

Caution:

This consultation draft is intended to facilitate dialogue concerning its contents. Should the decision be made to proceed with the proposal, the comments received during consultation will be considered during the final preparation of the regulation. The content, structure, form and wording of the consultation draft are subject to change as a result of the consultation process and as a result of review, editing and correction by the Office of Legislative Counsel.

CONSULTATION DRAFT

ONTARIO REGULATION

to be made under the

LIQUOR LICENCE AND CONTROL ACT, 2019

TRANSITIONAL MATTERS

Interpretation

1. (1) In this Regulation,

“effective date” means the date on which the *Liquor Licence Act* is repealed.

(2) Words and expressions used in this Regulation have the same meanings as in Ontario Regulation [***/**] (Permits) and Ontario Regulation [***/**] (Licensing), both made under the Act.

***Liquor Licence Act* licences, permits and endorsements**

2. (1) Licences, permits and endorsements that were issued and in force under the *Liquor Licence Act* immediately before the effective date are continued under the Act in accordance with this section.

(2) The following licences under the *Liquor Licence Act*, as it read at the time, are continued as follows:

1. Subject to paragraph 4, a liquor sales licence described in paragraph 1 of subsection 8 (1) of Regulation 719 of the Revised Regulations of Ontario (Licences to Sell Liquor) made under the *Liquor Licence Act*, as it read at the time, is continued as a liquor sales licence.

2. A mini bar licence described in paragraph 2 of subsection 8 (1) of Regulation 719 of the Revised Regulations of Ontario (Licences to Sell Liquor) made under the *Liquor Licence Act*, as it read at the time, is continued as a mini bar licence.
3. A licence to sell liquor described in subsection 2 (1) of Regulation 719 of the Revised Regulations of Ontario (Licences to Sell Liquor) made under the *Liquor Licence Act*, as it read at the time, is continued as a liquor sales licence.
4. A licence to sell liquor described in section 2.1 of Regulation 719 of the Revised Regulations of Ontario (Licences to Sell Liquor) made under the *Liquor Licence Act*, as it read at the time, is continued as a by-the-glass endorsement on the brewery licence, distillery licence or winery licence of the manufacturer who held the licence to sell liquor.
5. A licence to deliver liquor issued by the Registrar under subsection 12 (1) of the *Liquor Licence Act*, as it read at the time, is continued as a licence to deliver liquor for a fee.
6. A licence to represent a manufacturer issued by the Registrar under subsection 12 (1) of the *Liquor Licence Act*, as it read at the time, is continued as a licence to represent a manufacturer.
7. A licence to operate a ferment on premises facility issued by the Registrar under subsection 12 (1) of the *Liquor Licence Act*, as it read at the time, is continued as a licence to operate a ferment on premises facility.
8. A manufacturer's licence to sell beer issued by the Registrar under subsection 22 (2) of the *Liquor Licence Act*, as it read at the time, is continued as a brewery licence.
9. A manufacturer's licence to sell spirits issued by the Registrar under subsection 22 (2) of the *Liquor Licence Act*, as it read at the time, is continued as a distillery licence.
10. A manufacturer's licence to sell wine issued by the Registrar under subsection 22 (2) of the *Liquor Licence Act*, as it read at the time, is continued as a winery licence.

(3) The following permits that were issued by the Registrar under subsection 19 (6) of the *Liquor Licence Act*, as it read at the time, are continued as follows:

1. A sales permit described in paragraph 1 of section 2 of Ontario Regulation 389/91 (Special Occasion Permits) made under the *Liquor Licence Act*, as it read at the time, is continued as a sale permit.

2. A no-sale permit described in paragraph 2 of section 2 of Ontario Regulation 389/91 (Special Occasion Permits) made under the *Liquor Licence Act*, as it read at the time, is continued as a no-sale permit.
3. A permit issued for a tailgate event described in paragraph 3 of section 2 of Ontario Regulation 389/91 (Special Occasion Permits) made under the *Liquor Licence Act*, as it read at the time, that authorizes the sale and service of liquor is continued as a sale tailgate permit.
4. A permit issued for a tailgate event described in paragraph 3 of section 2 of Ontario Regulation 389/91 (Special Occasion Permits) made under the *Liquor Licence Act*, as it read at the time, that does not authorize the sale and service of liquor is continued as a no-sale tailgate permit.

(4) The following endorsements to liquor sales licences described in Regulation 719 of the Revised Regulations of Ontario (Licences to Sell Liquor) made under the *Liquor Licence Act*, as it read at the time, are continued under the Act as an endorsement on the former endorsement holder's liquor sales licence as follows:

1. A brew pub endorsement described in paragraph 1 of subsection 8 (2) of that Regulation, as it read at the time, is continued as a brew pub endorsement.
2. A wine pub endorsement described in paragraph 2 of subsection 8 (2) of that Regulation, as it read at the time, is continued as a wine pub endorsement.
3. A caterer's endorsement described in paragraph 3 of subsection 8 (2) of that Regulation, as it read at the time, is continued as a caterer's endorsement.
4. A room service endorsement described in paragraph 4 of subsection 8 (2) of that Regulation, as it read at the time, is continued as a room service endorsement.
5. A mini bar endorsement described in paragraph 5 of subsection 8 (2) of that Regulation, as it read at the time, is continued as a mini bar endorsement.
6. A golf course endorsement described in paragraph 6 of subsection 8 (2) of that Regulation, as it read at the time, is continued as a golf course endorsement.
7. A bring-your-own wine endorsement described in paragraph 8 of subsection 8 (2) of that Regulation, as it read at the time, is continued as a bring-your-own-wine endorsement.

***Liquor Control Act* authorizations**

3. (1) Authorizations under the *Liquor Control Act* that were issued and in force immediately before the effective date are continued under the Act in accordance with this section.

(2) The following authorizations under clause 3 (1) (e) of the *Liquor Control Act* are continued under the Act as follows:

1. An authorization issued to a beer manufacturer to sell their beer in stores owned and operated by the manufacturer and located at its production site is continued as a brewery retail store endorsement on the manufacturer's brewery licence.
2. An authorization issued to a spirits manufacturer to sell their spirits in a store owned and operated by the manufacturer and located at its production site is continued as a distillery retail store endorsement on the manufacturer's distillery licence.
3. An authorization issued to a wine manufacturer to sell their Ontario wine in a store owned and operated by the manufacturer and located at its production site is continued as a winery retail store endorsement on the manufacturer's winery licence.
4. An authorization issued to a wine manufacturer to sell their Ontario wine in a store owned and operated by the manufacturer that is not located at its production site is continued as an offsite winery retail store licence.
5. An authorization issued to a manufacturer to sell spirits, beer or Ontario wine at an occasional extension of a distillery retail store, brewery retail store or winery retail store within a farmers' market is continued as a temporary extension endorsement on the manufacturer's brewery licence, distillery licence or winery licence, as applicable.

(3) The authorization granted to Brewers Retail Inc. to operate stores for the sale of beer to the public under clause 3 (1) (e) of the *Liquor Control Act* is continued under the Act as the Brewers Retail Inc. licence.

(4) Any approval of Brewers Retail Inc. store locations under section 6 of Ontario Regulation 232/16 (Sale of Liquor in Government Stores) made under the *Liquor Control Act*, as it read at the time, is continued under the Act as an approval of the store location under the Brewers Retail Inc. licence described in subsection (3).

(5) Authorizations established in connection with the sale of beer and wine in grocery stores and listed in section 9 of Ontario Regulation 232/16 (Sale of Liquor in Government Stores) made under the *Liquor Control Act*, as it read at the time, are continued under the Act as follows:

1. A beer and cider authorization described in paragraph 1 of section 9 of that Regulation, as it read at the time, is continued as a beer and cider grocery store licence.
2. A beer and wine authorization described in paragraph 2 of section 9 of that Regulation, as it read at the time, is continued as a beer and wine grocery store licence.

(6) Authorizations established in connection with the sale of wine in wine boutiques and listed in section 28.1 of Ontario Regulation 232/16 (Sale of Liquor in Government Stores) made under the *Liquor Control Act*, as it read at the time, are continued under the Act as follows:

1. A supplementary wine authorization described in paragraph 1 of section 28.1 of that Regulation, as it read at the time, is continued as a wine boutique endorsement on the off-site winery retail store licence held by the winery for the store to which the authorization applied.
2. An authorization as a wine boutique sales agent described in paragraph 2 of section 28.1 of that Regulation, as it read at the time, is continued as a wine boutique sales agent endorsement on the beer and cider grocery store licence held by the authorized person for the store to which the authorization applied.

(7) An auction authorization issued by the Registrar under clause 3 (1) (b) of the *Liquor Control Act*, as it read at the time, is continued under the Act as an auction permit.

Conditions

4. (1) Any conditions that were attached to a licence or permit under the *Liquor Licence Act* shall be deemed to have been imposed on the relevant licence, endorsement or permit that it was continued as under this Regulation, with necessary modifications.

(2) Subject to subsection (3), any conditions that were attached to an authorization that was issued under the *Liquor Control Act* do not continue on the licence, endorsement or permit that the authorization was continued as under this Regulation.

(3) Any condition on an authorization that was issued to a spirits manufacturer to sell their spirits in a store owned and operated by the manufacturer and located at its production site that required the manufacturer to employ a certain number of staff members in Ontario or have at its production site certain types of equipment is deemed to have been imposed on the manufacturer's licence to sell that was continued under this Regulation.

(4) A holder of a manufacturer's licence to sell that is subject to a condition that was continued under subsection (3) is exempt from subsection 133 (2) of Ontario Regulation [***/**] (Licensing) made under the Act

Sacramental wine

5. (1) The appointments of any vendors of sacramental wines that were issued by the LCBO under clause 3 (1) (k) of the *Liquor Control Act* and in force immediately before the effective date are continued until July 1, 2023.

(2) Any terms and conditions that applied to an appointment of a vendor of sacramental wine under the *Liquor Control Act* continue to apply to the appointment.

(3) The LCBO may revoke an appointment that was continued under subsection (1) if the vendor does not comply with the terms and conditions of the appointment.

(4) Until July 1, 2023, the following vendors of sacramental wine are exempt from the requirements in subsection 2 (1) of the Act in respect of keeping for sale, offering for sale or selling sacramental wine:

1. Vendors whose appointment was continued under subsection (1) and whose appointment has not been revoked or surrendered.
2. Vendors who sell sacramental wine that has been imported by the vendor for that purpose under the authority of the LCBO in accordance with any terms and conditions imposed by the LCBO.

Applications

6. (1) Any application for a licence, endorsement, authorization or permit that was submitted under the *Liquor Licence Act* or the *Liquor Control Act* but that was not finally determined before the effective date is deemed to have been made under the Act.

(2) The Registrar shall treat the application as if it were applying for the licence, endorsement or permit that would have been continued under this Regulation if the application had been granted before the effective date.

(3) Despite subsection (2), the Registrar shall consider the application on the basis of the eligibility and ineligibility criteria that applied under the *Liquor Licence Act* or the *Liquor Control Act*, as applicable, at the time the application was submitted.

Inspections, investigations and penalties

7. (1) An inspection that began under subsection 44 (1) of the *Liquor Licence Act* or Part II of the *Liquor Control Act* but that was not completed by the effective date shall continue as an inspection under section 55 of the Act.

(2) An inspection that began under the *Liquor Licence Act* or the *Liquor Control Act* and that was carried out by a police officer, but that was not completed by the effective date, shall be continued as an investigation under section 56 of the Act.

(3) A notice of proposal issued under section 21 of the *Liquor Licence Act* or section 3.0.3 of the *Liquor Control Act* in respect of a licence or authorization is continued as a notice of proposal issued under section 25 of the Act, with necessary modifications, in respect of,

- (a) in the case of a licence or authorization that was continued as a licence, the continued licence; or
- (b) in the case of an authorization that was continued as an endorsement, the licence that has that endorsement.

(4) A request for a hearing by the Tribunal in respect of a notice of proposal under the *Liquor Licence Act* is continued as a request for a hearing by the Tribunal under the Act, with necessary modifications.

(5) A hearing under section 23 of the *Liquor Licence Act* or section 3.0.3 of the *Liquor Control Act* is continued as a hearing under section 26 of the Act, with necessary modifications.

(6) Subject to subsection (7), a licence suspension issued under the *Liquor Licence Act* or the *Liquor Control Act* is continued as a suspension under the Act on the continued licence.

(7) Subject to subsection (8), a suspension of an authorization issued under the *Liquor Licence Act* is continued as a suspension of the licence or endorsement that the authorization was continued as.

(8) An interim suspension before a hearing under subsection 15 (6) of the *Liquor Licence Act* or subsection 3.0.1 (2) of the *Liquor Control Act* is continued as a suspension before a hearing under subsection 15 (2) of the Act.

Notifications

8. A notification provided in writing to the Liquor Control Board of Ontario for the purposes of subsection 31 (1) of Ontario Regulation 232/16 (Sale of Liquor in Government Stores) made under the *Liquor Control Act*, as it read immediately before the effective date, is deemed to be a notification provided in writing to the Registrar for the purposes of subsection 142 (10) of Ontario Regulation [***/**] (Licensing) made under the Act

Wine containing imported grapes

9. Any wine that was manufactured before the day the *Wine Content and Labelling Act, 2000* was repealed and that could have been sold under that Act is deemed to be in compliance with paragraph 2 of subsection 129 (2) of Ontario Regulation [***/**] (Licensing) made under the Act.

Commencement

10. [Commencement]