



# Licence Line

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## Welcome to another issue of Licence Line!

A significant part of reaching our goal of being a world-leading regulator involves modernizing the way in which we do business with our customers. Our online services portal, iAGCO, is a great example of this, as it improves the AGCO's service delivery by offering an easy,

convenient and digital way of doing business with us. **As of January 29, 2019, all alcohol-related services are only available through the online portal.** In this issue, we provide some interesting facts and updates regarding iAGCO. Since it launched in May 2017, an impressive number of alcohol-related licences, permits and authorizations have been issued through iAGCO, showcasing its ease of use and convenience for licensees and applicants. It truly is a great leap

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## Cannabis legalization: impact on liquor licensed establishments

As of October 17, 2018 recreational cannabis can only be sold and purchased online through the Ontario Cannabis Store (OCS).

The Government of Canada announced that, as of October 17, 2018, it is legal to purchase, possess, and use cannabis for recreational purposes. The province has introduced new cannabis legislation that applies to people and businesses in Ontario. The new legislation says:

- A person cannot smoke or vape cannabis in enclosed public places or work places, and other smoke free places. This includes establishments licensed by the AGCO.
- The AGCO will regulate privately-run recreational cannabis retail stores, which are scheduled to begin operating in April 2019.

Note that a person who holds a medical cannabis certificate cannot smoke or vape medical cannabis in a liquor sales licensed establishment.

AGCO inspectors will continue to monitor establishments for compliance with statutes.

For more information, contact the AGCO online at [www.agco.ca/iagco](http://www.agco.ca/iagco), or by telephone at **416-326-8700** or **1-800-522-2876** (toll free in Ontario).



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JANUARY 2019

# Services for Ontario’s liquor sales licensees now only available online



Effective January 29, 2019, all AGCO services for alcohol-related transactions are now paperless.

Liquor sales licensees and all other liquor licensees must complete their alcohol-related transactions with the AGCO online through iAGCO.

The iAGCO online portal provides a quicker, easier, more convenient way to conduct AGCO-related transactions anytime from anywhere. Customers who have already used iAGCO have been overwhelmingly satisfied with its ease of use and functionality, with 93% of customers satisfied.

As a liquor sales licence holder, you must conduct all of your alcohol-related transactions with the AGCO online through the iAGCO portal, including your applications, renewals and changes for:

- Liquor Sales Licences
- Endorsements
- Temporary Extension of Hours and/or Premises
- Changes and/or Additions to an Existing Licensed Area

### WHAT YOU NEED TO KNOW

The one-year transition period for liquor sales licensees to submit traditional, paper-based applications ended on January 29, 2019. All transactions are now available online only. This means that the AGCO will no longer accept alcohol-related paper-based applications, renewals or modifications by mail or in person.

If you haven’t already done so, you can create an iAGCO account by visiting [www.agco.ca/iagco](http://www.agco.ca/iagco). Click on the “Create a new account” link located next to the “Sign in” button on the top right of the webpage.

If you have not already received your online access code, the AGCO will send it to you 60 days before your current licence is set to expire.

Once you have created your iAGCO account, you will be able to use the online access code to link your new account to your information already on file. All future expiry reminders will then be sent to you by email.

- You can now use your account to apply for and manage all of your licences, renewals and changes.
- Once your first application has been approved through iAGCO, you will be able to reuse your individual and business information for all future applications and renewals. You will only need to update that information when changes occur.
- The iAGCO portal allows you to save, edit and return to your application prior to submission. You will also be able to check the status of your applications in real time.
- To submit a Change Application before your licence renewal (i.e. changes and/or additions to existing licensed areas, temporary extensions of premise or hours, corporate structure changes), call AGCO Customer Service to request your online access code at **416-326-8700** or toll free **1-800-522-2876**.
- You can now choose a licence term of two or four years. To view the two and four-year fee structure, please visit the Alcohol Licensing Fees page at [www.agco.ca](http://www.agco.ca).

### HELPFUL RESOURCES

For helpful resources, including **Introduction to iAGCO for Liquor Manufacturers Webinar** and **FAQ**, visit [www.agco.ca](http://www.agco.ca)



### PAYMENT OPTIONS

- When using online services, all payments for fees under \$30,000 must be made by Visa, MasterCard or Interac Online. Additional payment options may be available soon.
- Payments of \$30,000 or more must be made by money wire transfer or electronic funds transfer.

### NOTE

Cheques, cash and American Express are not accepted as forms of payment when using iAGCO online services.

For more information, contact the AGCO online at [www.agco.ca/iagco](http://www.agco.ca/iagco), or call **416-326-8700** or **1-800-522-2876** (toll free in Ontario).

# iAGCO services update

On May 29, 2017, the AGCO began rolling out online services as part of its ongoing efforts to provide a modern, quality customer service experience. Providing a quicker, easier, more convenient way to conduct AGCO transactions, iAGCO is available at [www.agco.ca/iagco](http://www.agco.ca/iagco).

Since the launch of iAGCO services, the platform has achieved significant online adoption:

- More than 100,000 Special Occasion Permits (SOP) issued online
- More than 11,000 alcohol-related licences issued online
- 93% customer satisfaction rate
- 43% auto-renewal rate for online alcohol-related licences and authorizations

iAGCO online services are being rolled out in phases.

Special Occasion Permit applicants, liquor manufacturers and liquor licence holders now complete all of their AGCO alcohol-related transactions online.


Ontarians can also submit their inquiries and complaints online through the iAGCO portal.

On November 19, 2018, iAGCO online services launched for lottery and gaming registrants.

On January 7, 2019, iAGCO online services launched for cannabis private retail licensing.

When fully implemented, all those who are regulated by the AGCO will be able to conduct their AGCO-related transactions online anytime, from anywhere.

For more information, contact the AGCO online at [www.agco.ca/iagco](http://www.agco.ca/iagco), or by telephone at **416-326-8700** or **1-800-522-2876** (toll free in Ontario).



AGCO

Alcohol and Gaming  
Commission of Ontario

# iAGCO Online Services

**I**n 2017, the AGCO began rolling out online services in phases as part of its ongoing efforts to provide a modern, quality, customer service experience.

Our online portal, **iAGCO**, available at [www.agco.ca/iagco](http://www.agco.ca/iagco), provides a quicker, easier, more convenient way to conduct AGCO-related transactions anytime from anywhere.

Now online!

Special Occasion Permits  
Public Inquiries & Complaints

Liquor Manufacturers  
Liquor Licences

Now online!

Lottery Retailers  
Gaming Assistants

Gaming Operators and Suppliers

Now online!

Cannabis Private Retail Licensing

2020

Horse Racing Licences  
Electronic Gaming Equipment

Charitable Gaming Licences

Once online services are fully deployed, all those who are regulated by the AGCO will be able to apply for and manage their licences, authorizations, registrations and permits anytime, from anywhere. Projected timelines are subject to change.

For more information, visit us online at [www.agco.ca](http://www.agco.ca) or call **(416) 326-8700** or toll free **1 (800) 522-2876**.

# Responsible Service Tip Sheets

Are you wondering how to introduce house policies at your establishment? Do you have a question about illegal liquor? Do you know how to spot fake ID? The AGCO's Responsible Service Tip Sheets have the answers to these questions, plus much more. The tip sheets provide current, useful information on a wide variety of topics to help licensees and their staff remain informed and compliant with the *Liquor Licence Act* and its regulations.

Browse through all of our tips sheets on the AGCO website today!





# Intoxication in a licensed premises

Liquor sales licensees and their staff are reminded that it is an offence under the *Liquor Licence Act* to sell and/or serve alcohol to anyone who is or appears to be intoxicated. Individuals can be intoxicated from a variety of substances, including alcohol, cannabis and various drugs/medications.

## WHAT ARE THE SIGNS?

Some signs of intoxication common to alcohol, cannabis and drug users include:

- unusually slow or fast speech
- slurred words
- decreased alertness
- decreased motor control skills
- droopy eyelids
- red eyes
- dilated pupils
- increased appetite (particular to cannabis users)



## WHAT SHOULD I DO?

Develop, post and enforce a house policy on recognizing and enforcing procedures for handling intoxication. Train your staff on the signs of intoxication. Door staff should refuse entry to individuals showing signs of intoxication and, within your establishment, staff must not permit intoxication and must refuse alcohol service to patrons showing signs of intoxication.

Permitting intoxication in your licensed establishment could lead to a tragic injury or loss of life, a monetary penalty of up to \$15,000, or a suspension or revocation of your liquor licence.

# Facts about the Acts

In this new segment, we'll be highlighting different parts of the *Liquor Licence Act* and *Liquor Control Act* and their regulations to help licensees better understand the provincial legislation that governs the sale and service of alcohol.

## INSPECTORS' AUTHORITIES

In this issue, we're reminding licensees of the authorities granted to AGCO Inspectors under the *Liquor Licence Act*, subsection 44(1):

44 (1) For the purpose of ensuring compliance with this Act and the regulations, a person designated under subsection 43 (1) may,

- (a) enter any place at any reasonable time;
- (b) request the production for inspection of documents or things that may be relevant to the inspection;
- (c) inspect and, upon giving a receipt therefor, remove, for the purpose of making copies or extracts, documents or things relevant to the inspection;
- (d) inquire into negotiations, transactions, loans or borrowings of a licensee or permit holder and into assets owned, held in trust, acquired or disposed of by a licensee or permit holder that are relevant to an inspection;

- (e) conduct such tests as are reasonably necessary; and
- (f) remove materials or substances for examination or test purposes subject to the licensee, permit holder or other occupant of the premises being notified thereof.

## PRICING AND PROMOTION OF "ALL-INCLUSIVE" BY LIQUOR SALES LICENSEES

Liquor sales licensees are prohibited from engaging in or permitting practices which may tend to encourage patrons' immoderate consumption of liquor, as per subsection 20(1) of Regulation 719 under the *Liquor Licence Act*.

As outlined in subsection 20(8) of Regulation 719, licensees may offer for sale a package including the cost of liquor and one or more of a trip, accommodation, food or other services. This enables premises such as resorts and hotels to package liquor with travel and vacation goods and services, such as offering one price for liquor service with a hotel stay, or food and drink vouchers to be used at the resort's restaurant or bar. As well, travel related licensees such as airport lounges, boats and railway cars may package liquor with the cost of a ticket.

TIPS

# Bring Your Own Wine (BYOW) endorsement program

OVERVIEW

In 2005, the BYOW Endorsement program was introduced as part of the government’s ongoing efforts to modernize the alcohol regulatory environment through changes to the *Liquor Licence Act*.

The AGCO issues BYOW endorsements to eligible liquor licensees, permitting restaurants and banquet rooms in hotels or motels to allow patrons to bring unopened bottles of commercially-made wine (i.e. wine made by a manufacturer, which may include cider) to enjoy with their meal into the restaurant or banquet room to which the licence applies.

In general, as a liquor sales licensee, you must operate in compliance with the *Liquor Licence Act* and its regulations. This includes ensuring that no one becomes intoxicated and minors do not have alcohol in your premises.

ELIGIBLE BEVERAGES

Section 86.2(1) of Regulation 719 under the *Liquor Licence Act* specifically permits only “unopened bottles of commercially-made wine” under BYOW. Eligible beverages do not include wine made at a ferment-on-premise facility or any other type of homemade wine, or fortified wine (containing more than 14.9% alcohol). Since cider is a type of fruit wine , cider in bottles is an eligible BYOW beverage.

QUICK FACTS:

- There is no fee to apply for a BYOW Endorsement.
- Licensees are free to set their own house policies regarding how BYOW is offered (i.e. fees, hours of availability, etc.).
- Boxed wines or wine cans are not allowed.

- If applying for a BYOW Endorsement, you must already hold a valid eligible Liquor Sales Licence, or apply for a Liquor Sales Licence and the BYOW Endorsement at the same time.
- When patrons are leaving the establishment, they may take the remaining wine with them, but only if the bottle has been sealed with a cork inserted flush with the top of the bottle. This is required even if the bottle originally had a screw cap closure.

To check your eligibility or read more about your responsibilities as a licensee regarding the BYOW program, check out the **Responsible Service Tip Sheet: Bring Your Own Wine Endorsement**.

For more information, contact the AGCO online at [www.agco.ca/iagco](http://www.agco.ca/iagco), or by telephone at **416-326-8700** or **1-800-522-2876** (toll free in Ontario).



SELLING A BUSINESS/CHANGE OF OWNERSHIP

## Transferring a liquor sales licence

Liquor sales licences are issued to individuals, business partnerships or corporations, for operation at a specific location.

The owner, as licensed by the AGCO, is responsible for the ongoing operation of the establishment(s).

Changes in ownership (commonly referred to as a licence transfer) must be approved by the AGCO.

Liquor licence transfers fall into two categories: 100% change in ownership or a partial change in ownership from that currently approved with the AGCO. This includes any changes to officers, directors, partners and shareholders.

NOTE

Any time a change in the ownership (unless less than 10% share transfer) of a licensed establishment occurs, the AGCO must be advised.

A transfer application form can be completed using our online service portal, iAGCO at [www.agco.ca/iagco](http://www.agco.ca/iagco).

CLOSING A BUSINESS

If you are closing a business and not seeking to apply for a transfer to another owner, you must surrender the Liquor Sales Licence back to the Registrar when you stop operating your business. To do this you must complete a Voluntary Surrender Form through the iAGCO portal.

For more information, contact the AGCO online at [www.agco.ca/iagco](http://www.agco.ca/iagco), or by telephone at **416-326-8700** or **1-800-522-2876** (toll free in Ontario).



# Decision Summary

The following establishments requested a hearing before the Licence Appeal Tribunal regarding compliance issues and received suspensions of 14 days or more and revocations for the period beginning **June 1, 2018 ending January 15, 2019**. Sanctions for similar infractions may vary in length according to the specifics of each case. For details on Licence Appeal Tribunal visit [www.lat.gov.on.ca](http://www.lat.gov.on.ca).

ESTABLISHMENT	INFRACTION	SANCTION
None for this period		

Suspensions of 14 days or more and revocations where the licensee did not request a hearing.

ESTABLISHMENT	INFRACTION	SANCTION
Cheers Karaoke & Bar, North York	Serving minors; failure to inspect identification; failure to ensure required persons successfully completed approved server training within 60 days of employment start date	21 days
Forty 2 Supper Club, Toronto	Overcrowding	45 days
Jean-Guy Rubberboots, Sturgeon Falls	Liquor sold to a person who appears to be intoxicated; permitted drunkenness	50 days
K Le Karaoke Bar, Hamilton	Failure to inspect identification; overcrowding; liquor not purchased under licence	21 days
Soho KTV, Markham	Serving minors; failure to inspect identification; encouraged immoderate consumption; permitted prohibited contest on premises; failure to clear signs of service; service outside prescribed hours; failure to ensure required persons successfully completed approved server training within 60 days of employment start	27 days
Republic, Sarnia	Overcrowding	21 days
Spaceship KTV, Richmond Hill	Serving minors; overcrowding; carried on business under a name other than the name set out on the licence; breach of conditions of the establishment's liquor licence; permitted narcotics on premises	21 days
Spice Route Restaurant, Toronto	Overcrowding	15 days

## FOR AUTHORIZED GROCERY STORES:

# Changes to permitted Sunday retail sale hours

The Ontario government has changed the permissible Sunday retail sales hours in the province.

Effective December 2, 2018, off-site winery retail stores, Liquor Control Board of Ontario (LCBO) stores (including agency stores), The Beer Store, and authorized grocery stores (including wine boutiques) are permitted to sell liquor between the hours of 9:00 a.m. and 11:00 p.m. on Sundays. Previously, the permissible hours of sale on Sunday for these retail stores was 11:00 a.m. to 6:00 p.m.

Individual retail store locations may choose to shorten their hours of operation within the permissible hours of sale. The hours of sale for certain retailers may also be restricted as a condition on an authorization.

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forward for the AGCO, towards becoming a more modern and flexible regulator.

Also in this edition, as always, we provide useful information for our many licensees across the province, as well as our diverse group of stakeholders. As the Ontario government legalized recreational cannabis on October 17, 2018, we also provide some important information regarding cannabis and liquor sales licensed establishments.

# Licence Line

This newsletter is published by the **Alcohol and Gaming Commission of Ontario** to provide licensees and interested parties with information regarding alcohol legislation and related issues. Reader comments are welcome. This newsletter is available free of charge to all holders of a liquor sales licence in Ontario.

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