



HOUSE USE ONLY

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2nd SESSION, 66th GENERAL ASSEMBLY
Province of Prince Edward Island
1 CHARLES III, 2022

(Bill No. 87)

Residential Tenancy Act

Hon. Matthew MacKay
Minister of Social Development and Housing

GOVERNMENT BILL

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Acting Queen's Printer
Charlottetown, Prince Edward Island



RESIDENTIAL TENANCY ACT

BILL NO. 87

2022

WHEREAS recognition of housing as a human right is affirmed in the International Covenant on Economic, Social and Cultural Rights, to which Canada is a party;

AND WHEREAS clear and reasonable statutory rights and responsibilities of parties to residential tenancy agreements are essential to the development and maintenance of adequate rental housing in the province;

AND WHEREAS it is desirable to provide a process for landlords and tenants in the province to have their rights in respect of tenancy agreements adjudicated in a fair, transparent and expeditious manner:

THEREFORE BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

PART 1 - INTERPRETATION

Division 1 - Definitions and Application

1. Definitions

In this Act,

- (a) “**approved form**” means a form approved by the Director;
- (b) “**Commission**” means the Island Regulatory and Appeals Commission established under the *Island Regulatory and Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11;
- (c) “**common area**” means any part of residential property, the use of which is shared by tenants, or by a landlord and one or more tenants;
- (d) “**court**” means the Supreme Court, Provincial Court or another court as the context requires;
- (e) “**Director**” means the Director of Residential Tenancy appointed under section 7 and, in relation to a power, duty or function of the Director given to a person referred to in subsection 7(3) or delegated to a person retained under that section, includes that person;

- (f) “**emergency**” means a present or imminent event in which prompt action is required to protect the health, safety or welfare of people or to avert or limit damage to property;
- (g) “**fixed-term tenancy**” means a tenancy under a tenancy agreement that specifies the date on which the term ends;
- (h) “**landlord**”, in relation to a rental unit, includes
 - (i) the owner of the rental unit, the owner’s agent or another person who, on behalf of the owner,
 - (A) permits occupation of the rental unit under a tenancy agreement, or
 - (B) exercises powers and performs duties under this Act or a tenancy agreement,
 - (ii) the heirs, assigns, personal representatives and successors in title to the owner,
 - (iii) a person, other than a tenant occupying the rental unit, who
 - (A) is entitled to possession of the rental unit, and
 - (B) exercises any of the rights of a landlord under a tenancy agreement or this Act in relation to the rental unit, and
 - (iv) a former landlord, as the context requires;
- (i) “**mobile home**” means a dwelling unit designed to be mobile and to be used, and that is used, as a permanent or temporary residence;
- (j) “**mobile home park**” means a parcel of land on which two or more mobile homes are located;
- (k) “**mobile home site**” means a parcel of land rented as space for and on which a tenant, pursuant to a tenancy agreement, is entitled to place a mobile home;
- (l) “**periodic tenancy**” means a tenancy on a weekly, monthly or other periodic basis under a tenancy agreement that continues until it is ended in accordance with this Act;
- (m) “**registered mail**” includes any mail service or service provided by a private courier which requires a written acknowledgement of receipt upon delivery of an item mailed or couriered;
- (n) “**rent**” means money paid or agreed to be paid, or value or a right given or agreed to be given, by or on behalf of a tenant to a landlord in return for the right to possess a rental unit, for the use of common areas and for services or facilities, but does not include
 - (i) a security deposit, or
 - (ii) a fee prescribed under clause 107(1)(j);
- (o) “**rental unit**” means living accommodation rented or intended to be rented to a tenant and, with respect to a person who rents or intends to rent a mobile home site for the person’s mobile home, includes the mobile home site;
- (p) “**residential property**” means
 - (i) a building, a part of a building or a related group of buildings in which one or more rental units are located,
 - (ii) the parcel or parcels of land on which the building, related group of buildings or common areas are located,
 - (iii) the rental unit and common areas,
 - (iv) any other structure located on the parcel or parcels including, but not limited to, a mobile home, or
 - (v) a mobile home park;

- (q) **“security deposit”** means money or any property paid by or on behalf of a tenant to be held by or for the account of the landlord as security for the performance of an obligation or the payment of a liability of the tenant respecting the rental unit;
- (r) **“service animal”** means an animal that is specifically trained or being trained as a working animal for the purpose of providing assistance to a person with a disability, and includes a retired service animal;
- (s) **“service or facility”** means any service or facility that is provided or agreed to be provided by the landlord to the tenant of a rental unit, including but not limited to
 - (i) appliances and furnishings,
 - (ii) utilities and related services,
 - (iii) cleaning and maintenance services,
 - (iv) parking spaces and related facilities,
 - (v) cable or satellite television facilities,
 - (vi) internet facilities,
 - (vii) laundry facilities,
 - (viii) storage facilities,
 - (ix) elevator,
 - (x) common recreational facilities,
 - (xi) intercom systems,
 - (xii) garbage facilities and related services,
 - (xiii) heating facilities or services,
 - (xiv) housekeeping services, and
 - (xv) snow removal and related services;
- (t) **“spouse”** means a spouse as defined in clause 29(1)(b) of the *Family Law Act* R.S.P.E.I. 1988, Cap. F-2.1;
- (u) **“subtenant”** means the person to whom a tenant sublets or assigns a rental unit under section 30;
- (v) **“tenancy”** means a tenant’s right to possession of a rental unit under a tenancy agreement;
- (w) **“tenancy agreement”** means an agreement, whether written or oral, express or implied, between a landlord and a tenant respecting possession of a rental unit, use of common areas and the provision of services and facilities;
- (x) **“tenant”** includes
 - (i) a person who is entitled to use or occupy a rental unit under a tenancy agreement,
 - (ii) the assigns and personal representative of a person referred to in subclause (i), and
 - (iii) when the context requires, a former or prospective tenant.

2. What this Act applies to

- (1) Subject to section 4, this Act applies to tenancies of rental units.

Application to tenancy agreements

- (2) Except as otherwise provided in this Act, this Act applies to a tenancy agreement entered into before, on or after the date this Act comes into force.

Exception

- (3) With respect to a tenancy agreement entered into before the date this Act comes into force, sections 2 and 3 of Part III of the tenancy agreement do not apply, and Part 4 of this Act applies, to termination of the tenancy agreement.

3. Act applies to tenancy agreement with a minor

For greater certainty, a person who has not reached 18 years of age may enter into a tenancy agreement.

4. What this Act does not apply to

This Act does not apply to

- (a) temporary accommodation licensed under the *Tourism Industry Act* R.S.P.E.I. 1988, Cap. T-3.3, except when the temporary accommodation under that Act is provided as accommodation for a guest for a continuous period of two months or more;
- (b) living accommodation provided to a person for penal, correctional, rehabilitative or therapeutic purposes;
- (c) living accommodation provided to temporarily shelter persons in need;
- (d) living accommodation provided in a hospital, nursing home or other facility established to provide personal care for persons;
- (e) living accommodation owned or operated by an educational institution and provided by that institution to its students;
- (f) living accommodation provided for the purposes of accommodating the needs of children, youth or persons in the custody of the Director of Child Protection under the *Child Protection Act* R.S.P.E.I. 1988, Cap. C-5.1;
- (g) living accommodation provided as a residential institution under the *Social Assistance Act* R.S.P.E.I. 1988, Cap. S-4.3;
- (h) living accommodation provided on a transient basis by a religious, charitable or non-profit organization for the purpose for which the organization is established;
- (i) living accommodation provided by a co-operative housing corporation to its members or shareholders, except as provided for in the *Co-operative Associations Act* R.S.P.E.I. 1988, Cap. C-23; or
- (j) tenancy agreements, rental units or residential properties prescribed by the regulations.

5. This Act cannot be avoided

Except as specifically provided in this Act, a waiver or release by a tenant of the rights, benefits or protections under this Act is void and of no effect.

6. Non-application to specified matters

Where a rental unit is owned or administered by or for the Government of Canada, the Government, a municipality or an agency of one of them and rent for the rental unit is directly subsidized by the Government of Canada, the Government or a municipality, as the case may be, this Act does not apply to the

- (a) setting of rent based on the tenant's income;
- (b) subletting of the rental unit;
- (c) assignment of the rental unit;

- (d) allocation of the rental unit based on household size; and
- (e) setting of a security deposit under section 14.

Division 2 - Administration

7. Appointment of Director

- (1) The Lieutenant Governor in Council may appoint a person who is a member in good standing of the Law Society of Prince Edward Island as the Director of Residential Tenancy.

Responsibilities of Director

- (2) The Director is responsible for
 - (a) the general administration and management of all matters arising and persons retained under this Act;
 - (b) exercising the powers and performing the duties of the Director under this Act;
 - (c) providing information to landlords, tenants and other persons respecting rights and obligations under this Act;
 - (d) establishing and publishing rules of procedure for the conduct of proceedings under Part 5 and Part 6;
 - (e) publishing, or otherwise making available to the public,
 - (i) notices, decisions, orders or agreements made under Part 5 and Part 6 or summaries of them, and
 - (ii) the status of penalties required to be paid under this Act;
 - (f) approving forms for the purposes of this Act; and
 - (g) assigning or delegating the Director's powers and duties, including mediation, investigation and adjudication, to a person that the Director considers appropriate.

Director may retain staff

- (3) The Director may retain other persons to assist the Director with the administration of this Act, including
 - (a) exercising the powers and performing the duties of the Director under this Act; and
 - (b) providing information to landlords, tenants and other persons respecting rights and obligations under this Act.

Prohibited delegation

- (4) Despite clause (2)(g), the Director shall not assign or delegate to another person the power to impose an administrative monetary penalty under section 93.

Evidence of delegation to be produced

- (5) A person who claims to be carrying out a power, duty or function delegated by the Director under this section shall produce, on request, evidence of the delegation.

8. Director and staff not compellable in civil proceedings

- (1) The Director and persons employed, engaged or retained under subsection 7(3) shall not be compelled in civil proceedings arising out of a dispute under this Act
 - (a) to give evidence in respect of matters that come to their knowledge in the course of their employment, engagement or retainer; or

- (b) to produce records that are in the possession or control of the Director because of the Director's powers or duties under this Act.

Exception

- (2) Despite subsection (1), the Commission may require the Director to produce the record of a proceeding that is the subject of an appeal under section 89.

9. Protection from personal liability

No proceeding for damages shall be commenced against the Director or any person employed, engaged or otherwise retained to assist the Director for any act done in good faith in the performance or intended performance of any duty or in the exercise or intended exercise of any power under this Act, or for any neglect or default in the performance or exercise in good faith of the duty or power.

PART 2 - RESIDENTIAL TENANCIES - RIGHTS AND OBLIGATIONS

Division 1 - Creating a Tenancy Agreement

10. Tenancy agreement includes provisions in this Part

- (1) A tenancy agreement is subject to and is deemed to include the provisions set out in Division 4 of this Part, and any provision in the tenancy agreement that is inconsistent with those provisions has no effect.

Renewal of tenancy agreement

- (2) A tenancy agreement may be renewed by the landlord and tenant and the renewed tenancy agreement continues the same rights and obligations as existed under the former tenancy agreement, subject to any rent increase that complies with this Act.

Amendments prohibited

- (3) An amendment to a tenancy agreement to change or remove a provision set out in Division 4 is void and of no effect.

Amendments permitted

- (4) A tenancy agreement may be amended to add, remove or change a term, other than a provision set out in Division 4, only if both the landlord and tenant agree to the amendment.

Exception to requirement

- (5) The requirement for agreement under subsection (3) does not apply to
- (a) a rent increase in accordance with Part 3;
 - (b) a termination of, or a restriction on, a service or facility in accordance with subsection 21(2); or
 - (c) a term in respect of which a landlord or tenant has obtained an order of the Director that the agreement of the other is not required.

Application of section

- (6) This section applies
- (a) whether the tenancy agreement was entered into or renewed before, on or after the date this Act comes into force; and

- (b) whether or not the tenancy agreement is in writing.

11. Tenancy agreement in writing

- (1) A landlord shall prepare a written tenancy agreement in respect of a tenancy that is entered into on or after the date this Act comes into force.

Formal requirements

- (2) The landlord shall ensure that the tenancy agreement complies with the requirements of this Act and the regulations and includes
 - (a) the provisions set out in Division 4;
 - (b) the correct legal names of the landlord and tenant;
 - (c) the address of the rental unit;
 - (d) the date the tenancy agreement is entered into;
 - (e) the address for service and telephone number of the landlord, or the landlord's agent, and the tenant;
 - (f) the services and facilities included in the rent;
 - (g) the amount of rent that was charged, and the services and facilities that were provided, to the previous tenant of the rental unit, unless there was no previous tenant;
 - (h) the name and contact information of any person the tenant is to contact for emergency repairs; and
 - (i) the agreed terms in respect of
 - (i) the date on which the tenancy starts,
 - (ii) if the tenancy is a periodic tenancy, whether it is on a weekly, monthly or other periodic basis,
 - (iii) if the tenancy is a fixed-term tenancy, the date on which the term ends,
 - (iv) the amount of rent payable for a specified period,
 - (v) the day on which the rent is due and the frequency of payment, and
 - (vi) the amount of any security deposit and the date the security deposit was or is required to be paid.

Provision of additional documentation

- (3) Within 10 days after a landlord and tenant enter into a tenancy agreement, the landlord shall give the tenant
 - (a) a copy of the tenancy agreement; and
 - (b) any information required by the regulations to be provided.

Application to Director

- (4) Despite the terms of a tenancy agreement, where a landlord has not complied with subsection (3), the tenant may make an application to the Director for an order requiring the landlord to provide the tenancy agreement and other information referred to in clause (3)(b), if any, to the tenant.

New landlord

- (5) Where a landlord is replaced by a new landlord, the new landlord shall as soon as practicable provide the tenant with a written notice
 - (a) containing the information set out in clauses (2)(b) and (e); and

- (b) stating the amount of the security deposit held under section 14 and the interest credited under subsection 14(9) to the date when the new landlord replaced the previous landlord.

Change in information

- (6) A landlord shall, as soon as practicable, notify the tenant in writing of a change to the information required to be provided under clauses (2)(b) and (e).

Cost

- (7) The information to be provided by the landlord to the tenant under this section shall be provided without cost to the tenant.

12. Fees prohibited

- (1) A landlord shall not charge a person a fee for
 - (a) accepting an application for a tenancy;
 - (b) processing the application;
 - (c) investigating the applicant's suitability as a tenant; or
 - (d) accepting the person as a tenant.

Deposit

- (2) A landlord shall not accept any deposit except as permitted under section 14.

13. Start of rights and obligations under tenancy agreement

The rights and obligations of a landlord and tenant under a tenancy agreement take effect from the date the tenancy agreement is entered into, whether or not the tenant occupies the rental unit.

Division 2 - At Beginning of Tenancy Agreement

14. Landlord may require security deposit

- (1) A landlord may, in accordance with this Act and the regulations, require a tenant to pay a security deposit as a condition of entering into a tenancy agreement or as a term of a tenancy agreement.

Security deposit kept in trust

- (2) A security deposit is not an asset of the landlord but is held by the landlord in trust and shall be used, retained or disbursed only as provided in this Act.

Limits on amount of security deposit

- (3) A landlord shall not require or accept a security deposit that is greater than
 - (a) in the case of a tenancy agreement where the rent is paid weekly, the equivalent of one week's rent; and
 - (b) in any other case, the equivalent of one month's rent.

Tenant may deduct overpayment of security deposit

- (4) Where a landlord accepts a security deposit that is greater than the amount permitted under subsection (3), the tenant may deduct the overpayment from rent or make an application to the Director under section 75 to recover the overpayment.

Overpayment of rent deemed security deposit

- (5) Where a landlord receives money or other value from a tenant that exceeds the amount of rent payable in respect of the rental unit, the excess money or value
- (a) shall be considered a security deposit; or
 - (b) where the excess money or value, as a security deposit, would exceed the amount permitted under subsection (3), shall be considered partial payment of the next rent payment required under the tenancy agreement.

Receipt

- (6) Upon receipt of a security deposit, the landlord shall give the tenant a written receipt stating the amount of the security deposit, the date of receipt, and the rental unit and residential property to which it applies.

Interest-bearing account

- (7) Within two banking days of receipt of a security deposit, the landlord shall deposit it in an interest-bearing account located in the province at a financial institution authorized to accept deposits.

Trust account

- (8) Where a landlord has three or more rental units, the interest-bearing account referred to in subsection (7) shall be a trust account used exclusively for security deposits.

Interest rate

- (9) A landlord shall credit interest to the tenant on the full amount or value of the security deposit, at the rate prescribed by the regulations, during the time the security deposit is held by the landlord.

15. Prohibitions respecting security deposits

A landlord shall not

- (a) require a security deposit at any time other than when the landlord and tenant enter into the tenancy agreement;
- (b) require or accept more than one security deposit in respect of a tenancy agreement; or
- (c) require, or include as a term of a tenancy agreement, that the landlord automatically keeps all or part of the security deposit at the end of the tenancy agreement.

16. Terms respecting service animals

A term in a tenancy agreement that has the effect of prohibiting the presence of service animals in a rental unit or on residential property is void and of no effect.

17. Acceleration term prohibited

A tenancy agreement shall not include a term that all or part of the rent payable for the remainder of the period of the tenancy agreement becomes due and payable if a term of the tenancy agreement is breached.

Division 3 - Start of Tenancy

18. Inspection at start of tenancy

- (1) The landlord and tenant, or their authorized agents, shall inspect the condition of the rental unit in each other's presence on the day the tenant is entitled to possession of the rental unit or on another day agreed on by them.

Landlord shall provide two opportunities for inspection

- (2) The landlord shall offer the tenant at least two reasonable opportunities for the inspection.

Landlord shall complete inspection report

- (3) The landlord shall complete a written condition inspection report in the approved form.

Signature

- (4) Both the landlord and tenant, or their authorized agents, shall sign the inspection report and the landlord shall give the tenant a copy of the report.

Exception

- (5) The landlord, or the landlord's authorized agent, shall make the inspection and complete and sign the report without the tenant if
- (a) the landlord has complied with subsection (2); and
 - (b) the tenant does not participate on either occasion.

Copy to tenant

- (6) A landlord who completes an inspection without the tenant in accordance with subsection (5) shall provide the tenant with a signed copy of the report.

Division 4 - Provisions Applicable during Tenancy

RENT AND FEES

19. Tenant shall pay rent when due

- (1) A tenant shall pay rent when it is due under the tenancy agreement, whether or not the landlord complies with this Act, the regulations or the tenancy agreement, unless the tenant has an express right under this Act to deduct or withhold all or a portion of the rent.

Receipts

- (2) A landlord shall provide a tenant with a receipt for rent paid in cash.

Landlord shall not interfere with personal property of tenant

- (3) Whether or not a tenant pays rent in accordance with the tenancy agreement, a landlord shall not
- (a) seize any personal property of the tenant; or
 - (b) prevent or interfere with the tenant's access to the tenant's personal property.

Non-application of clause (3)(a)

- (4) Clause (3)(a) does not apply if
- (a) the landlord has a court order authorizing the action;

- (b) the landlord has the right to seize the personal property of the tenant under another enactment; or
- (c) the tenant has abandoned the rental unit and the landlord complies with Division 6 of this Part.

20. Prohibited fees during tenancy

- (1) A landlord shall not charge
 - (a) a guest fee, whether or not the guest stays overnight;
 - (b) a fee for replacement keys or other access devices if the replacement is required because the landlord changed the locks or other means of access;
 - (c) a fee in relation to any cost incurred by the landlord to repay a security deposit; or
 - (d) a fee for a service prescribed in the regulations.

Fees charged by landlord

- (2) A landlord may charge a fee for
 - (a) the actual cost of replacing keys or other access devices;
 - (b) the actual cost of additional keys or other access devices requested by the tenant;
 - (c) a service fee charged by a financial institution to the landlord for the return of a tenant's cheque;
 - (d) an administration fee of not more than \$25 for the return of a tenant's cheque by a financial institution;
 - (e) a fee for services or facilities requested by the tenant, if those services or facilities are not required to be provided under the tenancy agreement; and
 - (f) a service prescribed in the regulations.

TERMINATING OR RESTRICTING SERVICES

21. Terminating or restricting services or facilities

- (1) A landlord shall not terminate or restrict a service or facility if
 - (a) the service or facility is reasonably related to the tenant's use and enjoyment of the rental unit as living accommodation; or
 - (b) the service or facility is a term of the tenancy agreement.

Landlord may terminate or restrict certain services

- (2) A landlord may terminate or restrict a service or facility, other than one referred to in subsection (1), if the landlord
 - (a) gives one month's written notice, in the approved form, of the termination or restriction; and
 - (b) reduces the rent in an amount that is equivalent to the reduction in the value of the tenancy agreement resulting from the termination or restriction of the service or facility.

PRIVACY AND QUIET ENJOYMENT

22. Tenant's right to quiet enjoyment

A tenant is entitled to quiet enjoyment of the rental unit including, but not limited to, the right to

- (a) reasonable privacy;
- (b) freedom from unreasonable disturbance;
- (c) exclusive possession of the rental unit, subject only to the landlord's right to enter the rental unit in accordance with section 23; and
- (d) use of common areas for reasonable and lawful purposes, free from significant interference.

23. Landlord's right to enter rental unit restricted

A landlord shall not enter a rental unit that is subject to a tenancy agreement for any purpose unless one of the following applies:

- (a) the tenant gives permission at the time of the entry or not more than 10 days before the entry;
- (b) the landlord provides written notice to the tenant at least 24 hours before the time of entry and the purpose of the entry is to
 - (i) carry out a repair or replacement or do work in the rental unit,
 - (ii) allow a potential mortgagee, insurer or appraiser of the residential property to view the rental unit, or
 - (iii) carry out an inspection of the rental unit, if
 - (A) the inspection is for the purpose of determining whether the rental unit is in a good state of repair and fit for habitation and complies with health, safety, housing and maintenance standards, consistent with the landlord's obligations under this Act, and
 - (B) it is reasonable to carry out the inspection;
- (c) the landlord or, with the written authorization of the landlord, the landlord's agent, requires access to the rental unit to allow a potential purchaser to view the rental unit and the landlord has given written notice to the tenant at least 24 hours before the time of entry;
- (d) the landlord provides housekeeping or related services under the terms of a tenancy agreement and the entry is for that purpose and in accordance with those terms;
- (e) the landlord has an order of the Director or, in respect of a rental unit referred to in section 6, of the Government of Canada, the Government or a municipality, or an agency of one of them, as applicable, authorizing the entry;
- (f) the tenant has abandoned the rental unit;
- (g) an emergency exists and the entry is necessary to protect the health, safety or welfare of people or to avert or limit damage to property; or
- (h) the landlord requires access to the rental unit to show the unit to a prospective tenant and
 - (i) the landlord has given written notice to the tenant at least 24 hours before the time of entry,
 - (ii) the landlord and tenant have agreed that the tenancy will end or one of them has given notice of termination to the other,

- (iii) the entry is between the hours of 9 a.m. and 9 p.m., and
- (iv) before entering, the landlord informs or makes a reasonable effort to inform the tenant of the intention to do so.

24. Tenant's right of access protected

A landlord shall not unreasonably restrict access to a rental unit and common areas of the residential property by

- (a) the tenant of the rental unit; or
- (b) a person permitted in the rental unit and common areas by that tenant.

25. Tenant shall not interfere with quiet enjoyment of other tenants

The tenant and any person admitted to the residential property by the tenant shall not unreasonably interfere with the rights, quiet enjoyment and reasonable privacy of a landlord or other tenants in the residential property.

ACCESS AND DOORS

26. Prohibition - changes to locks and other access

- (1) A landlord shall not change a lock or other means that give access to the rental unit or to common areas of the residential property unless the landlord provides each tenant with a new key or other means that give access to the tenant's rental unit and the common areas of the residential property as soon as practicable.

Tenant shall not change locks

- (2) A tenant shall not change a lock or other means that gives access to the rental unit or to common areas of the residential property unless the landlord agrees in writing to, or the Director has ordered, the change.

27. Security devices

A landlord shall ensure that devices necessary to make the residential property reasonably secure from unauthorized entry are installed in the rental unit, including on any door giving access to the exterior of the residential property.

REPAIR AND MAINTENANCE

28. Obligation to repair and maintain

- (1) A landlord shall provide and maintain the residential property in a state of repair that
 - (a) complies with the health, safety and housing standards required by law; and
 - (b) having regard to the age, character and location of the rental unit, makes it suitable for occupation by a tenant.

Tenant's knowledge of non-repair irrelevant

- (2) For greater certainty, subsection (1) applies despite the tenant's knowledge of the state of repair of the residential property prior to entering into the tenancy agreement.

Tenant responsible for ordinary cleanliness

- (3) A tenant is responsible for
- (a) ordinary cleanliness of the rental unit and all areas of the residential property used exclusively by the tenant, except to the extent that the tenancy agreement expressly requires the landlord to clean it; and
 - (b) proper sorting and disposition of garbage or waste, compostable materials and recyclable materials of the tenant and any other person permitted in the rental unit by the tenant in accordance with applicable requirements.

Tenant responsible for undue damage

- (4) A tenant of a rental unit shall repair, in a good and professional manner, undue damage to the rental unit or common areas that is caused by the actions or neglect of the tenant or a person permitted on the residential property by the tenant.

Tenant not responsible for reasonable wear and tear

- (5) A tenant is not required to make repairs for reasonable wear and tear to the rental unit or common areas of the residential property.

29. Emergency repairs

- (1) In this section, “**emergency repairs**” means repairs that are
- (a) urgently required;
 - (b) necessary for the health or safety of anyone or for the preservation or use of a residential property; and
 - (c) made for the purpose of repairing
 - (i) leaks in pipes or the roof,
 - (ii) damaged or blocked water or sewer pipes or plumbing fixtures,
 - (iii) the heating system,
 - (iv) damaged or defective stairs and entrances,
 - (v) damaged or defective locks or devices that give access to a rental unit,
 - (vi) the electrical system, or
 - (vii) in prescribed circumstances, a rental unit or residential property.

Notice by tenant

- (2) A tenant of a rental unit shall provide notice as soon as practicable to the landlord or the contact person referred to in subsection (3) when emergency repairs are needed to the rental unit.

Landlord shall provide contact information for repair person

- (3) The landlord shall provide the name and contact information of a person the tenant is to contact for emergency repairs and shall post that information in a common area of the residential property.

Tenant may have emergency repairs made

- (4) A tenant may have emergency repairs made only when all of the following conditions are met:
- (a) emergency repairs are needed;
 - (b) the tenant has made reasonable attempts to provide notice of the need for emergency repairs to the contact person referred to in subsection (3);

- (c) following those attempts, the tenant has given the landlord reasonable time to make the repairs.

Landlord may take over repair

- (5) A landlord may take over completion of an emergency repair at any time.

Landlord shall reimburse tenant

- (6) A landlord shall reimburse a tenant within seven days for amounts paid for emergency repairs if the tenant
 - (a) claims reimbursement for those amounts from the landlord in writing; and
 - (b) gives the landlord a written account of the emergency repairs accompanied by a receipt for each amount claimed.

Non-application of subsection (6)

- (7) Subsection (6) does not apply to amounts claimed by a tenant for repairs about which the Director, on application, finds that one or more of the following applies:
 - (a) the tenant made the repairs before one or more of the conditions in subsection (4) were met;
 - (b) the tenant has not provided the account and receipts for the repairs as required under clause (6)(b);
 - (c) the amounts represent more than a reasonable cost for the repairs;
 - (d) the emergency repairs are for damage caused primarily by the actions or neglect of the tenant or a person permitted on the residential property by the tenant.

Application to the Director

- (8) Where a landlord does not reimburse a tenant as required under subsection (6), the tenant may make an application to the Director under section 75 to recover the amount to be reimbursed.

ASSIGNING OR SUBLETTING RENTAL UNIT

30. Tenant may sublet or assign rental unit with landlord's consent

- (1) A tenant may, with the written consent of the landlord, sublet or assign a rental unit or part of a rental unit to another person.

Landlord shall not unreasonably withhold consent

- (2) A landlord shall not arbitrarily or unreasonably withhold consent to a sublet or assignment of a rental unit or part of it.

Landlord may withhold consent

- (3) A landlord may withhold consent if it appears to the landlord that the proposed sublet or assignment of the rental unit or part of it would result in an unreasonable number of persons occupying the rental unit or part of it.

Landlord shall not charge fee

- (4) A landlord shall not charge a fee in excess of expenses actually incurred by the landlord in relation to giving consent under subsection (1).

Consequences of assignment

- (5) Where a tenant has assigned a rental unit to another person, the tenancy agreement continues to apply on the same terms and conditions, and
- (a) the new tenant is liable to the landlord for any breach of the new tenant's obligations and may enforce against the landlord any of the landlord's obligations under the tenancy agreement or this Act, if the breach or obligation relates to the period after the assignment, whether or not the breach or obligation also related to a period before the assignment;
 - (b) the former tenant is liable to the landlord for any breach of the former tenant's obligations and may enforce against the landlord any of the landlord's obligations under the tenancy agreement or this Act, if the breach or obligation relates to the period before the assignment; and
 - (c) if the former tenant has started a proceeding under this Act before the assignment and the benefits or obligations of the new tenant may be affected, the new tenant may join in or continue the proceeding.

Consequences of subletting

- (6) Where a tenant has sublet a rental unit to another person
- (a) the tenant remains entitled to the benefits and is liable to the landlord for the breaches of the tenant's obligations under the tenancy agreement or this Act during the subtenancy; and
 - (b) the subtenant is entitled to the benefits and is liable to the tenant for the breaches of the subtenant's obligations under the subletting agreement or this Act during the subtenancy.

Overholding subtenant

- (7) A subtenant has no right to occupy the rental unit after the end of the subtenancy.

Rent payable under a sublet

- (8) A tenant
- (a) shall not charge a subtenant more rent than is payable under the tenancy agreement; and
 - (b) where the tenant and the subtenant occupy the rental unit, shall not charge the subtenant more rent than the amount represented by the rent payable under the tenancy agreement, either
 - (i) divided by the number of tenants during the subtenancy, or
 - (ii) apportioned among the tenants in a manner agreed to by them.

Application to the Director - tenant

- (9) A tenant may, within 10 days of the alleged conduct, make an application to the Director under section 75 for an order determining that the landlord has arbitrarily or unreasonably withheld consent to the assignment or sublet of a rental unit.

Application to Director - landlord

- (10) A landlord may, within 10 days of the alleged conduct, make an application to the Director under section 75 for an order determining that
- (a) the tenant has sublet or assigned the rental unit without the landlord's written consent; or
 - (b) the tenant is charging the subtenant more rent than is permitted under subsection (8).

ADDITIONAL PROVISIONS RESPECTING MOBILE HOMES**31. Interpretation**

A reference in this section and in sections 32 to 37, section 44, Part 4 and section 107 to a tenant's mobile home shall be interpreted as a reference to a mobile home owned by the tenant and located on a mobile home site owned by the landlord with whom the tenant has a tenancy agreement.

32. Fees to cover expenses

The landlord of a mobile home park shall not charge a fee for the following matters, except to the extent of the landlord's reasonable out-of-pocket expenses incurred with regard to those matters:

- (a) the entry or exit of a mobile home into a mobile home park;
- (b) the installation of a mobile home in a mobile home park;
- (c) the removal of a mobile home from a mobile home park;
- (d) the testing of water or sewage in a mobile home park.

33. Tenant's right to sell, lease, etc.

- (1) Except for withholding, on reasonable grounds, consent to a subletting of the mobile home site, the landlord shall not restrict in any way the right of the tenant of the mobile home site to sell, lease or otherwise deal with the possession of the mobile home owned by the tenant.

Landlord may act as agent

- (2) A landlord may act as the agent of a tenant in negotiations to sell or lease a mobile home only in accordance with a written agency contract between the tenant and the landlord entered into for the purpose of beginning those negotiations.

Compensation prohibited

- (3) A landlord referred to in subsection (2) shall not receive any compensation from the tenant in the negotiations to sell or lease the mobile home unless the compensation is provided for in the written agency contract between the tenant and the landlord.

Void term

- (4) A provision in a tenancy agreement requiring a tenant who owns a mobile home to use the landlord as an agent for the sale of the mobile home is void and of no effect.

34. No right of first refusal

A provision in a tenancy agreement with respect to a mobile home that prohibits the tenant from selling the mobile home without first offering to sell it to the landlord is void and of no effect.

35. Restraint of trade prohibited

- (1) A landlord shall not restrict the right of a tenant to purchase goods or services from a person of the tenant's choice, except as provided in subsection (2).

Standards

- (2) A landlord may set reasonable standards for mobile home equipment.

36. Landlord's responsibilities

In addition to a landlord's obligations under section 28, a landlord of a mobile home park is responsible for

- (a) removing or disposing of garbage or waste, compostable materials and recyclable materials or ensuring the availability of a means for removing or disposing of them in the mobile home park at reasonable intervals;
- (b) maintaining roads in the mobile home park in a good state of repair;
- (c) removing snow from roads in the mobile home park;
- (d) maintaining the water supply, sewage disposal, fuel, drainage and electrical systems in the mobile home park in a good state of repair;
- (e) maintaining the mobile home park grounds and all buildings, structures, enclosures and equipment intended for the common use of tenants in a good state of repair;
- (f) repairing damage to a tenant's property, if the damage is caused by the wilful or negligent conduct of the landlord;
- (g) providing a written copy of rules of the mobile home park, if any, to the tenant before the agreement is signed; and
- (h) any other requirements specified in the regulations.

37. Tenant's responsibilities

A tenant of a mobile home site is responsible for ensuring that the mobile home complies with any municipal bylaw or other enactment that applies to the mobile home and the mobile home site on which it is located to the extent that the landlord is not responsible.

Division 5 - End of Tenancy

38. Inspection at end of tenancy

- (1) The landlord and tenant, or their authorized agents, shall inspect the condition of the rental unit in each other's presence before a new tenant begins to occupy the rental unit
 - (a) on or after the day the tenant ceases to occupy the rental unit; or
 - (b) on another day agreed upon by them.

Two opportunities for inspection

- (2) The landlord shall offer the tenant at least two reasonable opportunities for the inspection.

Landlord shall complete inspection report

- (3) The landlord shall complete a condition inspection report in the approved form.

Signature

- (4) Both the landlord and tenant, or their authorized agents, shall sign the condition inspection report and the landlord shall give the tenant a copy of the report.

Exception

- (5) The landlord may make the inspection and complete and sign the report without the tenant if
 - (a) the landlord has complied with subsection (2) and the tenant does not participate on either occasion; or
 - (b) the tenant has abandoned the rental unit as set out in subsection 42(2).

Copy to tenant

- (6) Except where a tenant has abandoned the rental unit, a landlord who completes an inspection without the tenant in accordance with subsection (5) shall provide the tenant with a signed copy of the report as soon as practicable.

39. Time to vacate

- (1) Unless a landlord and tenant otherwise agree, the tenant shall vacate the rental unit by 5 p.m. on the day the tenancy ends.

Obligations on vacating

- (2) When a tenant vacates a rental unit, the tenant shall
- (a) leave the rental unit reasonably clean and undamaged, except for reasonable wear and tear; and
 - (b) give the landlord all the keys or other means of access that are in the possession or control of the tenant and that allow access to and within the residential property.

40. Return of security deposit

- (1) Except as provided in subsection (2) or (3), within 15 days after the date the tenancy ends or is assigned, the landlord shall either
- (a) issue payment, as provided in subsection (5), of any security deposit to the tenant with interest calculated in accordance with the regulations; or
 - (b) make an application to the Director under section 75 claiming against the security deposit.

Landlord may retain amount from security deposit

- (2) A landlord may retain from a security deposit an amount that
- (a) the Director has previously ordered the tenant to pay to the landlord; and
 - (b) remains unpaid at the end of the tenancy.

Retention by landlord, other circumstances

- (3) A landlord may retain an amount from a security deposit if
- (a) at the end of a tenancy, the tenant agrees in writing that the landlord may retain the amount to pay a liability or obligation of the tenant; or
 - (b) after the end of the tenancy, the Director orders that the landlord may retain the amount.

Consequences of non-compliance

- (4) Where a landlord does not comply with this section, the landlord
- (a) shall not make a claim against the security deposit; and
 - (b) shall pay the tenant double the amount of the security deposit.

How to repay deposit

- (5) For the purposes of clause (1)(a), the landlord shall repay a deposit
- (a) by sending a cheque by ordinary or registered mail to an address provided by the tenant, if any;
 - (b) by giving the deposit personally to the tenant; or
 - (c) by using any form of electronic payment or transfer to the tenant.

Presumption

- (6) Where an application to the Director has been made in accordance with clause 1(d), the Director may draw an adverse inference against the landlord or tenant for failing to comply with section 18 or 38.

41. Landlord may retain security deposit

Despite any other provision of this Act, where a tenant has not provided an address to a landlord in accordance with clause 40(5)(a) within six months after the end of the tenancy, and the landlord has made reasonable efforts to repay the security deposit in accordance with subsection 40(5) without success,

- (a) the landlord may keep the security deposit; and
(b) the right of the tenant to the return of the security deposit is extinguished.

Division 6 - Abandonment

42. Abandonment of rental unit by tenant

- (1) Where a tenant has abandoned the rental unit, the landlord may enter and take possession of the rental unit.

Interpretation

- (2) A tenant is considered to have abandoned a rental unit only where
- (a) the tenant has vacated the rental unit;
(b) the tenancy agreement is not terminated in accordance with this Act or the tenancy agreement; and
(c) rent is overdue.

Landlord shall post notice prior to entry

- (3) Not less than 24 hours before entering a rental unit for the purpose of taking possession under subsection (1), the landlord shall post a notice in a conspicuous place on the residential property stating
- (a) the landlord's belief that the tenant has abandoned the rental unit;
(b) the landlord's intention to enter the rental unit for the purpose of taking possession unless the tenant notifies the landlord, before the time set out in the notice, that the tenant has not abandoned the rental unit; and
(c) the day and hour when the landlord will enter the rental unit.

Notification by tenant

- (4) Where the tenant notifies the landlord under clause (3)(b) that the rental unit has not been abandoned, the landlord shall not enter the rental unit.

43. Tenant's personal property

- (1) A tenant is not entitled to leave the tenant's personal property in the rental unit after the tenancy agreement is terminated.

Abandoned personal property

- (2) Where a tenant abandons or vacates a rental unit and leaves personal property on the residential property, the landlord shall either

- (a) remove the personal property and immediately place it in safe storage; or
- (b) store the personal property on the residential property in a safe manner.

Exception

- (3) This section does not apply where a landlord and a tenant have made an agreement in writing with respect to the storage of the tenant's personal property.

Minimum storage period

- (4) The personal property required to be stored under subsection (2) shall be stored for not less than one month or a lesser period ordered by the Director, unless the tenant takes possession of the personal property before the applicable period has elapsed.

Landlord shall take inventory

- (5) A landlord who stores a tenant's personal property under subsection (2) shall, at the earliest reasonable opportunity
 - (a) provide the Director with an inventory of the property; and
 - (b) provide the tenant with a copy of the inventory, if the landlord can locate the tenant.

Application by landlord

- (6) A landlord who stores a tenant's personal property under subsection (2) may apply to the Director under section 75, without notice to the tenant, for permission to dispose of the tenant's personal property.

Authorization to dispose of personal property

- (7) The Director may, on application by a landlord under section 75, authorize the landlord to dispose of personal property referred to in subsection (2) prior to the end of the applicable storage period required under subsection (4) where the Director believes on reasonable grounds that
 - (a) the personal property has no monetary value;
 - (b) the cost of removing, storing or selling the personal property would be more than the proceeds of the sale; or
 - (c) the storage of the personal property would be unsanitary or unsafe.

Tenant may take possession of personal property

- (8) The tenant or owner of the personal property may, within the one-month period referred to in subsection (4), claim and take possession of the personal property by paying the landlord the costs reasonably incurred by the landlord to remove and store the property.

Landlord to notify Director

- (9) Where a tenant or owner of the personal property takes possession of personal property within the applicable period required under subsection (4), the landlord shall notify the Director at the earliest reasonable opportunity.

Storage costs

- (10) Where a landlord stores personal property on the residential property in accordance with clause (2)(b), the storage costs referred to in subsection (8) shall be the lesser of the standard rate charged by public storage facilities or the rental rate of the rental unit.

Landlord may sell property after storage period

- (11) Where a tenant or owner does not take possession of personal property within the applicable period specified in subsection (4), the landlord may sell the personal property subject to the terms and conditions set by the Director.

Application of *Personal Property Security Act*

- (12) The right of a landlord to dispose of personal property under this section is subject to the rights of a secured party under the *Personal Property Security Act* R.S.P.E.I. 1988, Cap. P-3.1, or another enactment.

Landlord's rights and obligations after property sold

- (13) Where personal property is sold under subsection (11), the landlord
- (a) may keep from the proceeds of the sale the amount
 - (i) of the costs reasonably incurred by the landlord for the removal, storage and sale of the personal property, and
 - (ii) necessary to satisfy an order of the Director for compensation payable to the landlord by the tenant; and
 - (b) shall, at the earliest reasonable opportunity, deliver to the Director
 - (i) the proceeds of the sale, less the amount kept under clause (a), and
 - (ii) a written statement of account regarding the sale and distribution of the proceeds.

Director's duty

- (14) The Director shall hold the proceeds delivered by the landlord under subclause (13)(b)(i) in trust for the tenant or owner of the personal property in an interest-bearing trust account in a financial institution located in the province authorized to accept deposits.

Unclaimed proceeds

- (15) Where proceeds held in trust by the Director are not claimed under subsection (14) within one year after the sale, the Director shall remit the proceeds, together with interest earned, to the Operating Fund.

Claim against proceeds

- (16) Where a tenant or other person claims to be the owner of personal property sold under subsection (11), the tenant or other person shall be paid the proceeds of the sale on satisfactory proof of the claim, by
- (a) the Director, where the Director holds the proceeds under subsection (14); or
 - (b) the Minister of Finance, where the proceeds have been remitted to the Operating Fund under subsection (15), within seven years of that date.

No liability

- (17) Subject to subsection (13) and the rights of a secured party under the *Personal Property Security Act*, a landlord is not liable to any person for selling, retaining or otherwise disposing of a tenant's personal property in accordance with this section.

44. Abandoned mobile home

- (1) This section applies where
- (a) a tenant vacated a mobile home in accordance with
 - (i) a notice of termination given by the landlord or the tenant,

- (ii) an agreement between the landlord and tenant to end the tenancy,
- (iii) an order of the Director terminating the tenancy or evicting the tenant; or
- (b) a landlord has applied for an order under clause 85(1)(o) and the Director has made an order terminating the tenancy.

Notice to tenant

- (2) A landlord shall not dispose of a tenant's abandoned mobile home without first notifying the tenant in writing of the landlord's intention to do so
 - (a) by registered mail sent to the tenant's last known mailing address;
 - (b) by sending a notice electronically where
 - (i) the notice is provided in the same or substantially the same form as the written notice,
 - (ii) the tenant has provided an electronic address for receipt of documents, and
 - (iii) it is sent to that electronic address; or
 - (c) by causing a notice to be published in a newspaper having general circulation in the community in which the mobile home park is located.

Landlord may sell or retain mobile home

- (3) The landlord may sell, retain for the landlord's own use or dispose of a tenant's abandoned mobile home in the circumstances described in subsection (1) beginning two months after the notices referred to in subsection (2) have been given, if the tenant has not made a claim with respect to the landlord's intended disposal.

Application of *Personal Property Security Act*

- (4) The right of a landlord to dispose of a mobile home under this section is subject to the rights of a secured party under the *Personal Property Security Act*.

Proceeds of sale

- (5) Where, within one year after the day the notice has been given under subsection (2), the tenant makes a claim for the tenant's abandoned mobile home which the landlord has already sold, the landlord shall pay to the tenant the amount by which the proceeds of sale exceed the sum of
 - (a) the landlord's reasonable out-of-pocket expenses incurred with respect to the mobile home; and
 - (b) any arrears of rent of the tenant.

Landlord shall return mobile home

- (6) Where, within one year after the day the notice has been given under subsection (2), the tenant makes a claim for the abandoned mobile home which the landlord has retained for the landlord's own use, the landlord shall return the mobile home to the tenant.

Tenant to pay rent arrears

- (7) Before returning a mobile home to a tenant who claims it within the two-month period referred to in subsection (3) or the one-year period referred to in subsection (6), the landlord may require the tenant to pay the landlord arrears of rent and reimburse any reasonable expenses incurred by the landlord with respect to the mobile home.

No liability

- (8) Subject to subsection (5) or (6) or the rights of a secured party under the *Personal Property Security Act*, a landlord is not liable to any person for selling, retaining or otherwise disposing of a tenant's abandoned mobile home in accordance with this section.

45. Seizure of personal property prohibited

A landlord shall not seize a tenant's abandoned personal property to compensate for a contravention of an obligation of the tenant under this Act, including a failure to pay rent.

46. Mitigation of damages

Where a tenant abandons the rental unit, the landlord shall mitigate damages that may be caused by the abandonment to the extent that a party to a contract is required by law to mitigate damages.

PART 3 - WHAT RENT INCREASES ARE ALLOWED

47. Rent increases

- (1) A landlord shall not increase rent except in accordance with this Part.

Obligations tied to rental unit

- (2) The obligations of a landlord under this Part run with the rental unit and not the tenant.

48. Timing of rent increases

- (1) A landlord shall not impose a rent increase for at least 12 months after whichever of the following applies:
- (a) if the rent for the rental unit has previously been increased, the effective date of the last rent increase made in accordance with this Act;
 - (b) if the rent for the rental unit has not previously been increased, the date on which rent was first payable.

Notice of increase

- (2) Where a landlord increases the amount of rent payable, the landlord shall give the tenant written notice of the increase
- (a) at least three weeks before the effective date of the increase where the rental unit is rented from week to week; or
 - (b) at least three months before the effective date of the increase where the rental unit is rented from month to month or for a fixed term.

Exception

- (3) A landlord is not required to give notice under this section where the landlord makes an application to the Director in accordance with section 50 for an additional rent increase.

Notice shall be in approved form

- (4) A notice of a rent increase shall
- (a) be in the approved form;
 - (b) be signed by the landlord;

- (c) state the effective date of the increase;
- (d) state the amount of the increase;
- (e) state the amount of rent payable when the increase becomes effective; and
- (f) be served on the tenant in a manner set out in section 100.

Tenant may treat rent increase as notice of termination

- (5) Where a tenant receives a notice of a rent increase, the tenant
 - (a) may elect to treat the notice as a notice of termination effective on the day immediately preceding the day on which the rent increase becomes effective; and
 - (b) where the tenant makes the election referred to in clause (a), shall inform the landlord in writing of the tenant's intent to treat the notice as a notice of termination not later than one month before the date on which the rent increase becomes effective.

Obligation of landlord

- (6) Where a landlord has given a tenant notice of a rent increase and the tenant ends the tenancy agreement in accordance with subsection (5), the landlord shall
 - (a) give a prospective tenant a copy of the notice, with the name of the tenant removed, before the parties agree to a tenancy agreement; and
 - (b) rent the rental unit at the rent stated in the notice.

49. Allowable annual rent increase

- (1) No landlord shall increase the rent charged for a rental unit by more than the allowable annual increase, except in accordance with section 50.

Calculation of allowable annual increase

- (2) Subject to subsection (3), the allowable annual increase in rent for a calendar year shall be established by the Director and published in the Gazette based on
 - (a) written representations from landlords and tenants, invited by the Director;
 - (b) the percentage change from year to year in the All-Items Consumer Price Index for Prince Edward Island as reported monthly by Statistics Canada, averaged by the Commission over the 12-month period that ends at the end of June of the previous calendar year and rounded to the first decimal point; and
 - (c) other factors specified in the regulations.

Maximum percentage increase

- (3) The guideline for a calendar year shall not exceed 3 per cent.

50. Request for additional increase

- (1) A landlord may request the Director's approval of a rent increase in an amount that is greater than the amount calculated under subsection 49(2) by making an application to the Director under section 75.

Notice to tenant

- (2) A landlord shall give written notice of the application in the approved form to the tenant within 10 days of making a request under subsection (1).

Factors

- (3) The Director shall consider the following factors, as applicable, in deciding whether to approve an application for a rent increase under subsection (1):
- (a) the rent history for the affected rental unit in the three years preceding the date of the application;
 - (b) a change in operating expenses and capital expenditures in the three years preceding the date of the application that the Director considers relevant and reasonable;
 - (c) the expectation of the landlord to have a reasonable return on the landlord's capital investment;
 - (d) the expectation of the tenant that rent increases will remain within the annual guideline.

Other factors

- (4) The Director may also consider
- (a) any other factor considered relevant by the Director; and
 - (b) any other factor prescribed in the regulations.

Increases not applied in previous years

- (5) The Director may approve a rent increase that incorporates annual increases that were not applied to the rent charged for a rental unit where the landlord provides proof satisfactory to the Director that
- (a) the rent remained unchanged for the specified years; and
 - (b) that the last tenant whose rent remained unchanged during the specified years left the rental unit voluntarily.

Director's powers

- (6) Subject to subsection (7), in considering an application under this section, the Director may
- (a) grant the application, in full or in part;
 - (b) refuse the application;
 - (c) order that the increase granted be phased in over a period of time; or
 - (d) order that the effective date of the increase granted is conditional upon the landlord's compliance with an order of the Director respecting the residential property.

Limitation on increase

- (7) Where the Director grants an application under subsection (6) or orders that the increase granted be phased in over a period of time, the amount of the increase in rent in a calendar year shall not exceed 3 per cent in addition to the maximum percentage increase permitted under section 49.

Tenant may recover unlawful increase

- (8) Where a landlord collects a rent increase that does not comply with this Part, the tenant may make an application to the Director under section 75 to recover the amount of the increase.

PART 4 - ENDING A TENANCY**Division 1 - General Provisions****SECURITY OF TENURE****51. Termination only in accordance with Act**

- (1) A tenancy shall be terminated only in accordance with this Act.

Termination by notice

- (2) Where a notice of termination is given in accordance with this Act and the tenant vacates the rental unit in accordance with the notice, the tenancy ends on the termination date set out in the notice.

Termination by agreement

- (3) A landlord and a tenant may make a written agreement, other than a tenancy agreement, to end a tenancy.

Landlord's right to possession restricted

- (4) A landlord shall not regain possession of a rental unit unless
- (a) the tenant has vacated the rental unit or has abandoned the rental unit in accordance with section 42; or
 - (b) the Director has made an order directing the tenant to vacate the rental unit and the order has been sent to the sheriff for enforcement.

52. Deemed renewal where no notice

- (1) Where a tenancy agreement ends on a specific date and does not include an option to renew, and the landlord has not terminated the agreement in accordance with Division 3 of this Part, the landlord and tenant are deemed to renew the tenancy agreement on that date as a monthly tenancy with the same rights and obligations as existed under the former tenancy agreement, subject to any rent increase that complies with this Act.

Exceptions

- (2) Subsection (1) does not apply
- (a) where the landlord and tenant have entered into a written agreement in accordance with subsection 51(3);
 - (b) where the tenancy has been terminated in accordance with this Act;
 - (c) to a rental unit provided by an employer to an employee as a benefit of employment;
 - (d) temporary accommodation under the *Tourism Industry Act* that is provided for a guest for a continuous period of two months or more; or
 - (e) to premises ordinarily occupied by the owner of the premises and vacated by the owner for a period not exceeding seven months during a calendar year.

NOTICE REQUIREMENTS

53. Form and content of notice of termination

In order to be effective, a notice of termination shall be in writing and shall

- (a) be signed and dated by the landlord or tenant giving the notice;
- (b) give the address of the rental unit;
- (c) state the effective date of the notice;
- (d) except for a notice of termination under section 56, state the grounds for ending the tenancy;
- (e) be given to the other party in accordance with section 100; and
- (f) when given by a landlord, be in the approved form.

54. Incorrect effective dates automatically changed

- (1) Where a landlord or tenant gives a notice of termination effective on a date that does not comply with this Part, the notice is deemed to be changed in accordance with subsection (2) or (3), as applicable.

Effective date too early

- (2) Where the effective date stated in the notice of termination is earlier than the earliest date permitted under this Act, the effective date is deemed to be the earliest date that complies with the applicable section of this Act.

Effective date for notice of termination

- (3) In the case of a notice of termination, other than a notice of termination under section 56, 57 or 69, where the effective date stated in the notice of termination is any day other than the day before the day that rent is payable under the tenancy agreement, the effective date of the termination is deemed to be the day
 - (a) before the day that rent is payable; and
 - (b) that complies with the minimum notice period applicable under this Act.

Division 2 - Tenant's Notice

55. Notice for weekly tenancy

- (1) A tenant may end a week-to-week periodic tenancy by giving the landlord a notice of termination effective on a date that
 - (a) is not earlier than seven days after the date the landlord receives the notice; and
 - (b) is the day before the day that rent is payable under the tenancy agreement.

Notice for monthly or other periodic tenancy

- (2) A tenant may end a month-to-month or other periodic tenancy by giving the landlord a notice of termination effective on a date that
 - (a) is not earlier than one month after the date the landlord receives the notice; and
 - (b) is the day before the day that rent is payable under the tenancy agreement.

Notice for fixed-term tenancy

- (3) A tenant may end a fixed-term tenancy by giving the landlord a notice of termination effective on a date that
- (a) is not earlier than one month after the date the landlord receives the notice;
 - (b) is not earlier than the date specified in the tenancy agreement as the end of the tenancy; and
 - (c) is the day before the day that rent is payable under the tenancy agreement.

Requirements of notice

- (4) In giving a notice of termination under this section, a tenant shall comply with the requirements of section 53.

56. Tenant's notice - family violence

- (1) In this section,
- (a) “**family violence**” has the same meaning as in the *Victims of Family Violence Act* R.S.P.E.I. 1988, Cap. V-3.2; and
 - (b) “**dependent**” means a child of the tenant or any other person who is dependent on the tenant for maintenance and support.

Tenant may give notice of termination for family violence or abuse

- (2) A tenant may end a tenancy agreement by giving a notice of termination to the landlord in accordance with this section if
- (a) the tenant is deemed under subsection (5) to have experienced family violence or another form of abuse; or
 - (b) a dependent residing with the tenant is deemed under subsection (5) to have experienced family violence or another form of abuse.

Period of notice

- (3) A tenant under this section may end a tenancy by giving the landlord a notice of termination effective on a date that
- (a) is not earlier than one month after the date the landlord receives the notice; and
 - (b) is the day before the day that rent is payable under the tenancy agreement.

Requirements of notice

- (4) In giving a notice of termination under subsection (1), a tenant shall comply with the requirements of section 53 and shall also provide either
- (a) a copy of an order specified in clause (5)(a) or (b); or
 - (b) a copy of a statement described in clause (5)(c).

Tenant deemed to have experienced family violence or abuse

- (5) For the purpose of subsection (2), a tenant or a dependent residing with the tenant is deemed to have experienced family violence or another form of abuse if
- (a) an emergency protection order or a victim assistance order under the *Victims of Family Violence Act* is in place to prevent a person, who is alleged to have committed family violence against the tenant or a dependent residing with the tenant, from contacting or communicating with the tenant or the dependent, or from attending the residential property;

- (b) a recognizance, peace bond or other court order is in place to prevent a person, who is alleged to have committed family violence against the tenant or a dependent residing with the tenant, from contacting or communicating with the tenant or the dependent, or from attending the residential property; or
- (c) the tenant alleges that an act or omission committed by a person against the tenant or a dependent residing with the tenant constituted abuse, and the statement from the tenant complies with the requirements prescribed in the regulations.

Persons against whom order or allegation made

- (6) For the purposes of this section, the person against whom an order or statement referred to in subsection (5) was made shall be
 - (a) a spouse or former spouse of the tenant or the tenant's dependent;
 - (b) a person who is a member of the tenant's family or the family of the tenant's dependent;
 - (c) a person who is or has been in a sexual relationship with the tenant or the tenant's dependent, whether or not they are in the relationship at the time the tenant gives notice;
 - (d) a person who is or has been in a dating relationship with the tenant or the tenant's dependent, whether or not they are in the relationship at the time the tenant gives notice; or
 - (e) a person who resides in the rental unit.

Confidentiality

- (7) A landlord shall ensure that any information received in connection with a notice provided under this section is kept confidential unless the landlord is required or permitted to disclose that information
 - (a) under this Act or any other Act or regulations; or
 - (b) for the purpose of complying with a subpoena, warrant or order issued or made by a court, person or body with jurisdiction to compel the production of information.

Retention, secure destruction

- (8) A landlord shall retain the information referred to in subsection (7) for not longer than 60 days and at the end of the retention period shall ensure that the information is securely destroyed.

Entry to show unit to prospective tenants

- (9) Despite section 23, a landlord to whom a notice is given under subsection (2) with respect to a rental unit shall not enter the rental unit to show the unit to prospective tenants until the tenant or all the joint tenants, as applicable, have vacated the unit in accordance with the notice.

Advertising rental unit

- (10) A landlord to whom a notice is given with respect to a rental unit under subsection (2) shall not advertise the unit for rent
 - (a) during the notice period, unless the rental unit is not specified in the advertisement and cannot otherwise be identified from the advertisement;
 - (b) until the tenant or all the joint tenants, as applicable, have vacated the rental unit in accordance with the notice; or
 - (c) if the tenant or joint tenants, as applicable, do not vacate the rental unit in accordance with the notice, until the tenancy has otherwise been terminated.

57. Tenant's notice due to illness, long-term care, etc.

- (1) A tenant may end a tenancy agreement by giving a notice of termination to the landlord under the following circumstances:
- (a) the tenant's income is reduced as a result of ill health, and the notice to the landlord is accompanied by evidence of the tenant's reduction in income and a certificate provided by a medical practitioner or nurse practitioner respecting the tenant's state of health;
 - (b) the income of a person who has been providing financial assistance towards the payment of the tenant's rent is no longer able to provide financial assistance due to ill health, and the notice to the landlord is accompanied by evidence of the ill health of the person who has been providing financial assistance;
 - (c) the tenant is required to reside with a family member because of the ill health of the family member, and the notice to the landlord is accompanied by evidence of the ill health of the family member;
 - (d) the tenant is admitted permanently into a facility that provides long-term care or care for persons in ill health, and the notice to the landlord is accompanied by evidence of the tenant's admission into the facility;
 - (e) the tenant dies and the notice to the landlord is accompanied by evidence of the tenant's death;
 - (f) other circumstances specified in the regulations.

Period of notice for fixed-term tenancy

- (2) A tenant may end a fixed-term tenancy under this section by giving the landlord a notice of termination effective on a date that
- (a) is not earlier than one month after the date the landlord receives the notice; and
 - (b) is the day before the day that rent is payable under the tenancy agreement.

Requirements of notice

- (3) In giving a notice of termination under this section, a tenant shall comply with the requirements of section 53.

Confidentiality

- (4) A landlord shall ensure that any information received in connection with a notice given by a tenant under this section is kept confidential unless the landlord is required or permitted to disclose the information
- (a) under this Act or another Act; or
 - (b) for the purpose of complying with a subpoena, warrant or order issued or made by a court, person or body with jurisdiction to compel the production of information.

Retention, secure destruction

- (5) A landlord shall retain the information referred to in subsection (4) for not longer than 60 days and at the end of the retention period shall ensure that the information is securely destroyed.

58. Termination by one of a group of tenants

Where a fixed-term tenancy is terminated under section 56 or 57 by one of two or more tenants who are subject to the same tenancy agreement, the remaining tenant or tenants shall also vacate the rental unit, unless the remaining tenant or tenants enter into a new tenancy agreement with the landlord.

59. Application respecting contravention

Where a landlord contravenes the obligations set out in sections 22 to 24 and 26 to 29, a material term of the tenancy agreement or a statutory condition set out in Part 2, the tenant may make an application to the Director under section 75 for an order as specified under subsection 85(1).

Division 3 - Landlord's Notice

60. Landlord's notice for non-payment of rent

- (1) A landlord may end a tenancy if rent is unpaid after the day it is due, by giving a notice of termination effective on a date that is not earlier than 20 days after the date the tenant receives the notice.

Form of notice

- (2) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 53.

Non-application of section

- (3) A notice of termination under this section has no effect if the amount of rent that is unpaid is an amount the tenant is permitted under this Act to deduct from the rent.

Tenant may dispute notice or pay unpaid rent

- (4) Within 10 days after receiving a notice of termination under this section, the tenant may
- (a) pay the overdue rent, in which case the notice of termination has no effect; or
 - (b) dispute the notice of termination by making an application to the Director under section 75.

Tenant presumed to accept notice

- (5) Where a tenant who has received a notice of termination under this section does not pay the rent or make an application to the Director in accordance with subsection (4), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

Unpaid utilities

- (6) A landlord may treat unpaid utility charges as unpaid rent and may give a notice of termination under this section where
- (a) a tenancy agreement requires the tenant to pay utility charges to the landlord; and
 - (b) the utility charges are unpaid more than one month after the tenant is given a written demand for payment of them.

61. Landlord's notice for cause

- (1) A landlord may end a tenancy by giving a notice of termination where one or more of the following applies:
- (a) the tenant does not pay the security deposit within 10 days of the date it is required to be paid under the tenancy agreement;
 - (b) the tenant is repeatedly late in paying rent;
 - (c) there is an unreasonable number of occupants in the tenant's rental unit;

- (d) the tenant or a person permitted on the residential property by the tenant has
 - (i) significantly interfered with or unreasonably disturbed another occupant or the landlord of the residential property,
 - (ii) seriously jeopardized the health or safety or a lawful right or interest of the landlord or another occupant, or
 - (iii) put the landlord's property at significant risk;
- (e) the tenant or a person permitted on the residential property by the tenant has engaged in illegal activity that
 - (i) has caused or is likely to cause damage to the landlord's property,
 - (ii) has adversely affected or is likely to adversely affect the quiet enjoyment, security, safety or physical well-being of another occupant of the residential property, or
 - (iii) has jeopardized or is likely to jeopardize a lawful right or interest of the landlord or another occupant;
- (f) the tenant or a person permitted on the residential property by the tenant has caused unreasonable damage to a rental unit or the residential property;
- (g) the tenant does not repair damage to the rental unit or residential property, as required under section 28(4), within a reasonable time;
- (h) the tenant
 - (i) has failed to comply with a material term of the tenancy agreement, and
 - (ii) has not corrected the situation within a reasonable time after the landlord has given written notice to do so;
- (i) the tenant purports to assign or sublet the rental unit without first obtaining the landlord's written consent as required by section 30;
- (j) the tenant knowingly gives false information about the residential property to a prospective tenant, a purchaser viewing the residential property or another person;
- (k) the rental unit is required to be vacated to comply with an order of a federal, Prince Edward Island or municipal government authority;
- (l) the tenant has not complied with an order of the Director within 10 days of the later of
 - (i) the date the tenant receives the order, or
 - (ii) the date specified in the order for the tenant to comply with the order.

Exception for family violence

- (2) Subsection (1) does not apply if
 - (a) the conduct complained of relates to an act specified in clause (1)(d), (e) or (f);
 - (b) the act specified in clause (1)(d), (e) or (f) occurred in connection with the commission of family violence as defined in section 56; and
 - (c) an order specified in clause 56(5)(a) or (b) is in effect against the person who committed the act, or the tenant has provided a statement in accordance with clause 56(5)(c).

Period of notice

- (3) A notice of termination under this section shall end the tenancy effective on a date that is
 - (a) not earlier than one month after the date the notice is received; and
 - (b) the day before the day that rent is payable under the tenancy agreement.

Form of notice

- (4) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 53.

Tenant may dispute notice

- (5) A tenant may dispute a notice of termination under this section by making an application to the Director under section 75 within 10 days after the date the tenant receives the notice.

Tenant presumed to accept notice

- (6) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (5), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

Landlord may request earlier termination date

- (7) Despite subsection (3), a landlord who wishes to give notice of termination under subsection (1) may make an application to the Director to request an order
- (a) ending a tenancy on a date that is earlier than the tenancy would end if the notice of termination were given under subsection (1); and
 - (b) granting the landlord an order of possession in respect of the rental unit.

Requirements for earlier period of notice

- (8) The Director shall grant an application under subsection (7) only if the Director is satisfied that
- (a) the tenant or a person permitted on the residential property by the tenant has
 - (i) significantly interfered with or unreasonably disturbed another occupant or the landlord of the residential property,
 - (ii) seriously jeopardized the health or safety or a lawful right or interest of the landlord or another occupant,
 - (iii) put the landlord's property at significant risk,
 - (iv) engaged in illegal activity that
 - (A) has caused or is likely to cause damage to the landlord's property,
 - (B) has adversely affected or is likely to adversely affect the quiet enjoyment, security, safety or physical well-being of another occupant of the residential property, or
 - (C) has jeopardized or is likely to jeopardize a lawful right or interest of another occupant or the landlord,
 - (v) caused unreasonable damage to the residential property, or
 - (vi) frustrated the tenancy agreement; and
 - (b) it would be unreasonable, or unfair to the landlord or other occupants of the residential property, to wait for a notice of termination under subsection (1) to take effect.

Landlord not required to provide notice

- (9) Where the Director makes an order under subsection (7), it is unnecessary for the landlord to give the tenant a notice of termination.

62. Landlord's notice for landlord's use of property

- (1) A landlord who is an individual may end a tenancy by giving a notice of termination if the landlord in good faith requires possession of the rental unit for the purpose of residential occupation for a period of at least one year by
- (a) the landlord;
 - (b) the landlord's spouse;
 - (c) a child, parent or a dependent of the landlord or the landlord's spouse; or
 - (d) a person who provides or will provide care services to the landlord, the landlord's spouse, or a child, parent or dependent of the landlord or the landlord's spouse, if the person receiving the care services resides or will reside in the residential property or mobile home park in which the rental unit is located.

Period of notice

- (2) The date for termination specified in the notice of termination shall be at least four months after the notice is given and shall be the day a period of the tenancy ends or, where the tenancy is for a fixed term, the end of the term.

Form of notice

- (3) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 53.

Tenant may dispute notice

- (4) A tenant may dispute a notice of termination given under subsection (1) by making an application to the Director under section 75 within one month after the date the tenant receives the notice.

Tenant presumed to accept notice

- (5) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (4), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

63. Landlord's notice when purchaser personally requires unit

- (1) A landlord of a residential property that contains fewer than three rental units who has entered into an agreement of purchase and sale of the residential property may, on behalf of the purchaser, give the tenant of a rental unit in the residential property a notice of termination if the purchaser in good faith requires possession of the rental unit for the purpose of residential occupation by
- (a) the purchaser;
 - (b) the purchaser's spouse;
 - (c) a child, parent or a dependent of the purchaser or the purchaser's spouse; or
 - (d) a person who provides or will provide care services to the purchaser, the purchaser's spouse, or a child, parent or dependent of the purchaser or the purchaser's spouse, if the person receiving the care services resides or will reside in the residential property or mobile home park in which the rental unit is located.

Condominium

- (2) Subject to subsection (8), where a landlord who is an owner of a unit, as those terms are defined in the *Condominium Act* R.S.P.E.I. 1988, Cap. C-16, that is a rental unit, has entered into an agreement of purchase and sale of the unit, the landlord may, on behalf of the purchaser, give the tenant of the rental unit a notice of termination if the purchaser in good faith requires possession of the rental unit for the purpose of residential occupation by
- (a) the purchaser;
 - (b) the purchaser's spouse;
 - (c) a child, parent or a dependent of the purchaser or the purchaser's spouse; or
 - (d) a person who provides or will provide care services to the purchaser, the purchaser's spouse, or a child, parent or dependent of the purchaser or the purchaser's spouse, if the person receiving the care services resides or will reside in the residential property in which the rental unit is located.

Affidavit required

- (3) A notice of termination under subsection (1) or (2) is valid only if the tenant has been provided with a sworn affidavit certifying that the purchaser in good faith requires possession of the rental unit for a purpose set out in subsection (1) or (2).

Period of notice

- (4) The date for termination specified in a notice of termination given under subsection (1) or (2) shall be the day a period of the tenancy ends or, where the tenancy is for a fixed term, the end of the term, and
- (a) for the purposes of clauses (1)(a) and (2)(a), shall be at least two months after the notice is given; and
 - (b) for the purposes of clauses (1)(b) to (d) and (2)(b) to (d), shall be at least four months after the notice is given.

Form of notice

- (5) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 53.

Tenant may dispute notice

- (6) A tenant may dispute a notice of termination given under subsection (1) by making an application to the Director under section 75 within one month after the date the tenant receives the notice.

Tenant presumed to accept notice

- (7) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (6), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

64. Landlord's notice for demolition, conversion, repairs, renovations

- (1) A landlord may give a notice of termination if the landlord, after obtaining all necessary permits and approvals as required by law, requires possession of the rental unit in order to
- (a) demolish the rental unit;
 - (b) convert the rental unit to a non-residential use; or

- (c) subject to the approval of the Director under subsection (2), do repairs or renovations to the rental unit that are so extensive that they require vacant possession of the rental unit.

Director's approval required

- (2) Before giving notice for the purpose of clause (1)(c), the landlord shall apply to the Director in accordance with the regulations, providing the information specified by the regulations, and request the Director's approval to provide the notice to the tenant.

Period of notice

- (3) The date for termination specified in the notice of termination shall be the day a period of the tenancy ends or, where the tenancy is for a fixed term, the end of the term, and
 - (a) where the notice of termination is for a purpose under clause (1)(a) or (b), shall be at least six months after the notice is given; and
 - (b) where the notice of termination has been approved by the Director for a purpose under clause (1)(c), shall be at least six months after the date of the Director's approval or the date the notice is given to the tenant, whichever is later.

Period of notice for mobile home

- (4) Where a notice of termination is given under this section with respect to a tenancy agreement between the landlord and a tenant who owns a mobile home, the date for termination specified in the notice of termination shall, despite subsection (3), be at least 12 months after the date the notice is given and shall be the day a period of the tenancy ends or, where the tenancy is for a fixed term, the end of the term.

Form of notice

- (5) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 53.

Tenant may dispute notice

- (6) A tenant may dispute a notice of termination given under subsection (1) by making an application to the Director under section 75 within one month after the date the tenant receives the notice.

Tenant presumed to accept notice

- (7) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (6), the tenant
 - (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

65. Notice given in bad faith

- (1) A former tenant may make an application to the Director under section 75 to determine whether a landlord gave a notice of termination under sections 62, 63 or 64 in bad faith.

Time limitation

- (2) No application may be made under subsection (1) more than one year after the former tenant vacated the rental unit.

Previous determination of good faith

- (3) In determining an application under subsection (1), the Director may find that the landlord gave a notice of termination in bad faith despite a previous finding to the contrary.

Presumption

- (4) For the purposes of an application under subsection (1), it is presumed, unless the contrary is proven on a balance of probabilities, that a landlord gave a notice of termination under section 62 in bad faith if, at any time during the period described in subsection (5), the landlord
- (a) advertises the rental unit for rent;
 - (b) enters into a tenancy agreement in respect of the rental unit with someone other than the former tenant; or
 - (c) advertises the rental unit, or the residential property that contains the rental unit, for sale.

Period

- (5) The period referred to in subsection (4) is the period that
- (a) begins on the day the landlord gives the notice of termination under section 62; and
 - (b) ends one year after the former tenant vacates the rental unit.

Order when notice brought in bad faith

- (6) Where the Director determines that a landlord gave notice of termination in bad faith, the Director may issue one or more of the following orders:
- (a) an order that the landlord pay a specified sum to the former tenant for
 - (i) all or any portion of any increased rent that the former tenant has incurred or will incur for a one-year period after vacating the rental unit, and
 - (ii) reasonable out-of-pocket moving, storage and other similar expenses that the former tenant has incurred or will incur;
 - (b) an order for an abatement of rent;
 - (c) an order that the landlord pay to the Director an administrative monetary penalty in an amount not exceeding \$10,000; or
 - (d) any other order that the Director considers appropriate.

66. Landlord's notice for end of employment

- (1) A landlord may end the tenancy of a person employed as a caretaker, manager or superintendent of the residential property of which the rental unit is a part by giving a notice of termination of the tenancy where
- (a) the rental unit was rented or provided to the tenant for the term of the tenant's employment;
 - (b) the tenant's employment as a caretaker, manager or superintendent is ended; and
 - (c) the landlord intends in good faith to rent or provide the rental unit to a new caretaker, manager or superintendent.

Employer's notice for end of employment

- (2) An employer may end the tenancy of an employee in respect of a rental unit rented or provided by the employer to the employee to occupy during the term of employment by giving a notice of termination of the tenancy where the employment is ended.

Period of notice

- (3) A notice of termination under this section shall end the tenancy effective on a date that is
- (a) not earlier than one month after the date the tenant receives the notice;
 - (b) not earlier than the last day the tenant is employed by the landlord; and
 - (c) the day before the day that rent is payable under the tenancy agreement.

Form of notice

- (4) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 53.

Tenant may dispute notice

- (5) A tenant may make an application to the Director under section 75 to dispute a notice of termination under this section within 10 days after the date the tenant receives the notice.

Tenant presumed to accept notice

- (6) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (5), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

67. Landlord's notice when tenant ceases to qualify for rental unit

- (1) In this section,
- (a) “**public housing body**” means a person or organization prescribed by the regulations;
 - (b) “**subsidized rental unit**” means a rental unit that is
 - (i) operated by, or on behalf of, a public housing body, and
 - (ii) occupied by a tenant who was required to demonstrate that the tenant, or another occupant, met eligibility criteria related to income, number of occupants, health or other similar criteria before entering into the tenancy agreement in relation to the rental unit.

Landlord may give notice

- (2) Where provided for in the tenancy agreement, a landlord may end the tenancy of a subsidized rental unit by giving a notice of termination if the tenant or other occupant, as applicable, ceases to qualify for the rental unit.

Period of notice

- (3) Unless the tenant agrees in writing to an earlier date, a notice of termination under this section shall end the tenancy on a date that is
- (a) not earlier than four months after the date the notice is received;
 - (b) the day before the day that rent is payable under the tenancy agreement; and
 - (c) if the tenancy agreement is a fixed-term tenancy agreement, not earlier than the date specified as the end of the tenancy.

Form of notice

- (4) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 53.

Tenant may dispute notice

- (5) A tenant may make an application to the Director under section 75 to dispute a notice of termination under this section within one month after the date the tenant receives the notice.

Tenant presumed to accept notice

- (6) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (5), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

Division 4 - Tenant's Rights on Landlord's Notice

RIGHT OF FIRST REFUSAL

68. Tenant's right of first refusal for repairs or renovation

- (1) A tenant who receives notice of termination of a tenancy under clause 64(1)(c) has and may exercise, in accordance with this section, a right of first refusal to occupy the rental unit as a tenant when the repairs or renovations are completed.

Tenant shall give notice

- (2) A tenant who wishes to exercise a right of first refusal shall give the landlord notice in writing before vacating the rental unit.

Change of address

- (3) It is a condition of the tenant's right of first refusal that the tenant shall inform the landlord in writing of any change of address.

Tenant's compensation

- (4) Subject to subsection (5), where a tenant has given notice under subsection (2) and the landlord fails to comply with subsection (1), the tenant may make an application to the Director under section 75 for an order requiring the landlord to provide compensation in an amount equal to three months' rent under the previous tenancy agreement, plus reasonable moving expenses in accordance with the regulations.

Extenuating circumstances

- (5) On application to the Director under section 75 by a landlord who has failed to comply with subsection (1), the Director may excuse the landlord from the requirement to pay the tenant the compensation required under subsection (4) where, in the Director's opinion, extenuating circumstances prevented the landlord from complying with subsection (1).

RIGHT TO PROVIDE EARLY NOTICE

69. Tenant may end tenancy early following notice

- (1) Where a landlord gives a tenant a notice of termination of a tenancy under section 62, 63, 64, 66 or 67, the tenant may end the tenancy early by
- (a) giving the landlord at least 10 days' written notice of termination on a date that is earlier than the effective date of the landlord's notice; and

- (b) paying the landlord, on the date the tenant's notice is given, the proportion of the rent due to the effective date of the tenant's notice, unless subsection (2) applies.

Landlord shall refund rent

- (2) Where the tenant paid rent before giving a notice of termination under subsection (1), on receiving the tenant's notice, the landlord shall refund any rent paid for a period after the effective date of the tenant's notice.

Right to compensation

- (3) A notice of termination under this section does not affect the tenant's right to compensation under section 70.

Notice requirements

- (4) The requirements of section 53 apply to notice required to be given under this section.

RIGHT TO COMPENSATION**70. Compensation for repairs and renovations**

- (1) A landlord shall compensate a tenant who receives notice of termination of a tenancy under section 64 for the purpose of repairs or renovations in an amount equal to one month's rent plus reasonable moving expenses in accordance with the regulations, or shall offer the tenant another rental unit acceptable to the tenant, where
 - (a) the tenant does not give the landlord notice under subsection 68(2) with respect to the rental unit; and
 - (b) the repair or renovation was not ordered to be carried out under the authority of this or any other enactment or a municipal bylaw.

Compensation where tenant gives notice of first refusal

- (2) A landlord shall compensate a tenant who receives a notice of termination of a tenancy under section 64 for the purpose of repairs or renovations in an amount equal to the rent for the lesser of one month and the period the unit is under repair or renovation, plus reasonable moving expenses in accordance with the regulations, where
 - (a) the tenant gives the landlord notice under subsection 68(2) with respect to the rental unit; and
 - (b) the repair or renovation was not ordered to be carried out under the authority of this or any other enactment or a municipal bylaw.

Mobile home

- (3) Where a notice of termination of a tenancy is given under section 64 with respect to a tenancy agreement between the landlord and a tenant who owns a mobile home and the tenant is entitled to compensation under subsection (1) or (2), the amount of the compensation shall be equal to the lesser of
 - (a) one year's rent; and
 - (b) the amount specified in the regulations.

71. Compensation for demolition or conversion

A landlord shall compensate a tenant in an amount equal to one month's rent plus reasonable moving expenses in accordance with the regulations or offer the tenant another rental unit acceptable to the tenant where

- (a) the tenant receives notice of termination of a tenancy under section 64 for the purposes of demolition or conversion to non-residential use; and
- (b) in the case of a demolition, it was not ordered to be carried out under the authority of any other enactment or a municipal bylaw.

72. Compensation for personal use

A landlord shall compensate a tenant who receives a notice of termination of a tenancy under section 62 or 63 in an amount equal to one month's rent plus reasonable moving expenses in accordance with the regulations or offer the tenant another rental unit acceptable to the tenant.

73. Timing of compensation

Where the landlord is required to compensate a tenant under section 70, 71 or 72, the landlord shall compensate the tenant no later than the termination date specified in the notice of termination of the tenancy given by the landlord.

Division 5 - Overholding Tenants

74. Landlord entitled to compensation

- (1) A landlord is entitled to compensation for a former tenant's use and occupation of the rental unit after the tenancy has been terminated.

Acceptance of rent

- (2) The acceptance by a landlord of arrears of rent or compensation for use or occupation of the rental unit after notice of termination of tenancy has been given does not operate as a waiver of the notice, as reinstatement of the tenancy or as the creation of a new tenancy unless the parties so agree in writing.

Burden of proof

- (3) The burden of proof that a notice of termination has been waived or the tenancy has been reinstated or a new tenancy created is on the person so claiming.

PART 5 - RESOLVING DISPUTES

Division 1 - Starting a Proceeding

75. Application to determine disputes

- (1) Except as otherwise provided in this Act, a tenant, a landlord or a person representing a tenant or landlord may, during or within six months after termination of a tenancy agreement, make an application to the Director to determine
 - (a) a question arising under this Act or the regulations;

- (b) whether a provision of a tenancy agreement has been contravened; or
- (c) whether a provision of this Act or the regulations has been contravened.

Determining disputes, family violence

- (2) In any proceeding under this Act where one of the issues to be determined by the Director is whether a person is deemed under section 56 to have experienced family violence, the Director may only inquire into and make a determination as to whether the documentation accompanying the notice is genuine and is a copy of an order specified in clause 56(5)(a) or (b) or a statement referred to in clause 56(5)(c).

Confidentiality

- (3) The landlord, tenant or representative referred to in subsection (1) shall supply any information requested by the Director for the purpose of determining the matter in dispute, and all information provided to the Director shall be available to both parties, who shall preserve confidentiality with respect to it.

76. Starting proceedings

- (1) An application to the Director for a hearing shall
 - (a) be in the approved form; and
 - (b) include full particulars of the dispute that is to be the subject of the hearing.

Service

- (2) A person who makes an application to the Director shall give a copy of the application to the other party in accordance with section 100 within five days of making the application.

Failure to effect service

- (3) If, at any time, the Director is of the opinion that a party has not been provided notice in accordance with section 100, the Director may order that the party be given notice and an opportunity to be heard.

Notice - change of hearing date

- (4) Where the date, time or place of the hearing of the application under this section is changed, the Director shall notify the parties of the change by a method set out in subsection 100(1).

Exception

- (5) Despite subsection (4), where the matter involves more than 11 tenants who live in the same residential property, the notice that the date, time or place of the hearing of the application under this section is changed may be placed in the mailbox of each tenant and posted in a conspicuous place in the residential property.

77. Director's powers when application received

Where an application is submitted to the Director under section 75, the Director may

- (a) refuse to accept the application or dismiss the application where
 - (i) in the Director's opinion, the application does not disclose a dispute that may be determined under this Part,
 - (ii) in the Director's opinion, the application is trivial, vexatious, an abuse of process, or has not been initiated in good faith,
 - (iii) the applicant owes outstanding fees or administrative penalties under this Act, or

- (iv) the application does not comply with subsection 76(1);
- (b) attempt to mediate a settlement of the matter in accordance with section 79;
- (c) require a hearing of the application to be conducted in accordance with section 80; or
- (d) issue an order under section 85 without a hearing.

78. Withdrawal of application

An applicant may, by request in writing, withdraw an application submitted under section 75 before an order is issued.

Division 2 - Review and Mediation

79. Mediation

- (1) The Director shall review an application submitted under section 75 and, where the application is not refused or dismissed under clause 77(a), may attempt to mediate a settlement of a matter where the Director is of the opinion that the matter may be settled by mediation.

Settlements

- (2) A settlement of a matter under subsection (1)
- (a) shall be in writing and signed by the parties;
 - (b) is not subject to appeal to the Commission; and
 - (c) is not subject to judicial review.

Non-compliance with settlement

- (3) Where the parties agree to a settlement of a matter under subsection (1) and one or more of the parties does not comply with the settlement, the Director may, without holding a hearing, issue an order under section 85.

Director may order hearing

- (4) The Director may immediately order that a hearing be held to determine the matter where, in the Director's opinion, the parties are unlikely to settle the matter by mediation.

Director may conduct hearing

- (5) The Director is not prohibited from conducting a hearing and making an order by reason of having attempted to mediate the matter.

Division 3 - Hearing

80. Hearing procedure

- (1) The Director may require a hearing of an application under this Act to be conducted
- (a) orally, including by telephone, teleconference or other electronic means which enables the parties to participate in the hearing instantaneously and simultaneously;
 - (b) in writing; or
 - (c) partly orally and partly in writing.

Decision shall be made on merits

- (2) The Director shall make every decision based on the merits of the case as disclosed by the evidence admitted and is not bound to follow other decisions made under this Part.

Director's powers of procedure

- (3) The Director has authority to
- (a) decide any procedural issue that arises;
 - (b) determine rules of procedure and evidence for a hearing;
 - (c) receive or accept evidence and information on oath, affirmation, affidavit or otherwise, whether or not that evidence or information is admissible as evidence in a court;
 - (d) examine and cross-examine a witness and bring forward evidence in response and reply;
 - (e) make interim or temporary orders; and
 - (f) amend an application or permit an application to be amended.

Powers of a commissioner

- (4) The Director, and any person authorized by the Director, has the powers, privileges and immunities that are or may be conferred on a commissioner under the *Public Inquiries Act* R.S.P.E.I. 1988, Cap. P-31.

Oaths, affirmations

- (5) The Director may administer oaths and affirmations for the purposes of this Act.

Party's right to representation

- (6) A party at a hearing may be represented by an agent or a lawyer.

81. Director may add parties

Where, in the Director's opinion, another person will be or is likely to be materially affected by the determination of a proceeding, the Director may

- (a) order that the other person be given notice of the proceeding; and
- (b) provide the other person with an opportunity to be heard in the proceeding.

82. Director may hear related disputes together

- (1) Where two or more applications are accepted in respect of related disputes with the same landlord, the Director may decide to hear the disputes at the same time.

Director may hear disputes between same parties together

- (2) Where two or more applications are accepted in respect of disputes between the same landlord and tenant, the Director may decide to hear the disputes together.

Division 4 - Director's Decisions and Orders**83. Exclusive jurisdiction of Director**

- (1) The Director has exclusive jurisdiction to inquire into, hear and determine all those matters and questions of fact, law and discretion arising or required to be determined in an application under this Act and to make any decision or order permitted to be made.

Final decision

- (2) Except as otherwise provided in this Part, a decision or order of the Director under this Part is final and binding on the parties.

84. Order

- (1) An order of the Director under this Part shall
- (a) be in writing;
 - (b) be signed and dated by the Director;
 - (c) include the reasons for the decision in the proceeding; and
 - (d) be given promptly and, in any event, within 90 days after the application has been submitted to the Director.

No consequences for late decision

- (2) The Director does not lose authority to make an order, nor is the validity of an order affected, where an order is made after the 90-day period specified in clause (1)(d).

85. Powers of the Director

- (1) After hearing an application, the Director may make an order
- (a) determining the rights and obligations of a landlord and tenant;
 - (b) directing the payment or repayment of money from a landlord to a tenant or from a tenant to a landlord;
 - (c) requiring a landlord or tenant who has contravened an obligation of a tenancy agreement to comply with or perform the obligation;
 - (d) requiring a landlord to compensate a tenant or a tenant to compensate a landlord for loss suffered or expense incurred as a result of a contravention of this Act or the tenancy agreement;
 - (e) directing that past or future rent shall be reduced by an amount that is equivalent to a reduction in the value of a tenancy agreement;
 - (f) directing a tenant to vacate the rental unit on a specified date;
 - (g) directing a landlord to deliver to a tenant possession of personal property taken in contravention of this Act or the tenancy agreement or to compensate a tenant for the value of the personal property taken;
 - (h) directing a tenant to deliver to a landlord possession of personal property taken in contravention of this Act or the tenancy agreement or to compensate a landlord for the value of the personal property taken;
 - (i) directing a landlord to pay to a tenant an amount as compensation for inconvenience as a result of a contravention of this Act or the tenancy agreement, and authorizing the tenant to offset that amount against future rent;
 - (j) determining the disposition of a security deposit, including
 - (i) authorizing a tenant to offset, in the manner specified in the order, money a landlord owes to the tenant against money the tenant owes to the landlord, and
 - (ii) authorizing a landlord to offset, in the manner specified in the order, money a tenant owes to the landlord against money the landlord owes to the tenant, other than a security deposit where the landlord has not made an application under clause 40(1)(b);
 - (k) directing a tenant to pay rent or a specified amount of rent to the Director;

- (l) determining the validity of a notice of termination and setting aside or amending a notice given under this Act that does not comply with this Act;
- (m) in the context of a joint tenancy, amending the notice of termination so that the tenancy agreement may continue for one or more of the tenants;
- (n) extending or reducing any notice period under in this Act;
- (o) terminating a tenancy agreement;
- (p) imposing terms and conditions the Director considers appropriate, including terms and conditions to ensure compliance with this Act, the regulations and the tenancy agreement;
- (q) requiring an unsuccessful party to an application to pay costs to a successful party to the application; or
- (r) issuing an administrative monetary penalty in accordance with section 93.

Filing of order

- (2) Unless an appeal has been taken in accordance with subsection 89(3), the landlord or tenant may file the order in the court.

Enforcement of order

- (3) An order filed under subsection (2) may be enforced as, or in the same manner as, an order of the court.

Sheriff shall enforce certain orders

- (4) An order under clauses (1)(f), (g) and (h) may be sent by a landlord or a tenant to the sheriff for enforcement.

Condition on enforcement

- (5) The sheriff shall not enforce an order under clause (1)(f), (g) or (h) until the time period for an appeal to the Commission under subsection 89(4) or (5) has expired.

86. Order without hearing

Despite subsection 76(3), the Director may, without service on or notice to the other party, without attempting to mediate the matter and without holding a hearing, make an order under subsection 85(1) where

- (a) the matter is urgent and involves the safety or security of a landlord, tenant or other person;
- (b) the tenant or a person permitted on the residential property by the tenant has put the landlord's property at significant risk; or
- (c) the landlord has not made an application in accordance with clause 40(1)(b) and has not returned the security deposit to the tenant in accordance with clause 40(1)(a).

87. Copy of order

- (1) The Director shall provide the landlord and tenant with a copy of an order by
 - (a) giving it personally to the landlord or tenant;
 - (b) sending it by registered mail to an address provided by the landlord or tenant;
 - (c) sending it electronically, where
 - (i) it is provided in the same or substantially the same form as the written order,

- (ii) the landlord or tenant has provided an electronic address for receipt of documents, and
- (iii) it is sent to that electronic address; or
- (d) another method determined by the Director.

Service where landlord is a corporation

- (2) Where the landlord is a corporation, a copy of the order may be provided by giving it personally to a director, manager or other officer of that corporation or by leaving it at, or sending it to, the registered office of that corporation by a method set out in clauses (1)(b) to (d).

Date of service for registered mail

- (3) For the purpose of this section, where a copy of the order is sent by registered mail, it shall be considered to have been provided on the third day after mailing, and the provision of the copy of the order may be proved by providing evidence that the copy of the order was properly addressed and sent by registered mail.

Date of service for electronic service

- (4) For the purpose of this section, where a copy of the order is sent electronically, it shall be considered to have been provided
 - (a) on the day it is sent, if the document is sent before 5 p.m.; or
 - (b) if the document is sent after 5 p.m., on the next day that is not a holiday.

Service on more than 11 tenants

- (5) Despite subsection (1), where the matter involves more than 11 tenants who live in the residential property, copies of the order may be placed in the mailbox of each tenant and a copy of the order posted in a conspicuous place in the residential property.

88. Correction or clarification of decisions or orders

- (1) Subject to subsection (2), the Director may, with or without a hearing
 - (a) correct typographic, grammatical, arithmetic or other similar errors in a decision or order;
 - (b) clarify a decision or order; and
 - (c) deal with an obvious error or inadvertent omission in a decision or order.

Initiating correction or clarification

- (2) The Director may take the steps described in subsection (1)
 - (a) on the Director's own initiative; or
 - (b) at the request of a party.

Party's request

- (3) The request of a party for the purpose of clauses (1)(b) or (c) shall be made in writing within 15 days after the decision or order is received by the party.

Notice

- (4) A request referred to in clause (2)(b) may be made without notice to another party, but the Director may order that another party be given notice of the request.

Requirements

- (5) The Director shall not act under this section unless the Director considers it just, reasonable and fair to do so in all the circumstances.

Division 5 - Appeals of Orders**89. Appeals**

- (1) Subject to subsection (2), an appeal lies to the Commission from an order of the Director.

Order directing payment of money

- (2) No appeal lies to the Commission from an order directing the payment or repayment of money when the amount ordered by the Director is less than the minimum amount prescribed by the regulations.

Commission to receive notice

- (3) An appeal under subsection (1) shall be made by serving a notice of appeal, in the approved form, on the Commission and every party to the Director's order.

Timing of notice

- (4) A notice of appeal shall be served on the Commission and other persons referred to in subsection (3) within 20 days after a copy of the Director's order is provided to the person commencing the appeal.

Timing of notice for order directing tenant to vacate

- (5) Despite subsection (4), an appeal from an order directing a tenant to vacate the rental unit for non-payment of rent under section 60 or for cause under section 61 shall be served on the Commission within seven days after a copy of the Director's order is given to the tenant.

Effect of Service

- (6) The service of a notice of appeal on the Commission automatically stays the Director's order.

Timing of hearing

- (7) An appeal made to the Commission shall be heard by the Commission within 30 days of receipt of the appeal.

Procedure on appeal

- (8) An appeal to the Commission shall be by way of a re-hearing, and the Commission may receive and accept any evidence and information on oath or affidavit as the Commission in its discretion considers fit and make any decision or order that the Director is authorized to make under this Act.

Appeal to court

- (9) A landlord or tenant may, within 15 days of the decision of the Commission, appeal to the Court of Appeal in accordance with the *Island Regulatory and Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11, on a question of law only.

Filing of order in Supreme Court

- (10) Where the Commission has confirmed, reversed or varied an order of the Director, the landlord or tenant may file the order in the Supreme Court.

Effect of filing

- (11) Where an order is filed under subsection (10), it may be enforced as if it were an order of the Supreme Court.

PART 6 - INVESTIGATIONS AND ADMINISTRATIVE PENALTIES

Division 1 - Investigations

90. Investigations

- (1) The Director may conduct investigations to ensure compliance with this Act and the regulations whether or not the Director has accepted an application for a hearing in relation to the matter.

Delegation by Director

- (2) The Director may delegate the Director's powers and duties under this Division to a person designated by the Director as an investigator.

Report to Director

- (3) Where the Director has delegated the Director's powers as set out in subsection (2), the investigator to whom they have been delegated shall report to the Director on the conduct of the investigation as required by the Director.

91. Powers of Director

- (1) Subject to subsection (2), the Director may, at all reasonable times, for a purpose related to the administration or enforcement of this Act or the regulations, inspect or examine property, books, and records of a person that the Director considers relevant for the purpose of determining compliance with this Act or the regulations, and the Director may, without a warrant,

- (a) enter any premises
 - (i) that is a residential property,
 - (ii) where any property, books or records are or may be kept, or
 - (iii) where anything is done, or is reasonably suspected by the Director of being done, in connection with a requirement of this Act or the regulations;
- (b) make copies, extracts, photographs or videos the Director considers necessary;
- (c) require the owner or person in charge of a residential property to give the Director all reasonable assistance, including the production of books and records as requested by the Director, and to answer all proper questions relating to the administration or enforcement of this Act or the regulations and, for that purpose, require the owner or person in charge to attend at the premises with the Director; and
- (d) require the owner or person in charge to make available the means to generate and manipulate books and records that are in machine readable or electronic form and any other means or information necessary for the Director to assess the books and records.

Entry into living accommodations

- (2) The Director shall not enter any room or place being used as a living accommodation without the consent of the occupant except under the authority of a warrant issued under section 92.

92. Obtaining a warrant

- (1) During the course of an investigation under section 90 or otherwise, where the Director believes on reasonable grounds that a person has contravened this Act or the regulations, the Director may apply without notice to a judge of the Provincial Court or a justice of the peace for a warrant.

Authority to search and seize

- (2) Where satisfied on information under oath or affirmation that there are reasonable grounds to believe that a person has contravened or is contravening this Act or the regulations, and that there is anything in or on any premises that may provide information or evidence relating to a contravention under this Act or the regulations, the judge or justice of the peace referred to in subsection (1) may issue a warrant authorizing the Director to enter the premises and
- (a) to search the premises;
 - (b) to examine the contents of the premises and exercise any of the powers specified in subsection 91(1); and
 - (c) to copy, extract, photograph, video, seize, and take away information or evidence from the premises for the purpose of investigating the alleged contravention.

Conditions

- (3) A warrant obtained under subsection (2) may contain conditions that the judge or justice of the peace considers advisable to ensure that any search authorized by the warrant is reasonable in the circumstances.

No obstruction

- (4) No person shall obstruct or hinder the Director in the performance of an investigation under this Act.

Division 2 - Administrative Monetary Penalties**93. Director may order administrative monetary penalty**

- (1) Subject to the regulations, the Director may order a person to pay an administrative monetary penalty where the Director is satisfied on a balance of probabilities that the person has
- (a) contravened a provision of this Act or the regulations; or
 - (b) failed to comply with a decision or order of the Director.

Requirements

- (2) Before the Director imposes an administrative penalty on a person, the Director shall
- (a) give the person an opportunity to be heard; and
 - (b) consider
 - (i) whether previous enforcement actions have been imposed for contraventions of a similar nature by the person,
 - (ii) the gravity and magnitude of the contravention,
 - (iii) the extent of the harm to others resulting from the contravention,
 - (iv) whether the contravention was repeated or continuous,
 - (v) whether the contravention was deliberate,
 - (vi) any economic benefit derived by the person from the contravention, and
 - (vii) the person's efforts to correct the contravention.

Time period

- (3) An administrative monetary penalty imposed under this section shall be paid within the time specified by the Director in the order.

Director may enter into agreement

- (4) Instead of enforcing an order under subsection (1), the Director may, subject to the regulations, enter into an agreement with the person who would otherwise be liable to the administrative monetary penalty.

Terms and conditions of agreement

- (5) An agreement under subsection (4) may provide, in accordance with the regulations, for the reduction or cancellation of the administrative monetary penalty subject to the terms and conditions the Director considers necessary or desirable in the circumstances.

Consequences for failure to perform

- (6) An agreement under subsection (4) shall specify the time for performing the terms and conditions and shall state that, if the person fails to perform those terms and conditions by the date specified, the administrative monetary penalty ordered under subsection (1) is due and payable on that date.

Non-application of section 75

- (7) Neither the Director's decision whether to enter into an agreement under subsection (4), nor the terms and conditions of the agreement, may be the subject of an application under section 75.

Vicarious liability

- (8) Where a corporation contravenes the Act or the regulations, or fails to comply with an order of the Director under subsection (1), every employee, officer, director or agent of the corporation who authorized, permitted or acquiesced in the contravention or failure is also liable under this section even though the corporation is liable for or pays an administrative monetary penalty under this section.

94. Amount of administrative monetary penalty

- (1) The amount of an administrative monetary penalty imposed under section 93 shall not exceed \$10,000.

Continuing breach

- (2) Where a contravention or failure referred to in section 93 occurs over more than one day or part of a day, or continues for more than one day or part of a day, separate penalties, each not exceeding the maximum under subsection (1), may be imposed for each day or part of a day on which the contravention or failure continues.

95. Notice of administrative monetary penalty

Where the Director imposes an administrative monetary penalty on a person, the Director shall give to the person a notice specifying

- (a) the contravention or failure to which the penalty relates;
- (b) the amount of the penalty;
- (c) the date by which the penalty shall be paid; and
- (d) the person's right to have the Director reconsider the decision imposing the penalty.

96. Director's order

- (1) An order of the Director under this Part shall
 - (a) be in writing;
 - (b) be signed and dated by the Director; and
 - (c) include the reasons for the order and the administrative monetary penalty.

Director's order is final

- (2) Except as otherwise provided in this Part, an order of the Director under this Part is final and binding on the person subject to the order.

97. Correction or clarification of orders

- (1) The Director may, with or without a hearing,
 - (a) correct typographic, grammatical, arithmetic or other similar errors in the order;
 - (b) clarify the order; and
 - (c) deal with an obvious error or inadvertent omission in the order.

Initiating correction or clarification

- (2) The Director may take the steps described in subsection (1)
 - (a) on the Director's own initiative; or
 - (b) at the request of the person subject to the order.

Party's request

- (3) The request of a person for the purpose of clauses (1)(b) and (c) shall be made in writing within 15 days after the decision or order is received by the party.

Requirements

- (4) The Director shall not act under this section unless the Director considers it just, reasonable and fair to do so in the circumstances.

98. Appeals

Section 89 applies to an order of the Director in respect of an administrative monetary penalty.

99. Recovery of administrative monetary penalty

- (1) An administrative monetary penalty imposed under this Part is a debt due to the Government.

Failure to pay

- (2) Where a person fails to pay an administrative monetary penalty as required by a notice under section 95 and the time for requesting an appeal under section 89 has expired, the Director may file the order in the court and, on filing, the order has the same force and effect as if it were a judgment of the court and may be enforced accordingly.

Requirements for order

- (3) An order filed under subsection (2) shall be signed by the Director and set out
 - (a) the name of the person who is liable for the administrative monetary penalty;

- (b) the contravention or failure in relation to which the administrative monetary penalty is imposed; and
- (c) the amount of the administrative monetary penalty.

PART 7 - GENERAL MATTERS

Division 1 - Giving or Serving Documents

100. Service of documents

- (1) A document that is required or permitted under this Act to be given to or served on a person shall be given or served in one of the following ways:
 - (a) giving the document personally to the other party;
 - (b) if the person is a landlord, by leaving a copy with an agent of the landlord;
 - (c) sending the document by registered mail or ordinary mail to the other party at an address provided by the other party;
 - (d) sending the document electronically where
 - (i) it is provided in the same or substantially the same form as the printed document,
 - (ii) the other party has provided an electronic address for receipt of documents, and
 - (iii) it is sent to that electronic address;
 - (e) where the other party is a corporation, by giving a copy of the document personally to a director, manager or other officer of the corporation or by leaving it at, or sending it to, the registered office of the corporation by a method set out in clause (c) or (d);
 - (f) posting the document in a conspicuous place on the entrance of the rental unit;
 - (g) by any other means of service prescribed in the regulations.

Application for substituted service

- (2) Despite subsection (1), a person may apply to the Director for, and the Director may issue, an order authorizing another method of service where, after making reasonable efforts, the person has been unable to effect service of a document under subsection (1).

Order deeming service

- (3) Despite subsection (1), the Director may order that a document not served in accordance with subsection (1) was sufficiently given or served for the purpose of providing notice to an affected person under this Act.

Date of service by registered mail, ordinary mail

- (4) For the purpose of this section, service of a document sent by one of the mailing methods may be proved by providing evidence to the Director that the document was properly addressed and sent by registered mail or ordinary mail, as the case may be, and in either case the document shall be considered to have been served on the third day after mailing.

Date of service by electronic service

- (5) For the purpose of this section, where a copy of a document is sent electronically, it shall be considered to have been served
 - (a) on the day it is sent, if the document is sent before 5 p.m.; or

- (b) if the document is sent after 5 p.m., on the next day that is not a holiday.

Division 2 - Application of Other Law

101. Common law applies

Except as modified or varied under this Act, the common law respecting landlords and tenants applies in Prince Edward Island.

102. Common law of contract

The doctrine of frustration of contract, except as modified by this Act, applies to tenancy agreements.

103. Abolition of distress

The remedy of distress is abolished, and no landlord may distrain for default in the payment of rent.

104. Obligations pass with transfer or assignment of land

The obligations of a landlord under this Act with respect to a security deposit pass to a person who acquires the interest of the landlord in the rental unit.

105. Court proceedings affecting tenants

Despite any other enactment, no order of a court in a proceeding involving a foreclosure or an estate, a proceeding under the *Divorce Act* (Canada) or the *Family Law Act* R.S.P.E.I. 1988, Cap. F-2.1, or another proceeding that affects possession of a rental unit is enforceable against a tenant of the rental unit unless the tenant was a party to the proceeding.

Division 3 - Offences and Penalties

106. Offences

- (1) A person who contravenes this Act, the regulations or an order under this Act is guilty of an offence and is liable on summary conviction to a fine of not more than \$25,000.

Harassment

- (2) A person commits an offence, and is liable on summary conviction to a fine of not more than \$25,000, where the person coerces, threatens, intimidates or harasses a tenant or landlord
- (a) in order to deter the tenant or landlord from making an application under this Act; or
 - (b) in retaliation for the tenant's or landlord's seeking or obtaining a remedy under this Act.

New and separate offence

- (3) Each contravention of this Act, the regulations, or an order under this Act constitutes a new and separate offence.

Continuing offence

- (4) Where an offence under this Act or the regulations is committed or continued, it is a separate offence for each day or part of a day on which the offence is committed or continued.

Division 4 - Power to Make Regulations

107. Regulations

- (1) The Lieutenant Governor in Council may make regulations
- (a) generally to give effect to the purpose of this Act;
 - (b) exempting tenancy agreements, rental units or residential properties from all or part of this Act;
 - (c) prescribing the provisions of this Act that apply to a living accommodation where the tenant is required to share a bathroom or kitchen facility with the owner of the accommodation;
 - (d) defining a word or expression that is used but not defined in this Act;
 - (e) prescribing the rate of interest payable on security deposits;
 - (f) respecting tenancy agreements, including prescribing terms and formal requirements for tenancy agreements;
 - (g) respecting rights and obligations of landlords and tenants that are not inconsistent with this Act, and providing that those rights and obligations shall be terms of tenancy agreements;
 - (h) prescribing in respect of inspections required under section 18 and 38
 - (i) the procedures to be followed in conducting the inspection,
 - (ii) the content, completion requirements and use as evidence of a condition inspection report,
 - (iii) the scheduling, and notification to the tenant, of the inspection, and
 - (iv) the procedures to be followed in providing the condition inspection report to the tenant;
 - (i) respecting refundable and non-refundable fees that a landlord may or shall not impose on a tenant and limiting the amount of a fee that may be imposed;
 - (j) prescribing fees for anything done or any service provided under this Act;
 - (k) specifying other matters that are the responsibility of the landlord under section 36;
 - (l) specifying additional factors to be considered by the Director in establishing the guideline under section 49;
 - (m) prescribing factors to be considered in determining an application for an additional rent increase under section 50;
 - (n) prescribing requirements for a statement pursuant to clause 56(5)(c);
 - (o) prescribing circumstances for the purposes of clause 57(1)(f);
 - (p) specifying information to be provided to the Director for the purpose of considering a notice of termination under clause 64(1)(c);
 - (q) prescribing persons or organizations as a public housing body pursuant to section 67;
 - (r) specifying reasonable moving expenses;
 - (s) specifying documents or copies of documents provided by a landlord pursuant to Part 4 that are required to be filed with the Director;

- (t) prescribing the minimum sum of money that has been ordered to be paid or repaid by the Director that may be appealed to the Commission pursuant to subsection 89(2);
- (u) respecting administrative penalties, including but not limited to
 - (i) establishing procedures for providing an opportunity to be heard for the purposes of clause 93(2)(a), which need not entail an oral hearing,
 - (ii) prescribing consequences for failing to appear or provide submissions, as applicable, on an opportunity prescribed under subclause (i), which may include, but are not limited to, proceeding in the absence of the person who fails to appear or make a submission, as applicable,
 - (iii) prescribing time limits for paying administrative penalties,
 - (iv) the matters that shall be considered by the Director in establishing an administrative penalty in a particular case,
 - (v) prescribing a limitation period for imposing an administrative penalty and evidentiary matters in relation to that period,
 - (vi) respecting agreements, including prescribing terms and conditions that shall be included in an agreement under subsection 93(4), and
 - (vii) establishing consequences for failing to pay an administrative penalty which may include, but are not limited to, imposing additional penalties;
- (v) prescribing other means of giving or serving documents, including prescribing when documents given or served by those means are deemed to be received;
- (w) prescribing the circumstances in which the purchaser of abandoned personal property or an abandoned mobile home acquires a marketable title free of all encumbrances;
- (x) prescribing fees that shall not be charged by a landlord for the purpose of clause 20(1)(d);
- (y) prescribing the information that a landlord shall include in an advertisement of a rental unit;
- (z) prescribing standards for the maintenance of a rental unit or residential property by a landlord, including making regulations that adopt by reference a specified maintenance code or standard, in whole or in part, as amended from time to time, and with any amendments, revocations, modifications or exemptions specified in the regulations;
- (aa) specifying the information to be provided by a landlord in support of an application under subsection 64(2) and the circumstances in which the Director may provide approval to give notice to a tenant of termination of a tenancy agreement for the purposes of clause 64(1)(c);
- (bb) for any other purpose for which regulations are contemplated by this Act.

Scope of regulations

- (2) In making regulations under this Act, the Lieutenant Governor in Council may make different regulations for different rental units, residential properties or tenancy agreements or for different classes of rental units, residential properties or tenancy agreements.

Division 5 - Transitional and Consequential Provisions

108. Meaning of “former Act”

In this Part, “**former Act**” means the *Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1.

109. Transitional - start of tenancy condition

Sections 18 and 38 of this Act do not apply to a landlord or tenant in respect of a tenancy that started before the date this Act comes into force.

110. Transitional - security deposits

Where a landlord holds a security deposit in accordance with the former Act, the security deposit is deemed to be held in accordance with this Act and the provisions of this Act respecting security deposits apply.

111. Transitional - regulations

The Lieutenant Governor in Council may make regulations considered necessary or advisable to more effectively bring this Act into operation and to facilitate the transition from the operation of the former Act to the operation of this Act, including regulations prescribing the manner in which any transitional question or issue arising because of the repeal of the former Act is to be resolved.

112. Transitional - proceedings

- (1) Any hearing or proceeding that was started under the former Act, but not concluded before the coming into force of this Act, shall be concluded in accordance with the provisions of the former Act as though that Act were still in force.

Transitional - contravention

- (2) A contravention of a provision of the former Act that occurred before the coming into force of this Act, but in respect of which no application, hearing or other proceeding was started before the coming into force of this Act, may be dealt with under the former Act as though that Act were still in force.

Transitional - application

- (3) Where the Director has received an application under the former Act, but has not concluded the matter before the coming into force of this Act, the former Act continues to apply to the determination of the matter as though that Act were still in force.

113. Transitional - Director

The person who held the appointment as Director of Residential Rental Property under the former Act immediately prior to the coming into force of this Act continues as the Director of Residential Tenancy under this Act according to the terms of the appointment.

114. Consequential amendment - Cannabis Control Act

- (1) **The *Cannabis Control Act* R.S.P.E.I. 1988, Cap. C-1.2, is amended as provided by this section.**
- (2) **Clause 1(m) of the Act is amended by the deletion of the words “*Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1” and the substitution of the words “*Residential Tenancy Act* R.S.P.E.I. 1988, Cap. R-13.11”.**
- (3) **Clause 1(n) of the Act is amended by the deletion of the words “*Rental of Residential Property Act*” and the substitution of the words “*Residential Tenancy Act*”.**

115. Consequential amendment - Island Regulatory and Appeals Commission Act

- (1) **The *Island Regulatory and Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11, is amended as provided by this section.**
- (2) **Subclause 5(c)(i) of the Act is amended by the deletion of the words “*Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1” and the substitution of the words “*Residential Tenancy Act* R.S.P.E.I. 1988, Cap. R-13.11”.**

PART 8 - REPEAL AND COMMENCEMENT

116. Repeal

The *Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1, is repealed.

117. Commencement

This Act comes into force on a date that may be fixed by proclamation of the Lieutenant Governor in Council.

(Bill No. 87)

Residential Tenancy Act

<i>STAGE:</i>	<i>DATE:</i>
<i>1st Reading:</i>	November 15, 2022
<i>2nd Reading:</i>	
<i>To Committee:</i>	
<i>Reported:</i>	
<i>3rd Reading and Pass:</i>	
<i>Assent:</i>	

SIGNATURES:

Honourable Antoinette Perry, Lieutenant Governor

Honourable Colin LaVie, Speaker

Joseph Jeffrey, Clerk

Hon. Matthew MacKay
Minister of Social Development and Housing

GOVERNMENT BILL

2022
2nd SESSION, 66th GENERAL ASSEMBLY