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April 23, 2021

Doug Downey Attorney General McMurtry-Scott Building 720 Bay Street, 11<sup>th</sup> Floor Toronto ON M7A 2S9

Dear Honorable Mr. Downey:

## Re: Lottery Licensing to Assist Small Organizations

Small organizations are the foundation of rural Ontario. Thousands of hours of selfless volunteerism are logged each year by organizations who may not necessarily be considered not-for profit or charitable. That doesn't mean that they don't contribute to our communities; small organizations cook for the homeless, clean up parks and flower beds, read to young people, teach life skills to young adults, organize parades, put on concerts...the list goes on.

Many of these small organizations are not eligible to receive a lottery license. This makes it impossible for them to continue to be successful as their fundraising capabilities are extremely limited.

Through this correspondence, we request that you give serious consideration to instituting an additional level of lottery licensing which would enable small organizations to obtain a lottery license. Those who are not able to sustain a non-profit or charitable status could still receive a lottery license if their proceeds benefit the community. Thresholds could be placed on the prize values and perhaps even the number of events which could be held in a calendar year.

We hear over and over again about the hardships in our community and we know that there are organizations who have the ability to help and are not permitted to. Understanding this, Council adopted a resolution seeking your consideration.

## R-226-2021

It was Moved by J. Kirkland, Seconded by K. Durst and Carried

That staff are directed to contact the Ministry responsible for Alcohol and Gaming of Ontario to seek their assistance in implementing an additional level of licensing which would permit small organizations to hold fundraisers as a method of sustaining our community and organizations;

And further that all municipalities in Ontario are sent this resolution to seek their assistance in lobbying the Ministry.

We look forward to your consideration of our request.

Yours very truly,

Angie Cathrae

Director of Legislative Services/Clerk

519-534-1400 ext 122

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cc: MPP Bill Walker, All Ontario Municipalities

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Our Reference #: M-2021-9206

August 26, 2021

Ms. Angie Cathrae Director of Legislative Services/Clerk Town of South Bruce Peninsula

Email: angie.cathrae@southbrucepeninsula.com

Dear Ms. Cathrae:

Thank you for your letter regarding an additional level of licensing to permit small organizations to hold fundraisers.

The legal framework for gaming in Canada flows from the Criminal Code. Under the Criminal Code, gambling is illegal in Canada unless it falls within one of the exceptions outlined in Section 207 of the Code. This section permits provincial governments and licensed charitable or religious organizations to conduct and manage lottery schemes, provided they meet certain criteria under a licence issued by the appropriate authority.

A "lottery scheme" consists of three elements: a fee or consideration, a chance, and a prize. Depending on the nature of the games being conducted, they could be considered a "lottery scheme." If a type of gaming activity qualifies as a "lottery scheme," it must be either be conducted and managed by the province or conducted and managed by a charitable or religious organization and licensed by the Alcohol and Gaming Commission of Ontario (AGCO) or a municipality to be considered legal under the Criminal Code.

As you may be aware, in Ontario, the Registrar of the AGCO is responsible for the overall administration of charitable lottery licences. Both the Registrar and municipal councils have the authority to issue charitable lottery licences within certain parameters. The Registrar of the AGCO has issued a Lottery Licensing Policy Manual (LLPM) which sets out the types of lottery schemes for which a licence may be issued and is used to determine eligibility for a lottery licence and for the use of proceeds. The policies and procedures contained in the LLPM reflect the mandate of the AGCO to regulate charitable lotteries to ensure they are conducted with honesty and integrity, and in the public interest.

To hold charitable lottery events, eligible organizations must obtain a charitable lottery licence issued by the AGCO or a municipality, and proceeds raised from these lottery events must be used solely to support the eligible charitable or religious purposes approved on the lottery licence. At minimum, organizations eligible for a lottery licence must have been in existence for at least one year, have a place of business in Ontario, provide charitable services in Ontario and use their proceeds for charitable objects or purposes which benefit Ontario residents, among other things.

For more information about the rules regarding charitable lotteries, the types of lottery licences that are available and to determine eligibility, you may wish to contact Mr. Frank Cuda, Manager of Gaming Eligibility, AGCO, by email at <a href="mailto:frank.cuda@agco.ca">frank.cuda@agco.ca</a> or by telephone at 416-326-3137.

Please know that our government values the contributions that not-for-profit organizations make in their communities.

I trust the above information will be of assistance.

Sincerely,

Doug Downey Attorney General

c: Mr. Bill Walker, MPP for Bruce–Grey–Owen Sound Mr. Frank Cuda, Manager of Gaming Eligibility, Alcohol and Gaming Commission of Ontario