

Regulations and other Acts

Gouvernement du Québec

O.C. 397-2020, 1 April 2020

An Act respecting financial assistance for education expenses (chapter A-13.3)

Certain financial assistance measures for borrowers under the Act owing to the COVID-19 pandemic

Regulation respecting certain financial assistance measures for borrowers under the Act respecting financial assistance for education expenses owing to the COVID-19 pandemic

WHEREAS, under subparagraphs 14, 15 and 16 of section 57 of the Act respecting financial assistance for education expenses (chapter A-13.3), the Government may, by regulation, on the recommendation of the Minister of Education and Higher Education :

— fix the rate of interest to be applied to the balance of a guaranteed loan and the terms and conditions of payment of interest to the financial institution;

— prescribe the terms and conditions of repayment of a guaranteed loan, require the capitalization of the interest accrued for any period determined by the Government and provide for the cases where a borrower is in default and the consequences of the default;

— define, for the purposes of sections 24 and 25, “precarious financial situation”, determine the borrower’s obligations that are to be assumed by the Minister in such a situation and, for the purposes of section 25, determine the time when repayment of a loan must begin and the terms and conditions applicable to such repayment;

WHEREAS, by Order in Council 177-2020 dated 13 March 2020, the Government declared a public health emergency and took certain measures to protect the population;

WHEREAS the public health emergency was renewed until 29 March 2020 by Order in Council 222-2020 dated 20 March 2020, until 7 April 2020 by Order in Council 388-2020 dated 29 March 2020;

WHEREAS, under section 12 of the Regulations Act (chapter R-18.1), a proposed regulation may be made without having been published if the authority making it is of the opinion that the urgency of the situation requires it;

WHEREAS, under section 13 of that Act, the reasons justifying the absence of such publication must be published with the regulation;

WHEREAS, under section 18 of that Act, a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* where the authority that has made it is of the opinion that the urgency of the situation requires it and the reason justifying such coming into force must be published with the regulation;

WHEREAS the Government is of the opinion that the urgency owing to the following circumstances warrants the absence of prior publication and such coming into force of the Regulation respecting certain financial assistance measures for borrowers under the Act respecting financial assistance for education expenses owing to the COVID-19 pandemic :

— the economic consequences caused by the COVID-19 pandemic, the resulting layoffs and the difficulty for borrowers to meet their student debt repayment obligations requires this measure be implemented as soon as 1 April 2020;

IT IS ORDERED, therefore, on the recommendation of the Minister of Education and Higher Education:

THAT the Regulation respecting certain financial assistance measures for borrowers under the Act respecting financial assistance for education expenses owing to the COVID-19 pandemic, attached to this Order in Council, be made.

YVES OUELLET,
Clerk of the Conseil exécutif

Regulation respecting certain financial assistance measures for borrowers under the Act respecting financial assistance for education expenses owing to the COVID-19 pandemic

An Act respecting financial assistance for education expenses
(chapter A-13.3, s. 57, par. 1, subpars. 14, 15 and 16)

DIVISION I
GENERAL

1. The Minister pays to the financial institution, on behalf of the borrower, the interest on the balance of the guaranteed loan and any capitalized interest, accumulated during the period beginning on 1 April 2020 and ending on 30 September of the same year, at the rate provided for in section 73 of the Regulation respecting financial assistance for education expenses (chapter A-13.3, r. 1).

The requirement for a borrower to enter into a repayment agreement pursuant to section 68 of the Regulation respecting financial assistance for education expenses is suspended for the period referred to in the first paragraph.

Every repayment agreement entered into between a borrower and a financial institution under the Regulation respecting financial assistance for education expenses is suspended for the period referred to in the first paragraph.

As of 1 April 2020, the period for which a borrower has been recognized as a borrower in a precarious financial situation under section 75 or 76 of the Regulation respecting financial assistance for education expenses is suspended until 30 September 2020. That period begins to run again on 1 October 2020.

DIVISION II
FINAL

2. This Regulation applies despite any inconsistent provision of the Regulation respecting financial assistance for education expenses.

3. This Regulation comes into force on 1 April 2020.