

Discussion Paper: Special Occasion Licences

**Liquor Control and Licensing Branch
June 2016**

Background

There are over 25,000 Special Occasion Licenses (SOL) issued by the Liquor Control and Licensing Branch (LCLB) each year. These cover a variety of events from small private weddings to large public festivals.

Under the current legislation only non-profit organizations may hold SOLs for public events; businesses that wish to be involved must first partner with a non-profit organization. Also, when an event charges above the Maximum Price Schedule, all profits must be distributed to a charitable purpose. LCLB reviews all revenue and expenses to ensure compliance, this includes both ticket sales and food sales, not just liquor. In some cases, the amount of money provided to charities is limited and non-profit organizations have accepted responsibility for events that they may not actually be managing.

Based on the above concerns, Parliamentary Secretary John Yap made the following recommendations as part of the Liquor Policy Review:

Licensing eligibility

48. Remove the regulation that requires non-profit organizations to apply for an SOL for concerts and events. This will allow promoters who actually manage the event, to be responsible to meet all requirements of the liquor licence.

49. Permit businesses to obtain SOLs to raise funds for charity.

You can view the Final Report here:

http://www2.gov.bc.ca/local/haveyoursay/Docs/liquor_policy_review_report.pdf

Proposed Direction

The new *Liquor Control and Licensing Act* allows for regulation to dictate who can apply for SOLs and what the requirements are for the applicants. Government is considering several different options to permit businesses to apply for SOLs.

All of the options are intended to balance the needs of businesses wishing to hold events with the concerns of permanent licensees, while still supporting local community charities and non-profits that benefit from the current system. Ultimately, the new model must correct gaps in the current system and create a much more efficient, transparent, and fair structure.

Please review each of the below options. Indicate your organizations preferred option and provide any feedback that you believe is relevant. Possible questions for you to consider include:

- How would this impact your organization?
- Should this policy be a requirement for all organizations or only for businesses?

- Should there be an exemption for events that only sell a limited amount of liquor?
- Should there be a Minimum Price Schedule for SOL holders? Why or why not?

Options

- ❖ **Option 1:** A flat “per serving” rate – Businesses would be able to make profit on the sale of liquor, however a set amount (e.g. \$0.xx per standard drink) would be required to go to a charitable purpose.
- ❖ **Option 2:** Expense percentage – This option would specify a certain percentage of expenses that businesses could deduct from the total amount of liquor revenue. The remaining portion would be required to go to a charitable purpose.
- ❖ **Option 3:** No profit – The current framework would be extended to businesses, they would be able to apply for a SOL, however events would remain not-for-profit and LCLB would continue to monitor event revenue and total expenses. Businesses choosing to charge over the Maximum Price Schedule would be required to distribute all of the profit to charity. The rules surrounding expense reporting would also likely be tightened.

Contact

Thank you for your input, your answers to the above questions will help shape government policy on Special Occasion Licences.

All submissions will be required by **July 15, 2016**. You may email your responses to Lclb.lclb@gov.bc.ca or mail them to:

Policy, Planning, and Communications
Liquor Control and Licensing Branch
PO Box 9292 Stn Prov Govt
Victoria, BC V8W 9J8

Additionally, if you have any questions or concerns you may contact Josh Huska, project lead, directly at (250) 952 5794.

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