

2018 Bill

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Fourth Session, 29th Legislature, 67 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 6**

## **GAMING AND LIQUOR STATUTES AMENDMENT ACT, 2018**

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THE MINISTER OF JUSTICE AND SOLICITOR GENERAL

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First Reading . . . . .

Second Reading . . . . .

Committee of the Whole . . . . .

Third Reading . . . . .

Royal Assent . . . . .

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## BILL 6

2018

### GAMING AND LIQUOR STATUTES AMENDMENT ACT, 2018

(Assented to \_\_\_\_\_, 2018)

HER MAJESTY, by and with the advice and consent of the  
Legislative Assembly of Alberta, enacts as follows:

#### **An Act to Control and Regulate Cannabis**

**Amends SA 2017 c21**

**1(1) *An Act to Control and Regulate Cannabis* is amended by  
this section.**

**(2) Section 3(c) is repealed and the following is substituted:**

**(c) by adding the following after clause (g):**

(g.1) “federal Act”,

(i) except in sections 77(c) and 92(3), means the  
*Cannabis Act* (Canada);

(ii) in sections 77(c) and 92(3), means any Act of  
Canada;

**(3) Section 7 is amended**

**(a) in the new section 90.01 by striking out “The Commission  
may” and substituting “Subject to the federal Act, the  
Commission may”;**

## Explanatory Notes

### An Act to Control and Regulate Cannabis

1(1) Amends chapter 21 of the Statutes of Alberta, 2017.

(2) Section 3 presently reads in part:

*3 Section 1(1) is amended*

*(c) by adding the following after clause (g):*

*(g.1) "federal Act" means the Cannabis Act (Canada);*

(3) Section 7 presently reads in part:

*7 The following is added after Part 3:*

**(b) by adding the following after the new section 90.07:**

**Qualified employees**

**90.071(1)** The Commission may create and maintain a list of individuals who have met the requirements of this Act and the regulations that are applicable to employees of cannabis licensees and, in maintaining the list, may remove the names of individuals who cease to meet those requirements.

**(2)** The Commission may collect, use and disclose information, including personal information, for the purposes of creating and maintaining the list referred to in subsection (1).

**(3)** Before employing an individual to work in a premises that is the subject of a cannabis licence, the cannabis licensee must confirm that the individual is in good standing on the list referred to in subsection (1).

**(c) in the new section 90.09 by adding the following after subsection (2):**

**(3)** Despite subsection (1)(b), the board may, in accordance with the regulations, issue a cannabis licence that authorizes the sale of cannabis in a location where things other than cannabis accessories or prescribed things are sold.

**(d) by repealing the new section 90.12 and substituting the following:**

**Sales to cannabis licensee**

**90.12(1)** In selling cannabis to a cannabis licensee or other purchaser, the Commission may charge whatever price, including any mark-up, that it considers appropriate.

**(2)** When the Commission sells cannabis to cannabis licensees, the price of cannabis must be the same, at any one time, for all licensees holding the same class of licence.

**(3)** The Commission must not deliver cannabis it has sold to a cannabis licensee until the licensee has paid for the cannabis in the manner required by the board.

**(4)** In subsection (1), “mark-up” means the profit generated by the Commission on the sale of cannabis.

*Commission's general authority*

*90.01 The Commission may import, distribute, purchase, sell, transport, possess and store cannabis.*

*Separate business*

*90.09(1) The board may not issue a cannabis licence that authorizes the sale of cannabis unless*

- (a) the business under which the activities authorized by the licence will be carried out is separate from any other business of the applicant, and*
- (b) the activities authorized by the licence will be carried out in a location where no alcohol, tobacco, pharmaceuticals or other things are sold except cannabis, unless the other things sold are cannabis accessories or prescribed things.*

*(2) Despite subsection (1)(a), the board may issue more than one cannabis licence that authorizes the sale of cannabis if the business under which the activities authorized by those licences will be carried out is separate from any other business of the applicant.*

*Sales to cannabis licensee*

*90.12(1) When the Commission sells cannabis to cannabis licensees, the price of cannabis must be the same, at any one time, for all licensees holding the same class of licence.*

*(2) The Commission must not deliver cannabis it has sold to a cannabis licensee until the licensee has paid for the cannabis in the manner required by the board.*

*90.17(1) The board may make policies respecting the advertising and promoting of cannabis.*

*(2) Every cannabis licensee and registrant under section 90.13 must comply with the policies.*

*90.18 No cannabis licensee or employee or agent of a cannabis licensee whose licence authorizes the sale or provision of cannabis at licensed premises may sell, offer to sell or provide cannabis at the licensed premises except*

- (a) where the cannabis is authorized to be sold by the Commission or acquired in accordance with board policies, and*

- (e) **by repealing the new section 90.17(1) and substituting the following:**

**Advertising, display and promotion of cannabis and cannabis accessories**

**90.17(1)** The board may make policies respecting the advertising, display and promotion of cannabis and cannabis accessories.

- (f) **by adding the following after the new section 90.17:**

**Business name and signage**

**90.171(1)** It is a condition of every cannabis licence that

- (a) signage for a premises described in the licence must not use
  - (i) any term commonly associated with medicine, health or pharmaceuticals, including, without limitation, the term pharmacy, dispensary, apothecary, drug store, medicine, medicinal, health, therapeutic or clinic, or
  - (ii) any symbol or graphic commonly associated with a term referred to in subclause (i),

and

- (b) the name of a business under which a premises described in the licence is operated must not include a term referred to in clause (a)(i).

(2) In this section, a reference to a term includes any derivation or abbreviation of the term.

- (g) **by renumbering the new section 90.18 as section 90.18(1) and adding the following after subsection (1):**

(2) No cannabis licensee or employee or agent of a cannabis licensee may alter in any way, or permit any other person to alter in any way, cannabis that is offered for sale at a licensed premises.

- (h) **by adding the following after the new section 90.28:**

*(b) in accordance with the regulations.*

**Owners and operators**

**90.29** No owner or operator of a place where the smoking or vaping of cannabis is prohibited under this Act may permit a person to smoke or vape cannabis in that place.

**(4) Section 16 is amended by adding the following after the new section 106:**

**Evidence of cannabis**

**106.1** In a prosecution under section 90.04, 90.24, 90.25, 90.26 or 90.28, evidence

- (a) that a substance had an odour of cannabis, or
- (b) that a substance appeared to be labelled or packaged as cannabis

is, in the absence of evidence to the contrary, sufficient to establish that the substance was cannabis.

**(5) Section 17 is amended by adding the following after clause (b):**

**(c) in subsection (3)(a)**

- (i) in subclause (i) by adding “or 90.23, as the case may be,” after “section 81”;
- (ii) in subclause (ii) by striking out “under section 81”;

**(d) in subsections (4) and (5) by striking out “under section 81” wherever it occurs.**



(4) Evidence of cannabis.

(5) Section 107 of the Gaming and Liquor Act presently reads in part:

*(3) Following a seizure of a vehicle under subsection (2), the peace officer must, within a reasonable time,*

*(a) provide a justice with an affidavit*

*(i) stating that the peace officer has reason to believe that a person committed an offence under section 81 while being an occupant or in charge of the vehicle that was seized, and*

*(ii) stating the name of the person alleged to have committed an offence under section 81,*

*or*

*(b) return the vehicle to the person from whom it was seized.*

*(4) A justice, on receipt of an affidavit under subsection (3), may order that the affidavit be served on the person referred to in*

**(6) Section 23 is amended by adding the following after the new section 114.1:**

**Disposition of returned or unsaleable cannabis**

**114.2(1)** The Commission may destroy or otherwise dispose of cannabis

- (a) that is returned to the Commission by a licensee or other purchaser, or
- (b) that the Commission determines to be unsaleable.

**(2)** The Commission may direct a cannabis licensee to destroy or otherwise dispose of cannabis purchased from the Commission if the Commission is satisfied that the cannabis is unsaleable.

**(7) Section 24(a) is repealed and the following is substituted:**

- (a) by adding “, 90.03, 90.04, 90.05, 90.06, 90.08, 90.14, 90.15, 90.16, 90.18, 90.19, 90.2, 90.21, 90.22, 90.23, 90.24, 90.25, 90.26, 90.27, 90.28, 90.29” after “90”;**

*subsection (3)(a)(ii) and set down a date to hear the matter and may order that the vehicle be*

*(a) retained by the Crown until final disposition of the charge under section 81, or*

*(b) returned to the person from whom it was seized.*

*(5) If a vehicle is returned under subsection (4)(b), the justice may order the person to whom it is returned*

*(a) to hold it as bailee for the Crown until final disposition of the charge under section 81, and*

*(b) to produce it if it is required with respect to proceedings related to the charge under section 81.*

(6) Disposition of returned or unsaleable cannabis.

(7) Section 24 presently reads in part:

*24 Section 116 is amended*

*(a) by adding “, 90.03, 90.04, 90.05, 90.06, 90.08, 90.14, 90.15, 90.16, 90.18, 90.19, 90.2, 90.21, 90.22, 90.23, 90.24, 90.25, 90.26, 90.27, 90.28” after “90”;*

**(8) Section 27 is amended**

**(a) in the portion preceding clause (a) by striking out “Section 129” and substituting “Section 129(1)”;**

**(b) in clause (g) by adding the following after the new section 129(1)(q.5):**

(q.6) for the purposes of section 90.09(3), respecting the circumstances in which and the terms and conditions on which the board may issue a cannabis licence that authorizes the sale of cannabis in a location where things other than cannabis accessories or prescribed things are sold;

**(c) in clause (i)**

**(i) by repealing the new section 129(1)(x.1) and substituting the following:**

(x.1) respecting the import, distribution, transport, giving, growing, possession, storage and use of cannabis;

**(ii) by repealing the new section 129(1)(x.5) and substituting the following:**

(x.5) respecting the purchase, sale, advertising, display, packaging, promotion and labelling of cannabis and cannabis accessories;

**(9) Section 29 is amended by striking out “Fair Trading Act” and substituting “Consumer Protection Act”.**

## **Gaming and Liquor Act**

**Amends RSA 2000 cG-1**

**2(1) The *Gaming and Liquor Act* is amended by this section.**

(8) Section 27 presently reads in part:

*27 Section 129 is amended*

*(g) by adding the following after clause (q):*

*(q.5) respecting requirements for premises described in a cannabis licence, including, without limitation, design requirements and minimum distances that must be maintained between the licensed premises and other premises;*

*(i) by adding the following after clause (x):*

*(x.1) respecting the display, import, distribution, purchase, sale, transport, giving, growing, possession, storage and use of cannabis;*

*(x.5) respecting advertising, packaging, promotion and labelling of cannabis;*

(9) Section 29 presently reads in part:

*29 The following provisions are amended by striking out “Gaming and Liquor Act” wherever it occurs and substituting “Gaming, Liquor and Cannabis Act”:*

*Fair Trading Act*

*103(2)(a)*

### **Gaming and Liquor Act**

**2(1)** Amends chapter G-1 of the Revised Statutes of Alberta 2000.

**(2) Section 1(1) is amended**

- (a) in clause (d) by striking out “Alberta Gaming and Liquor Commission” and substituting “Alberta Gaming, Liquor and Cannabis Commission”;**
- (b) in clause (ee) by striking out “section 129(1)(s)” and substituting “section 129(1)(r)”.**

**(3) The Part 1 heading is repealed and the following is substituted:**

**Part 1  
Alberta Gaming, Liquor  
and Cannabis Commission**

**(4) Section 2 is amended by striking out “Alberta Gaming and Liquor Commission” and substituting “Alberta Gaming, Liquor and Cannabis Commission”.**

**(5) Section 9(1)(a) is amended by striking out “7” and substituting “9”.**

**(6) Section 9.1 is amended**

- (a) in subsection (1) by striking out “9” and substituting “10”;**
- (b) in subsection (2) by striking out “9-year” and substituting “10-year”.**

**(7) The following is added after section 9.1:**

(2) Section 1(1) presently reads in part:

*(1) In this Act,*

*(d) “Commission” means the Alberta Gaming and Liquor Commission continued under this Act;*

*(ee) “stadium bylaws” means bylaws passed by a municipality that are referred to in section 129(1)(s);*

(3) The Part 1 heading presently reads:

*Part 1  
Alberta Gaming and  
Liquor Commission*

(4) Section 2 presently reads:

*2 The Alberta Liquor Control Board is continued as a corporation called the “Alberta Gaming and Liquor Commission”.*

(5) Section 9(1)(a) presently reads:

*9(1) The board of the Commission consists of*

*(a) not more than 7 members appointed by the Lieutenant Governor in Council, and*

(6) Section 9.1 presently reads:

*9.1(1) No person shall serve as a member of the board for more than 9 years.*

*(2) The 9-year maximum established by subsection (1) does not apply in respect of the chief executive officer’s service as a member.*

(7) Continuing to hold office.

**Continuing to hold office**

**9.2** Despite section 9.1 or the term of office for which a member of the board is appointed, after the expiry of the 10 years referred to in section 9.1(1) or of the member's term of office the member continues to hold office until the member is reappointed, a successor is appointed or a period of 3 months has elapsed, whichever occurs first.

**(8) Section 34 is repealed and the following is substituted:**

**Freedom of Information and Protection of Privacy Act**

**34** For the purposes of section 16(1)(b) of the *Freedom of Information and Protection of Privacy Act*, the following information in the custody or under the control of the Commission is deemed to have been supplied to the Commission in confidence:

- (a) information obtained by the Commission before, on or after the coming into force of this section relating to the Commission's acquisition or sale of cannabis;
- (b) information obtained by the Commission before, on or after the coming into force of this section relating to the Commission's acquisition or sale of liquor.

**(9) Section 73(1) and (2) are amended by striking out "may" and substituting "may, except as permitted under the board policies,".**



(8) Section 34 presently reads:

*34(1) In this section, “liquor information” means information obtained by the Commission before, on or after the coming into force of this section relating to the Commission’s acquisition or sale of liquor.*

*(2) For the purposes of section 16(1)(b) of the Freedom of Information and Protection of Privacy Act, liquor information in the custody or under the control of the Commission is deemed to have been supplied to the Commission in confidence.*

(9) Section 73 presently reads:

*73(1) No liquor licensee or employee or agent of a liquor licensee or any other person may*

*(a) mix or permit to be mixed with any liquor that is in the possession of a liquor licensee any drug or any form of methyl alcohol or any crude, unrectified or impure form of ethyl alcohol or any other deleterious substance or liquid, or*

*(b) blend or permit to be blended one type or brand of liquor with another type or brand of liquor that is in the possession of a liquor licensee by exchanging or combining the contents of one container with those of another container except when using an automatic dispensing device approved by the Commission.*

**(10) Section 86(1) is repealed and the following is substituted:**

**Adults**

**86(1)** An adult may make wine, cider and beer, up to a quantity permitted under the regulations, in a premises licensed for that purpose or in the adult's residence.

**(11) Section 91 is amended**

**(a) by repealing subsection (1)(f) and substituting the following:**

- (f) a licensee or registrant has committed any act that is contrary to the public interest or that detracts from the integrity with which activities authorized by the licence are to be conducted in Alberta.

**(b) by repealing subsection (2)(c) and substituting the following:**

- (c) impose a fine of not more than
  - (i) \$1 000 000 in a case where a person has failed to comply with this Act or an enactment or bylaw referred to in subsection (1)(b) or (c) or has been charged with or convicted of an offence referred to in subsection (1)(d) or (e), or
  - (ii) \$200 000 in any other case,

and refuse to issue or reinstate a licence or a registration until the fine is paid;

*(2) No liquor licensee or employee or agent of a liquor licensee may add water or any other liquid or permit water or any other liquid to be added to any liquor sold or given to a customer so as to reduce the percentage of alcohol by volume without the knowledge and consent of the customer.*

(10) Section 86(1) presently reads:

*86(1) An adult may make, in the adult's residence, wine, cider and beer up to a quantity permitted under the regulations.*

(11) Section 91 presently reads in part:

*91(1) The board may do any one or more of the things referred to in subsection (2) if the board is of the opinion that*

*(b) a liquor licensee has failed to comply with stadium bylaws;*

*(c) a licensee has failed with respect to licensed premises or a licensed facility to comply with the Safety Codes Act, orders under the Public Health Act or any municipal bylaw;*

*(f) a licensee or registrant has committed any act that is contrary to the public interest or that detracts from the integrity with which gaming activities or provincial lotteries are to be conducted in Alberta.*

*(2) If subsection (1) applies, the board may, by order, with respect to a licensee or registrant, do any one or more of the following, with or without a hearing:*

*(c) impose a fine of not more than \$200 000 and refuse to issue or reinstate a licence or a registration until the fine is paid;*

**(12) Section 94(6) is amended by striking out “60” and substituting “120”.**

### **Consequential and Related Amendments**

**Amends RSA 2000 cC-23**

**3 The *Conflicts of Interest Act* is amended in Part 3 of the Schedule by striking out “Alberta Gaming and Liquor Commission” and substituting “Alberta Gaming, Liquor and Cannabis Commission”.**

**Amends RSA 2000 cC-29**

**4 The *Corrections Act* is amended in section 1(c.1) by adding the following after subclause (i):**

(i.1) cannabis,

**Amends SA 2006 cD-17**

**5 The *Drug-endangered Children Act* is amended in section 1(1)(g) by adding “other than in accordance with an Act of Alberta or Canada” after “hydroponically”.**

(12) Section 94(6) presently reads:

*(6) Within 60 days after receiving an application, the board must conduct a hearing and give the applicant an opportunity to make representations to the board.*

### **Consequential and Related Amendments**

**3** Amends chapter C-23 of the Revised Statutes of Alberta 2000. Part 3 of the Schedule presently reads in part:

*Board of the Alberta Gaming and Liquor Commission*

**4** Amends chapter C-29 of the Revised Statutes of Alberta 2000. Section 1 presently reads in part:

*1 In this Act,*

*(c.1) “illicit drug” means*

*(i) alcohol,*

*(ii) a controlled substance and an analogue, as defined in the Controlled Drugs and Substances Act (Canada), and*

*(iii) any other substance designated by the regulations;*

**5** Amends chapter D-17 of the Statutes of Alberta, 2006. Section 1(1) presently reads in part:

*1(1) In this Act,*

*(g) “indoor cannabis grow operation” means a place or premises where cannabis is grown either in soil or hydroponically;*

**Amends SA 2005 cP-27.5**

**6** The *Protection of Children Abusing Drugs Act* is amended in section 1(1)(e) by striking out “alcohol or a substance” and substituting “alcohol, cannabis or a substance”.

**Amends SA 2016 cR-8.5**

**7** The *Reform of Agencies, Boards and Commissions Compensation Act* is amended in the Schedule by striking out “Alberta Gaming and Liquor Commission” and substituting “Alberta Gaming, Liquor and Cannabis Commission”.

**Coming into Force**

**8** This Act comes into force on Proclamation.

**6** Amends chapter P-27.5 of the Statutes of Alberta, 2005.  
Section 1(1) presently reads in part:

*1(1) In this Act,*

*(e) “drug” means alcohol or a substance,*

*(i) whose use is controlled by law, or*

*(ii) that is used by the child in a manner that is not intended  
by the manufacturer of the substance, other than a  
tobacco product;*

**7** Amends chapter R-8.5 of the Statutes of Alberta, 2016. The  
Schedule presently reads in part:

*Alberta Gaming and Liquor Commission*

### **Coming into Force**

**8** Coming into force.

