

Legislative
Assembly
of Ontario



Assemblée
législative
de l'Ontario

1ST SESSION, 43RD LEGISLATURE, ONTARIO
2 CHARLES III, 2023

Bill 41

(Chapter 16 of the Statutes of Ontario, 2023)

An Act to amend the Consumer Reporting Act and the Prevention of and Remedies for Human Trafficking Act, 2017 with respect to certain debts incurred in relation to human trafficking

Co-sponsors:

Mrs. L. Collard
Mr. C. Glover
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1st Reading	November 16, 2022
2nd Reading	February 23, 2023
3rd Reading	November 29, 2023
Royal Assent	December 4, 2023



EXPLANATORY NOTE

*This Explanatory Note was written as a reader's aid to Bill 41 and does not form part of the law.
Bill 41 has been enacted as Chapter 16 of the Statutes of Ontario, 2023.*

The Bill amends the *Consumer Reporting Act* and the *Prevention of and Remedies for Human Trafficking Act, 2017*. The *Consumer Reporting Act* is amended to prohibit the inclusion in consumer reports of information respecting any coerced debt. The *Prevention of and Remedies for Human Trafficking Act, 2017* is amended to add a new Part IV, which provides for the concept of a coerced debt, that being a debt incurred as a result of the debtor being subjected to human trafficking. The provisions of this new Part prohibit the collection of coerced debts and prohibit persons or entities from taking them into consideration when determining whether to provide credit services or products to the debtor. In the case of a dispute between a creditor and a debtor as to whether a debt is a coerced debt, either may apply to a prescribed individual or group of individuals for a determination.

**An Act to amend the Consumer Reporting Act and the
Prevention of and Remedies for Human Trafficking Act, 2017
with respect to certain debts incurred in relation to human trafficking**

His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Consumer Reporting Act

1 Subsection 9 (3) of the *Consumer Reporting Act* is amended by adding the following clause:

- (b.1) information respecting any coerced debt within the meaning of section 18 of the *Prevention of, Remedies for and Measures to Support Recovery from Human Trafficking Act, 2017*;

Prevention of and Remedies for Human Trafficking Act, 2017

2 (1) The title of the *Prevention of and Remedies for Human Trafficking Act, 2017* is repealed and the following substituted:

Prevention of, Remedies for and Measures to Support Recovery from Human Trafficking Act, 2017

(2) Section 1 of the Act is amended by striking out “this Act” in the portion before the definition of “human trafficking” and substituting “Parts II and III”.

(3) Part IV of the Act is repealed and the following substituted:

**PART IV
COERCED DEBTS INCURRED IN RELATION TO HUMAN TRAFFICKING**

Interpretation, “coerced debt”

18 Subject to the regulations, a debt is a coerced debt for the purposes of this Part if the debt was incurred as a result of the debtor being subjected to human trafficking.

Prohibition on collection of debts

19 Despite any other Act, no person or entity shall, through any means whatsoever, knowingly collect or attempt to collect a coerced debt.

Debt not to be considered

20 Where the existence of a coerced debt has been established, no person or entity who is determining whether to provide a debtor who has been subjected to human trafficking with credit services or products shall take the existence of the coerced debt into consideration when making that determination.

Application to prescribed individual or group of individuals

21 (1) Subject to subsection (2), in the case of a disagreement as to the application of this Part to a debt, the debtor or creditor may apply to a prescribed individual or group of individuals for a determination as to whether the debt is a coerced debt.

Same

(2) An application by a debtor must be accompanied by a letter from an organization that satisfies the prescribed criteria, setting out prescribed information in support of the application.

Determination

- (3)** After affording the debtor and creditor an opportunity to be heard, the prescribed individual or group of individuals shall,
- (a) make a determination as to whether the debt, or some part of it, is a coerced debt and, if applicable, the amount of the coerced debt; and
 - (b) notify the debtor and creditor of the determination in writing.

Regulations

22 The Minister responsible for the administration of this Act may make regulations respecting any matter necessary or advisable to carry out effectively the intent and purpose of this Part and, without limiting the generality of the foregoing, may make regulations,

- (a) respecting anything that, under this Part, may or must be prescribed or done by regulation;
- (b) prescribing types of debts that are not coerced debts for the purposes of this Part;
- (c) prescribing criteria that must be satisfied in order for a coerced debt to be established;
- (d) governing applications made under section 21, including governing the application of the *Statutory Powers Procedure Act* or any of its provisions.

Crown bound

23 This Part binds the Crown.

Commencement

3 This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

4 The short title of this Act is the *Protection from Coerced Debts Incurred in relation to Human Trafficking Act, 2023*.