

Liquor Control and Licensing Branch Consultation Paper

Olympic/Paralympic Licence Regulations Proposal

In April, 2008, amendments to the Liquor Control and Licensing Act were passed to allow for a new category of liquor licence called an Olympic/Paralympic licence.

This new, temporary licence is intended to meet the needs of Olympic/Paralympic Games related facilities and services. Olympic/Paralympic sponsors, National Olympic Committees, Canadian federal and provincial governments, and various foreign governments are expected to make requests to the provincial government to operate licensed facilities in the time leading up to and during the Games which will not fit within the structure of the current liquor licensing regime. The vast majority of visitors during the Games will be served by existing licensed establishments. It is proposed that this new, temporary licence category will be strictly time limited to the period surrounding the Games and will be restricted to facilities related to the Games for which existing licence categories are not suitable.

The Olympic/Paralympic licence category will end after the Games are over.

The purpose of this discussion paper is to obtain comments about the regulations which may be adopted to implement this new licence category. The ideas set out in this paper have not been finalized. Industry representatives, local governments and the public are invited to comment on the proposals as well as suggest additional items which should be included in the regulations.

Proposals for the regulation implementing the Olympic/Paralympic licence

1. In this document, the word "VANOC" means the Vancouver Organizing Committee for the Olympic/Paralympic Games. The phrase "Olympic/Paralympic venues and facilities" means the locations and facilities where sporting and non-sporting events and functions directly related to the Olympic/Paralympic Games will take place.

Eligibility:

2. The Olympic/Paralympic licence should only be available in locations where Games related events will take place: currently these are expected to be Whistler, Squamish-Lillooet Regional District, Squamish, West Vancouver, Vancouver, Burnaby, Surrey and Richmond, as well as UBC lands.
3. An Olympic/Paralympic licence should only be issued for an establishment that does not have any other type of liquor licence. A liquor primary or a food primary licensee may request to be de-licensed for a set period of time so that it can then be licensed under an Olympic/Paralympic licence.

4. Only individuals or entities directly linked to the Games will be eligible to apply for an Olympic/Paralympic licence. These include:
 - VANOC;
 - An individual, partnership or corporation under contract with VANOC to supply food and beverage services or facilities for the Games;
 - An individual, partnership or corporation which is an official sponsor of the Games, under contract with VANOC;
 - Federal, provincial and territorial governments of Canada, and Crown corporations or agencies under those governments;
 - Governments of countries which are official participants in the Games;
 - Local governments that have a direct connection to the Olympic/Paralympic Games, (e.g. London, BC local governments which are hosting Games venues);
 - National Olympic Committees and National Paralympic Committees of countries which are participating in the Games;
 - International Sports Federations recognized by the International Olympics Committee.
5. The Olympic/Paralympic licence will be time limited to the period around the Games; for example, from October 15, 2009 to March 31, 2010, inclusive.

Licensing Process:

6. Local government will have the opportunity to provide comments on all applications for Olympic/Paralympic licences, and they may charge a fee to cover the costs of assessing the application. The general manager will take the comments by local government into account when assessing applications.

Compliance and Enforcement:

7. The temporary Olympic/Paralympic licence will be subject to the regular compliance and enforcement system. Licensees will be subject to enforcement actions and penalties imposed by the general manager if they contravene the Act, regulations, or the terms and conditions of their licence. When the administrative enforcement process can be completed in the life of the licence, suspensions and/or monetary penalties may be imposed; when it can't, monetary penalties may be imposed.

Since the Olympic/Paralympic licence will be time limited, it is likely that in some cases the administrative enforcement process will not be completed in the life of the licence. The amendments allow for regulations to require that applicants post security to ensure that they pay any monetary penalty which may be imposed if they contravene the provisions of the Act, regulation, or the terms and conditions of their licence. The applicant must provide an irrevocable letter of credit in the amount of, for example, \$50,000, in a form approved by the general manager, to secure the payment of any monetary penalty which may be imposed under s. 20 of the Act.

8. Because it is likely that administrative enforcement proceedings may not be completed in the life of the licence, monetary penalties should be allowed for 2nd and 3rd contraventions: the penalty amounts could be the same as currently set out in the regulation since the Act currently allows the adjudicator to increase the amounts up to \$25,000.
9. Currently licensees can sign a waiver admitting to the contravention and agreeing to the proposed penalty. If a waiver is not signed within 14 days of the notice of enforcement action, arrangements are made to have a hearing before an adjudicator. Given the time limited nature of this new licence category, if the licensee who signs a waiver does not pay the penalty within 28 days of signing the waiver the general manager may take the penalty from the security which was provided. As well, if the licensee does not pay the penalty by the date ordered by the adjudicator the general manager may take the penalty from the security which was provided by the licensee.
10. The general manager would give the security, or the remaining security, back to the licensee within 30 days of all enforcement actions against that licensee being satisfied. Or, if no enforcement action has been commenced within, for example, 6 months after an Olympic/Paralympic licence has expired, the general manager would give the security back to the licensee. (The Notice of Enforcement Action under regulation s. 64(2)) is the start of an enforcement action.)

Operating Terms and Conditions:

11. The Olympic/Paralympic licence will cover functions which resemble both liquor-primary (such as a bar, pub or night club) and food-primary (restaurant) establishments. The regulations should require the manager responsible for liquor service in the Olympic/Paralympic licensed establishment and at least one on-duty server to complete the Serving It Right training course. (This is what is currently required for food-primary establishments.)
12. Every Olympic/Paralympic licensed establishment should have to make hot or cold snacks and non-alcoholic beverages available.
13. Since most of the Olympic/Paralympic licence applicants will be from outside of BC, the usual residency requirements cannot apply. Therefore, this licence category should be exempt from s. 16(5) of the Act.
14. Minors should be allowed in Olympic/Paralympic licensed establishments unless the general manager prohibits them because their presence would be contrary to the public interest.
15. Some applicants for the Olympic/Paralympic licence will not own or have at least a 12 month lease on the premises they want licensed. These requirements which apply to applicants for a permanent licence should be modified for the Olympic/Paralympic licence category to allow applications from persons who have a lease for the duration of their proposed Olympic/Paralympic licence or who have a contract with VANOC for the provision of food and beverages to the Games.
16. The general manager should set a person capacity limit for indoor Olympic/Paralympic licensed premises. However, if the Olympic/Paralympic licence

application is for an outdoor venue, the licence may be issued without establishing a capacity limit, unless otherwise specified by the general manager.

17. The maximum hours of liquor service set by the current regulation, subject to limitation by the general manager, are from 9:00 a.m. to 4:00 a.m. the next day. (In practice most licensee hours of service are less than the maximum.) The Olympic/Paralympic licence should be subject to the same rules.
18. As with permanent licensees, Olympic/Paralympic licensees must ensure that liquor is taken from patrons within $\frac{1}{2}$ hour after the time stated on the licence for the hours of liquor service, unless the liquor is a bottle of wine that is sealed for taking home.
19. There are more people wanting tickets to Olympic/Paralympic events than there are tickets either as seating or standing room. Tickets are sold by people applying and then having their names drawn from among those who applied for the tickets. Since the unique Olympic/Paralympic tickets sales system does not allow people to buy specified seats, when stadiums which have a liquor primary licence are being used for Olympic/Paralympic events they need to be exempted from the usual rule that they must provide a reasonable number of liquor free seats.
20. The Act prohibits a tied house and inducements between a licensed establishment and a liquor supplier. It is expected that some participating governments might want to promote their domestic liquor products in their Olympic/Paralympic pavilions. To what extent should the current rules against liquor suppliers and licensees entering arrangements for the exclusive or preferential sale of their products be modified for:
 - The temporary Olympic/Paralympic licence category;
 - Permanent licensees within the geographical boundaries of the Olympic/Paralympic licence; and
 - Permanent licensees referenced above who are hosting events under their licence for entities eligible for an Olympic/Paralympic licence, e.g. Austrian government puts on a hospitality event at a bar in downtown Vancouver and wants to promote Austrian liquor products during that event.