

INFORMATION BULLETIN – No. 006
***Liquor Licence Act* Regulatory Changes (June 2003)**

The Alcohol and Gaming Commission of Ontario (“AGCO”) is pleased to announce a number of changes under Ontario Regulation 719 of the *Liquor Licence Act* that take effect June 3, 2003 unless otherwise stated.

The following highlight the revisions to Ontario’s regulatory regime undertaken to strengthen and better target enforcement measures while at the same time enhance customer service relating to the licensing, and sale and service of liquor in the Province:

Streamlining and refocusing AGCO’s enforcement efforts

- **Modernize regulations related to the sale and service of liquor in tiered seats at stadiums**

Regulations regarding sale and service of liquor for consumption in tiered seats at stadiums were complex and restrictive, resulting in unnecessary red tape and requiring several exemptions under the regulations.

With these amendments, the eligibility for stadiums has been expanded to include stadiums that are used primarily for live entertainment events or live professional sporting events. Local arenas and forms of **temporary** tiered seating venues such as bleachers at recreational facilities are prohibited from serving liquor in the tiered seats.

Liquor sales licensees in a stadium who want to sell and serve liquor in the tiered seats are required to obtain approval of the municipal council through a resolution and make application to the AGCO for a “**stadium endorsement**”. Liquor sales licensees that have been approved for sale and service in tiered seating prior to the passing of these regulations will not have to make application or obtain a municipal council resolution.

Liquor sales licensees issued a stadium endorsement would still be required to obtain approval by the Registrar of Alcohol and Gaming for sale and service of liquor on an event-by-event basis. Approval for sale and service of liquor in the tiered seating area may only be granted for:

- live sporting events where the majority of participants in the event or the patrons in the stadium at the event will be over the age of 19 years; and
- live entertainment events where the majority of patrons at the event will be over the age of 19 years, and there is sufficient lighting to conduct inspections at the event in the tiered seating area of the stadium.

Under the new regulations, sale and service of liquor must cease at the end of the live entertainment or live sporting event but may not extend beyond the prescribed hour for ceasing sale and service for licensed premises in general.

- **Reducing compliance burden:** A number of provisions identified as business responsibilities that are unrelated to responsible sale and service of liquor have been eliminated:
 - For purposes of the *Liquor Licence Act* and its Regulations, licensees are no longer required to retain records of purchases and sales of food.
 - House policies will no longer be filed with the Registrar of Alcohol and Gaming. Licensees are encouraged to develop house policies based on best practices that are in compliance with the *Liquor Licence Act* and its Regulations.
 - Provisions regarding food storage and food menus have been eliminated. Liquor sales licensees are still required to provide light meals (i.e., meals, which usually include five main selections with at least four snacks or side dishes. The licensee must offer a selection that will allow a reasonable variety of meals, either as a single order or by combining orders).
 - Licensees are no longer required to submit to the Registrar a list of prices regularly charged for servings of each type and brand of liquor. Licensees must still post and/or make available liquor menus.
 - Licensees who offer spirits, beer or wine are required to stock a variety of brands from a variety of manufacturers at their licensed premises. However, licensees that offer mini bar services are no longer required to maintain a variety of brands in the mini bars.

- **Standardizing record retention schedules.**

The period of time that liquor records must be retained by liquor sales licensees has been standardized to one year (e.g., mini bar sales records and licensees records of purchases and sales of liquor offered for sale at the premises).

- **Eliminate restrictions on serving sizes.**

This change eliminates the restriction that a drink may not contain more than 85 millilitres of spirits (3 ounces). It is a statutory responsibility of a licensee to ensure responsible service and consumption of liquor.

- **Public Notice requirements:** reducing red tape.

Currently, new liquor sales licensee applicants or an existing sales liquor sales licensees wishing to increase capacity by more than 25%, must post a placard at their premises for a period of 30 days. On August 1st, 2003 the Registrar of Alcohol and Gaming will issue Public Notice of Application Directives that will mirror the requirements currently found under Section 7 of the regulations. This will facilitate

future changes that will reduce costs and red tape for applicants/licensees and have minor impact on the local community.

Enforcement

- **Public Interest:** Strengthening local municipal input.
AGCO Board members presiding over a public interest hearing may now rely on a municipal council resolution in the absence of evidence to the contrary. Applicants for liquor sales licences and residents objecting to the issuance of a licence must now submit evidence to support or contest a municipal council resolution opposing or supporting the issuing of, or changes to, a liquor licence.
- **Employees of licensees are not permitted to offer free liquor to patrons.**
Licensees are prohibited from offering free drinks. This prohibition also applies to employees. To strengthen enforcement and social responsibility standards, individuals under contract with a licensee (such as DJ's) are prohibited from providing free liquor.
- **Section 45 has been strengthened to ensure “unlawful gaming” is not permitted on licensed premises.**
Consistent with the government's efforts to crack down on “illegal gaming”, licensees who allow illegal gaming on their premises will be at risk of losing their liquor licence.
- **Section 15 has been amended for better enforcement while providing flexibility for liquor sales licensees and purchasers of existing licensed establishments.**
In efforts to enhance enforcement while providing better customer service, on August 1st, 2003 the 90-day duration of a “carryover” contract will be eliminated. Transfer applicants' (individuals or businesses purchasing existing licensed establishments) signed “carryover” contracts will no longer automatically expire after 90 days.

Transfer applicants who submit a signed “carryover” contract with their transfer application would be permitted to operate a licensed establishment until the licence is transferred into the transfer applicant's name, the licence expires, or the Registrar of Alcohol and Gaming issues a Notice of Proposal to Refuse to Transfer, whichever comes first. During the “carryover” period, both the current liquor sales licence-holder and the transfer applicant are responsible for the responsible sale and service of liquor.

For more information about liquor licensing and the regulatory framework, visit our website at www.agco.on.ca or contact our head office at (416) 326-8700 or toll free at 1-800-522-2876.