



Legislation Details (With Text)

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**Title:** Bylaw 15/2017 - To Repeal Tobacco Retail Licensing Bylaw 20/96  
Presented by: Dawn Fedorvich, Acting Manager of Business Retention & Expansion

**Sponsors:**

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**Attachments:** 1. Bylaw 15 2017 Repealing Bylaw, 2. Tobacco Retail Licensing Bylaw 20/96

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| 4/3/2017 | 1    | City Council | approved | Fail   |

**TAMRMS#: B06**

**Bylaw 15/2017 - To Repeal Tobacco Retail Licensing Bylaw 20/96**

Presented by: Dawn Fedorvich, Acting Manager of Business Retention & Expansion

**RECOMMENDATION(S)**

1. That Bylaw 15/2017, being a bylaw to repeal Tobacco Retail Licensing Bylaw 20/96, be read a first time.
2. That Bylaw 15/2017 be read a second time.
3. That unanimous consent be given for consideration of third reading of Bylaw 15/2017.
4. That Bylaw 15/2017 be read a third and final time

**PURPOSE OF REPORT**

This report is to seek approval to repeal Tobacco Retail Licensing Bylaw 20/96 (the "Bylaw"). The Bylaw is outdated and redundant as tobacco retailers are regulated federally and provincially.

**COUNCIL DIRECTION**

n/a

**BACKGROUND AND DISCUSSION**

The Tobacco Retail Licensing Bylaw was created in 1996 to provide for the licensing of tobacco retail operations. It regulates which companies and staff within those companies can sell tobacco

products, as well as how they can sell tobacco products. A "Tobacco Product" is defined as

- (i) tobacco in any form including, but not limited to, cigarettes, pipe tobacco, loose tobacco, plugs of tobacco, chewing tobacco and snuff; and
- (ii) merchandise used to make cigarettes, including, but not limited to, rolling papers, tubes, and filters; and
- (iii) any device intended to facilitate smoking activity, including pipes (metal/ glass blown, plastic, wood), water bong and vaporizers.

Electronic cigarettes are not considered a tobacco product by the federal and provincial governments and are therefore not addressed within the Bylaw. The Bylaw requires any business that intends to sell tobacco products to obtain a Retail Tobacco License. The license is valid from the date it is issued until December 31<sup>st</sup> of the current calendar year, at which point it must be renewed for the following calendar year if the business will continue to sell tobacco products. The Bylaw does not allow for pro-rated fees, and the license cannot be transferred; this means that any new business owner - whether they are taking ownership of an existing business or starting a new business - must pay the full year's fee regardless of when they begin business operations or assume ownership of an existing business.

The Bylaw also contains provisions for the Business License Inspector to place conditions on the license related to the following matters:

- a) secure storage of tobacco products;
- b) the hours during which tobacco products may be sold;
- c) location of displays of tobacco products on the premises;
- d) requirement that all customers purchasing tobacco products be required to provide verification of their age and that includes photographic identification.

In reviewing the Bylaw, it has been determined that all components are now addressed under the Tobacco and Smoking Reduction Act, Tobacco and Smoking Reduction Regulation and Bylaw 43/2000 (the Business License bylaw). The Bylaw simply duplicates the provisions of these enactments. St. Albert is also the only municipality in Alberta to have a tobacco license bylaw.

It is the recommendation of Administration that the Bylaw be repealed and require tobacco retailers to obtain a valid St. Albert Business License and abide by provincial and federal regulations.

## **STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT**

An internal stakeholder committee formed to oversee the Business License Bylaw revisions including the Bylaw supports this recommendation. The Economic Development Advisory Board also supports this recommendation as a way to ease business regulations and to reduce unnecessary duplication with existing regulation at the provincial and federal levels of government.

## **IMPLICATIONS OF RECOMMENDATION(S)**

Financial: As of January 2017, 35 businesses in St. Albert have a valid annual Tobacco Retail License. Revoking the bylaw and licensing requirements will result in approximately \$24,990 less

in licensing revenue (based on 2017 Business Licensing fees). The City budget for 2018 and onward will need to be updated.

Legal / Risk: If Bylaw 20/96 repealed the Business License Inspector will no longer be permitted to place the following restrictions on the license of a tobacco retailer:

- a) secure storage of tobacco products;
- b) the hours during which tobacco products may be sold;
- c) location of displays of tobacco products on the premises; and
- d) requirement that all customers purchasing tobacco products be required to provide verification of their age and that includes photographic identification in the event such retailer breaches the conditions of their license.

However, under the Business License Bylaw, the Business License Inspector will be permitted to:

- a) place conditions on the business license of a tobacco retailer; and
- b) revoke or suspend the business license of a tobacco retailer for non-compliance with:
  - a. the Business License Bylaw,
  - b. any conditions placed on the business license issued under the Business License Bylaw; or
  - c. any other bylaw or enactment of Alberta or Canada applicable to the tobacco retailer's business.

Program or Service: none at this time

Organizational: none at this time

## **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

Council may choose to leave Bylaw 20/96 active. In this instance, Administration recommends amending it to allow for license transferability in the case of new ownership. Council could also choose to direct Administration to include pro-rated fees for Retail Tobacco Licenses, which would align with the existing Business License Bylaw.

## **STRATEGIC CONNECTIONS**

- a) Council's Strategic Outcomes and Priorities (See Policy C-CG-02)
  - CULTIVATE ECONOMIC PROSPERITY: A diversified, robust and resilient economic foundation to support growth and community service delivery.
- b) Long Term Plans (e.g. MDP, Social Master Plan, Cultural Master Plan, etc.)
  - N/A

- c) Corporate Objectives (See Corporate Business Plan)
  - Deliver programs and services that meet or exceed our standards
  - Ensure our customers are very satisfied
  
- d) Council Policies
  - N/A.
  
- e) Other Plans or Initiatives (Business Plans, Implementation Strategies, etc.)
  - N/A

**Attachments:**

Bylaw 15/2017 - Repealing Bylaw  
Tobacco Retail Licensing Bylaw 20/96

Report Date: April 3, 2017  
Author(s): Joan Barber  
Committee/Department: Economic Development  
General Manager: n/a  
City Manager: Kevin Scoble