

Date: May 22, 2019

To: All LCRB staff  
All liquor licensees  
All industry associations  
All local government, first nations, and police agencies

**Re: Changes to Schedule 2 (the “Penalty Schedule”) of the Liquor Control and Licensing Regulation, Monetary Penalties and Licence Suspensions**

These policy changes are effective June 5, 2019. The amended penalty schedule only applies to contraventions arising after the new penalty schedule has taken effect.

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## 1. Licence Suspension and Monetary Penalty

### Current Policy

The Liquor and Cannabis Regulation Branch (LCRB)’s fine structure is organized into a graduated administrative scheme comprising of four Bands, depending on the severity of the contravention. Band 1 contraventions are more administrative (e.g., failure to keep a register of liquor purchase), while Band 4 contraventions are more serious (e.g., obstructing a peace officer).

The schedule includes monetary penalties, licence suspensions and revocations. Band 1-3 contraventions do not include monetary penalties for second and subsequent violations and Band 4 contraventions do not include any options for monetary penalties.

### Current Penalty Progression

	<b>First</b>	<b>Second</b>	<b>Subsequent</b>	<b>First Contravention Monetary Penalty</b>
<b>Band 1</b>	1-3 days	3-6 days	6-9 days	\$1,000 - \$3,000
<b>Band 2</b>	4-7 days	10-14 days	18-20 days	\$5,000 - \$7,000
<b>Band 3</b>	10-15 days	20-30 days	30-60 days	\$7,500 - \$10,000
<b>Band 4</b>	15-90 days	15-90 days	15-90 days	N/A

### New Policy

The LCRB’s new fine structure introduces higher fines for some contraventions, reduces fines for some contraventions, and adjusts suspension durations. A monetary penalty amount is

introduced for Band 4 contraventions to provide a prescribed monetary penalty if a permittee obstructs a peace officer/inspector.

An eligible licensee may elect to pay a monetary penalty or receive a licence suspension for first, second, and subsequent contraventions (refer to Policy Directive [16 - 19](#) for eligibility). The general manager retains the authority to determine, in certain cases, if the choice of a penalty is not appropriate.

Licence Suspension				Monetary Penalty		
	First	Second	Subsequent	First	Second	Subsequent
<b>Band 1</b>	1-3 days	3-7 days	7-11 days	\$1,000 - \$3,000	\$3,000 - \$7,000	\$7,000 - \$11,000
<b>Band 2</b>	3-7 days	7-11 days	11-15 days	\$3,000 - \$7,000	\$7,000 - \$11,000	\$11,000 - \$15,000
<b>Band 3</b>	7-11 days	11-21 days	21-41 days	\$7,000 - \$11,000	\$11,000 - \$15,000	\$15,000 - \$25,000
<b>Band 4</b>	15-90 days	15-90 days	15-90 days	\$15,000 - \$25,000	\$15,000 - \$25,000	\$15,000 - \$25,000

Note: The Liquor and Cannabis Branch (LCRB) may still assign a maximum penalty of \$50,000 for severe contraventions.

A detailed view of the penalty schedule can be found here:

<https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/bc-liquor-control-compliance-and-enforcement/bc-liquor-penalty-schedule>.

### Explanation

The amended penalty schedule ensures the province’s penalty levels are appropriate and consideration is given to how different penalties may impact a licensee and staff.

The adjustment of the penalty schedule, by raising some fines and lowering others, is expected to encourage compliance by having the fines and suspensions more fairly represent the contravention.

These amendments structurally align the liquor and cannabis penalty schedules.

## 2. Contravention Threshold

### Current Policy

If a licensee commits the same contravention two or more times within a 12-month period, the licensee is subject to the associated second or subsequent penalty.

### New Policy

If a licensee commits the same contravention two or more times within a 24-month period, the licensee is subject to the associated second or subsequent penalty.

**Explanation**

Increasing the period of time for when a contravention is considered a second contravention from 12 months to 24 months subjects licensees to an increased penalty for committing the same contravention within a longer period of time. This change is intended to encourage compliance and deter repeat contraventions.

**Further Information**

Further information regarding liquor and cannabis control and licensing in British Columbia is available on the Liquor and Cannabis Regulation Branch website at <http://www.gov.bc.ca/liquorregulationandlicensing>

If you have any questions regarding these changes, please contact the Liquor and Cannabis Regulation Branch toll free in Canada at 1-866-209-2111 or 250 952-5787 if calling from the Victoria area.

*Original signed by*

Mary Sue Maloughney,  
Assistant Deputy Minister and General Manager