

Appendix A.

Proposed New Regulation to Enable the Minister of Education to Direct School Boards to Dispose of Property in Specific Circumstances.

Summary of the Proposal

Amendments were made to the Education Act by The Better Schools and Student Outcomes Act, 2023. This included changes to maximize school board capital assets to support building modern schools faster, better utilizing school capacity and enhancing accountability and transparency.

Ontario Regulation 374/23: Acquisition and Disposition of Real Property, made under the Education Act, streamlined and standardized the process for school boards to identify and dispose of surplus school board property not needed for pupil accommodation needs.

The government is seeking feedback on a proposed new regulation under subsection 194(11) of the Education Act. This provision enables the Lieutenant Governor in Council to make regulations governing the circumstances when a school board property is not needed to meet a board's current pupil accommodation needs or its pupil accommodation needs for the next 10 years, and authorizing the Minister to determine whether the circumstances exist, for the purposes of directing the school board to dispose of the property under subsection 194(6) of the Education Act.

The proposed regulation includes the following circumstances:

- A school board changes its plan for pupil accommodation needs and no longer intends to dispose of property, which was part of its plan for which the board received Minister's approval or Minister's approval for funding, and the board's pupil enrolment data shows that there are other schools within the board's jurisdiction with the capacity to meet the board's pupil accommodation needs or,
- A school board identified that a property is not needed to meet the board's current pupil accommodation needs or its pupil accommodation needs for the next 10 years, and the board was notified that it is required to sell the property under subclause 2 (1) (b) (i) of Ontario Regulation 374/23: Acquisition and Disposition of Real Property or,

- A school board has an accumulated deficit, and a property is not currently being used for pupil accommodation, and the board's pupil enrolment data shows that there are other schools within the board's jurisdiction with capacity to meet the board's pupil accommodation needs or,
- A school board is leasing a property to another school board and the owner board's pupil enrolment data shows that there are other schools within the board's jurisdiction with capacity to meet the board's pupil accommodation needs or,
- A school board has two or more buildings used for pupil accommodation on one property and one of the buildings has the capacity to meet the board's pupil accommodation needs.

Under the proposed regulation, where the Minister is satisfied that one of the circumstances exist, the Minister may direct the board to sell the property.

As under Ontario Regulation 374/23, the property would first be considered for the needs of other school boards within the same jurisdiction and then considered by the government for other provincial priorities such as long-term care and housing. If not needed for these purposes, school boards could dispose of the property to any person or body, e.g., through the open market.

The Minister may identify to whom the property must be offered, e.g., a school board, or inform the board that it can offer the property to any person or body, e.g., through the open market.

School board property must be disposed of at fair market value.

The Ministry of Education invites stakeholder input on this proposal. Please submit your comments before the specified comment period closing date.

Relevant dates

Posting date: **May 27, 2025**

Comment due date: **Jun 1, 2025**

Analysis of the Regulatory Impact

Building on previous statutory and regulatory changes, the proposed new regulation supports building modern schools faster, better utilizing school capacity and enhancing accountability and transparency. It would continue to enable the re-investment of proceeds of disposition of property by school boards in their schools and would better leverage property surplus to a school board's pupil accommodation needs for the needs of other school boards and other provincial priorities such as building affordable housing and long-term care facilities.

The proposed regulation is not expected to create significant, additional administrative requirements for school boards and is supported by funding already provided by the Ministry of Education for capital planning capacity purposes.

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