electronic format at www.gov.bc.ca/SocietiesAct), just as they are or with amendments, or could come up with an entirely new set, tailor-made to fit the needs of the society. Even if a society is generally satisfied with its existing bylaws, it may want to take this opportunity to clarify or refine just a few of the provisions.

From the Guide:

- **Member-funded or not?**
- On transition, each pre-existing society will be asked whether it wishes to designate itself as a “member-funded society” by including a statement to that effect in its constitution. A member-funded society is a society that is funded primarily by its members to carry on activities for the benefit of its members. Common examples might include some sports clubs, golf courses and professional associations.
- As well, a society cannot be a member-funded society if it receives public donations or government funding above a certain threshold.
- Becoming a member-funded society is a significant choice that needs to be authorized by a special resolution of the members. Even societies that are technically eligible to be member-funded societies may choose not to do so. Because the Act allows member-funded societies to distribute their assets to their members on winding up, these societies could be disqualified from receiving benefits, such as certain types of government funding, that other societies subject to the dissolution “asset lock” might be eligible for.

Advice

- ❑ Start now.
- ❑ Appoint a Champion.
- ❑ If guidance is required, Georgia Manhard has offered to help. She actually likes this stuff. gmanhard@telus.net
- ❑ If “heavy lifting” is required, get help from Sport Law & Strategy Group. They are specialists in this area. <http://www.sportlaw.ca/>
- ❑ This is a wonderful opportunity to get your bylaws up-to-date.
- ❑ Good idea to read the following:
 - <http://www.sportlaw.ca/nfp-act/bc-act/>
 - <http://www.sportlaw.ca/2015/12/bc-societies-act-to-come-into-force-in-november-2016/>