



ADMINISTRATIVE SANCTIONS FOR COMMUNITY ORGANIZATION LICENSEES AND GRANT RECIPIENTS

Context

The Gaming Policy and Enforcement Branch (the Branch) regulates gambling in British Columbia, and is responsible for the overall integrity of gaming.

All licensees and grant recipients are responsible for reading, understanding and following the rules governing gaming in BC, as defined in the [Gaming Control Act](#) (Act) and [Regulations](#), and the specific conditions of their gaming event licence, direct access grant or certificate of affiliation with a commercial bingo hall.

The Branch is responsible for monitoring compliance with the Act, regulations and conditions. Routine audits may occur with or without advance notice, and Branch inspectors or investigators may follow up on public complaints or upon the recommendation of Branch staff.

Under the Act, the Branch has the authority to directly impose administrative sanctions on licensees and grant recipients that do not comply with the Act, regulations and conditions.

Objectives

- To encourage licensees and grant recipients to voluntarily comply with the Act, regulations, and conditions.
- To ensure licensed gaming activities are conducted in a fair, open and honest manner, and the proceeds from licensed gaming and gaming grants are used appropriately.

Authority and Application

Section 40(2) of the Act authorizes the general manager of the Branch to make rules for the conduct and management of licensed gaming events, and for the use of gaming funds generated by licensees through a gaming event or received through a direct access grant or affiliation with a commercial bingo hall. Under section 31(1)(d) and (e) of the Act, the general manager must monitor compliance by gaming event licensees and grant recipients. The general manager is authorized, under section 36(1)(c), 37 and 42(2) of the Act, to impose one or more administrative sanctions on either a licensee or a grant recipient that fails to comply with the Act, the regulations or gaming rules. Licensees and recipient organizations may also face penalties for offences under Section 97(2) of the Act.

Administrative Sanctions

The Branch has the authority to impose one or more of the following administrative sanctions on a licensee or a grant recipient for failure to comply with the Act, the regulations or gaming rules:

- Impose a written warning;
- Refuse to issue or renew a licence or grant;

- Suspend or cancel a licence;
- Impose new, or vary existing, conditions on a licence;
- Revoke a Certificate of Affiliation;
- Freeze the Gaming Account; and/or,
- Impose an administrative fine of up to \$5,000 on a licensee.

Examples of non-compliance where the Branch may impose one or more administrative sanctions include, but are not limited to:

- Failure to maintain and submit required financial statements to the Branch;
- Failure to make the rules of the gaming event available to the public;
- Failure to fulfill time requirements under the certificate of affiliation at a commercial bingo hall;
- Expenditure of gaming funds for ineligible purposes.

The [Administration Sanctions Table](#) describes a range of sanctions that *may be* imposed by the Branch for first and subsequent violations. However, the type and severity of these sanctions depend on a number of factors, including the circumstances of the contravention and the compliance history of the licensee or grant recipient. The Branch may apply any of the sanctions available to it, when it is in the public interest to do so.

Disputed administrative sanctions are dealt with by the Branch through the Reconsideration and Administrative Review process. For more information, see http://www.pssg.gov.bc.ca/gaming/legislation_policy_standards/internal_review_procedures.pdf

Regulatory or Criminal Offences

In addition to administrative sanctions, licensees and grant recipients may face additional penalties for regulatory offences under [Section 97 of the Gaming Control Act](#) and for offences committed under the *Criminal Code* of Canada.

Branch investigators, who are designated as Special Provincial Constables, have the authority to issue violation tickets for fines up to \$5,000 for regulatory offences under Section 97(2)(b),(c),(d) and (e) of the Act. Disputed tickets will be dealt with through the provincial court system in a manner similar to motor vehicle traffic tickets.

Licensees and recipient organizations that receive a penalty for a regulatory or criminal offence may also face administrative sanctions, including denied access to gaming funds.

Requirement to Notify

The Gaming Control Act requires licensees to notify the Branch, without delay, regarding any conduct, activity or incident that may be contrary to the *Criminal Code* of Canada or British Columbia's Gaming Control Act.

Administrative Sanctions Table:

Note: This table describes a range of administrative sanctions that *may be* imposed by the Gaming Policy and Enforcement Branch for first and subsequent violations. However, the type and severity of administrative sanctions imposed depends on a number of factors, including the nature and circumstances of the contravention and the compliance history of the licensee or grant recipient. The Branch can and will use any sanction available to it, when it is in the public interest to do so.

Administrative Sanctions Table			
Administrative Sanctions	SANCTION(S) IMPOSED FOR SUCCESSIVE VIOLATIONS OF A SIMILAR NATURE		
	1ST VIOLATION	2ND VIOLATION	SUBSEQUENT VIOLATION(S)
<i>Licensed Gaming</i>			
Failure to comply with: <ul style="list-style-type: none"> ➤ Conditions of licence; ➤ Standard Procedures for licensed gaming events; ➤ Public Interest Standards (such as Advertising and Marketing Standards for the BC Gaming Industry.) 	Violation Notice outlining compliance requirements.	<ul style="list-style-type: none"> ◆ Suspension; ◆ Access to gaming funds denied pending compliance; ◆ Requirement that any misused gaming funds be redirected to an eligible use. 	<ul style="list-style-type: none"> ◆ Licence cancelled; ◆ Access to gaming funds denied for up to 24 months (minimum 1 gaming event); ◆ Special conditions imposed; ◆ Misused gaming funds recovered and redirected to an eligible use.
<i>Direct Access</i>			
Failure to comply with the conditions of the grant.	Violation Notice outlining compliance requirements.	<ul style="list-style-type: none"> ◆ Access to gaming funds denied pending compliance; ◆ Requirement to repay all or a portion of the grant funds. 	<ul style="list-style-type: none"> ◆ Access to gaming funds denied for up to 24 months; ◆ Special conditions imposed; ◆ Recover gaming funds.
<i>Certificate of Affiliation</i>			
Failure to comply with conditions of the grant.	Violation Notice outlining compliance requirements.	<ul style="list-style-type: none"> ◆ Access to gaming funds denied pending compliance; ◆ Requirement to repay all or a portion of the grant funds. 	<ul style="list-style-type: none"> ◆ Certificate revoked; ◆ Access to gaming funds denied for up to 24 months; ◆ Special conditions imposed; ◆ Recover gaming funds.