

# Financial institutions legislative and regulatory reporter - British Columbia - May and June 2022

July 15, 2022

The British Columbia (BC) Reporter provides a monthly summary of BC’s legislative and regulatory developments of relevance to provincially regulated financial institutions. It does not address Canadian federal financial services legislative and regulatory developments, although this information is provided by BLG separately. In addition, purely technical and administrative changes (such as changes to reporting forms) are not covered.

## May and June 2022

| Published                                      | Title and Brief Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Status                    |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| <b>BC Financial Services Authority (BCFSA)</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                           |
| June 29, 2022                                  | <p><a href="#">Consultation on the Code of Market Conduct for Insurance Companies</a></p> <p>Legislative amendments passed in fall 2019 to modernize the <i>Financial Institutions Act</i> (FIA) established the requirement for insurers to adopt and comply with a code of market conduct (the Code). BCFSA has released a draft <a href="#">Insurer Code of Market Conduct and Supplemental Guideline</a> and accompanying <a href="#">Discussion Paper</a> for review and comment. The Code sets out fundamental principles and desired outcomes providing insurers with the</p> | Comment by August 6, 2022 |

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|                      | <p>latitude to “determine the strategies, policies, processes, procedures, and controls in a risk-based and proportionate manner to achieve fair treatment of customers.” Once formally established, all British Columbia insurers will be required to adopt and comply with the Code.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                |
| <p>June 16, 2022</p> | <p><a href="#"><u>BCFSA Issues Guideline on Home Warranty Claims and Complaints Management</u></a></p> <p>BCFSA has issued a <a href="#"><u>Home Warranty Claims and Complaints Management Guideline</u></a> (The Guideline) outlining expectations for all home warranty insurers authorized in British Columbia (Home Warranty Insurers) in response to ongoing claims and complaints handling issues. The Guideline addresses three areas where home warranty insurers should strengthen their processes and practices:</p> <ol style="list-style-type: none"> <li>1. Management’s oversight of claims and complaint handling;</li> <li>2. Claims and complaints handling policies and procedures;</li> <li>3. Claims and complaint file maintenance.</li> </ol> <p>BCFSA expects that all property and casualty insurance companies consider the Guideline when setting or revising their claims and complaints management policies and processes.</p> | <p>Effective June 16, 2022</p> |
| <p>May 25, 2022</p>  | <p><a href="#"><u>BCFSA Delivers Report Focused on Enhancing Consumer Protection in B.C.'s Real Estate Market</u></a></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                |

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|                           | <p>BCFSA has announced delivery of its report, <a href="#"><u>Enhancing Consumer Protection in B.C.'s Real Estate Market</u></a>, to the minister of finance. The report contains advice on potential considerations of the government's proposed homebuyer protection period, commonly referred to as the cooling-off period, for residential real estate sales, as well as advice on additional consumer protection measures.</p>                                                                                                                                                                                                                                                                                                                                                                                                                      |                              |
| <p><b>Legislation</b></p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |
| <p>June 2, 2022</p>       | <p>Amendments to <i>Business Practices and Consumer Protection Act</i> by <i>Professional Governance Amendment Act, 2022</i></p> <p><a href="#"><u>Professional Governance Amendment Act, 2022</u></a>, S.B.C. 2022, c. 19 (Bill 21), received royal assent on June 2, 2022. The act is aimed at increasing consistency and improving best practices among registered professions in the province. Under section 142.1 of the <i>Business Practices and Consumer Protection Act</i>, the government may designate specific activities for the purposes of the act, with certain exceptions. Bill 21 exempts activities in relation to the <i>Professional Governance Act</i> (except section 3 of Schedule 1 of the act, which deals with applied science technologists and technicians of British Columbia) from the application of this provision.</p> | <p>In force June 2, 2022</p> |
| <p>June 2, 2022</p>       | <p>Royal Assent: <i>Miscellaneous Statutes Amendment Act, 2022</i>, Chapter 14 (Bill 17) amends <i>Business Practices And</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                              |

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|                             | <i>Consumer Protection Act</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                         |
| Deposited February 17, 2022 | <p>Amendments to <i>Financial Institutions Act</i> by <i>Financial Institutions Amendment Act, 2019</i>, S.B.C. 2019, c. 39</p> <p><u><i>Financial Institutions Amendment Act, 2019</i></u>, S.B.C. 2019, c. 39, sections 14 and 79(a) have been proclaimed in force June 30, 2022. Section 14 adds sections 94.1, 94.2 and 94.3 to the <i>Financial Institutions Act</i>, which require insurance companies and credit unions to adopt and comply with codes of market conduct; and credit unions to establish procedures for dealing with complaints. Section 79(a) allows the Governor in Council to make regulations requiring a credit union or extra-provincial credit union to be a member of a prescribed organization to deal with complaints that are not dealt with to the satisfaction of complainants under section 94.3.</p> | In force June 30, 2022  |
| Deposited February 17, 2022 | <p><i>Credit Union Complaint Resolution Regulation</i></p> <p><u><i>Credit Union Complaint Resolution Regulation, B.C. Reg. 34/2022</i></u>, requires that a credit union and an extra-provincial credit union must be a member of the Ombudsman for Banking Services and Investments to deal with complaints that are not dealt with to the satisfaction of complainants under section 94.3 of the <i>Financial Institutions Act</i>.</p>                                                                                                                                                                                                                                                                                                                                                                                                 | Effective June 30, 2022 |
| Deposited February 17, 2022 | <i>Amendment to Trust and Deposit Business Exemption Regulation</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Effective June 1, 2022  |

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|  | <p><a href="#">B.C. Reg. 32/2022</a> amends <i>Trust and Deposit Business Exemption Regulation</i>, B.C. Reg. 173/2008, is amended by repealing the form that is part of the regulation and providing that the form referred to in section 3(c)(i) is the “form established by the superintendent.”</p> |  |
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By

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