

FIRST SESSION

FORTY-FIRST LEGISLATURE

Bill 88

# An Act respecting development of the small-scale alcoholic beverage industry

Introduction

Introduced by Mr. Carlos Leitão Minister of Finance

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#### **EXPLANATORY NOTES**

This bill authorizes small-scale production permit holders to sell and deliver alcoholic beverages they make, other than alcohol and spirits, to grocery permit holders.

Under the bill, small-scale beer producer's permit holders may sell their products at the place where they are produced, for consumption elsewhere.

An artisan producers cooperative permit is created. The permit authorizes the holders to make and bottle, on behalf of small-scale production permit holders who are members of the cooperative, the alcohol and spirits the latter are authorized to make.

Finally, the bill stipulates that small-scale production permit holders may not offer their alcohol and spirits for sale without first having them analyzed by the Société des alcools du Québec or a laboratory recognized by it to confirm their safety and quality and without having sent the analysis report to the Régie des alcools, des courses et des jeux.

#### **LEGISLATION AMENDED BY THIS BILL:**

- Act respecting offences relating to alcoholic beverages (chapter I-8.1);

- Act respecting liquor permits (chapter P-9.1);
- Act respecting the Société des alcools du Québec (chapter S-13).

#### **REGULATION AMENDED BY THIS BILL:**

- Regulation respecting the terms of sale of alcoholic beverages by holders of a grocery permit (chapter S-13, r. 6).

### **Bill 88**

#### AN ACT RESPECTING DEVELOPMENT OF THE SMALL-SCALE ALCOHOLIC BEVERAGE INDUSTRY

#### THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

#### ACT RESPECTING THE SOCIÉTÉ DES ALCOOLS DU QUÉBEC

**1.** Section 24 of the Act respecting the Société des alcools du Québec (chapter S-13) is amended by inserting ", an artisan producers cooperative permit" after "small-scale production permit" in the introductory clause of the first paragraph.

**2.** Section 24.1 of the Act is amended

(1) by adding "and, if the permit authorizes him to make alcohol and spirits, to distil" at the end of subparagraph 1 of the first paragraph;

(2) in the second paragraph,

(*a*) by replacing "he makes only as follows" in the introductory clause by "referred to in the subparagraphs below, but only as provided for";

(b) by inserting "the alcoholic beverages he makes," after "(1)" in subparagraph 1;

(c) by inserting ", other than alcohol and spirits," after "alcoholic beverages" in subparagraph 2;

(d) by inserting "the alcoholic beverages he makes, other than alcohol and spirits," after "(3)" in subparagraph 3;

(3) by adding the following sentence at the end of the third paragraph: "He may also sell and deliver the alcoholic beverages he makes to the holder of a grocery permit issued under the Act respecting liquor permits (chapter P-9.1), if the beverages meet the following conditions:

(1) they are not alcohol or spirits;

(2) they are obtained by the alcoholic fermentation of fruit juice, reconstituted fruit juice, fruit must, honey or maple syrup;

(3) their actual alcoholic strength is not more than 16% alcohol by volume;

(4) they are bottled by the permit holder, with no indication of grape variety or vintage year.";

(4) by inserting the following paragraphs after the third paragraph:

"The holder of a small-scale production permit may transport the alcoholic beverages he makes to the establishment of the holder of an artisan producers cooperative permit so that the latter may make alcohol or spirits on his behalf; the small-scale production permit holder may transport the alcohol or spirits from that establishment to his own.

The holder of a small-scale production permit may not offer the alcohol and spirits he makes for sale without first having them analyzed by the Société or a laboratory recognized by it to confirm their safety and quality and without having sent the analysis report to the Régie des alcools, des courses et des jeux.";

(5) by replacing "paragraph" in the last paragraph by "and third paragraphs";

(6) by adding the following paragraph at the end:

"For the application of this section, if alcohol or spirits are made by the holder of an artisan producers cooperative permit for the holder of a small-scale production permit, the latter is deemed to have made them in his establishment."

**3.** The Act is amended by inserting the following section after section 24.1:

**"24.1.1.** The artisan producers cooperative permit authorizes the holder, in accordance with the regulations, to make and bottle, on behalf of members of the cooperative, the alcohol and spirits specified in the respective permits of those members.

The holder of an artisan producers cooperative permit may not sell the alcohol and spirits he makes.

The holder of an artisan producers cooperative permit may transport the alcoholic beverages made by the members of the cooperative from their establishment to his so as to make alcohol or spirits on their behalf; he may transport the alcohol or spirits made from his establishment to theirs.

Only an artisan producers cooperative constituted pursuant to the Cooperatives Act (chapter C-67.2) and composed exclusively of holders of small-scale production permits whose permit authorizes them to make alcohol and spirits may hold an artisan producers cooperative permit."

**4.** Section 24.2 of the Act is amended by inserting the following paragraph after the second paragraph:

"Despite the second paragraph, he may, in containers whose specifications are determined by regulation, at the place where it is produced or where the permit issued under the Act respecting liquor permits is used, sell the beer he makes, for consumption elsewhere."

**5.** Section 26 of the Act is amended by adding the following paragraph at the end:

"No holder of a distiller's permit may hold a small-scale production permit authorizing him to make alcohol or spirits."

**6.** Section 33.2 of the Act is amended, in the first paragraph,

(1) by inserting ", pursuant to the third paragraph of section 24.2" after "24.1" in the first sentence;

(2) by inserting "or a small-scale beer producer's permit" after "small-scale production permit" in the second sentence.

**7.** Section 34 of the Act is amended by inserting "an artisan producers cooperative permit, a" after "production permit," in subparagraph 1 of the first paragraph.

**8.** Section 34.1 of the Act is amended by replacing "Minister of Economic Development, Innovation and Export Trade" by "Minister of Finance".

**9.** Section 37 of the Act is amended, in the first paragraph,

(1) by replacing "Minister of Economic Development, Innovation and Export Trade" in the introductory clause by "Minister of Finance";

(2) by inserting the following subparagraph after subparagraph 5:

"(5.1) determining the specifications of the containers that may be used for the beer sold by the holder of a small-scale beer producer's permit for consumption elsewhere;";

(3) by inserting "small-scale production," after "brewer's," in subparagraph 7.

**10.** Section 53 of the Act is amended by adding the following paragraph at the end:

"In the case of the holder of an artisan producers cooperative permit, the beverages must be turned over to the members on whose behalf they were made."

**11.** Section 61 of the Act is amended

(1) by replacing "30.1 to 35.3" by "30.1 to 34, 35 to 35.3";

(2) by striking out ", and with the exception of the other provisions of Divisions III and IV which come under the jurisdiction of the Minister of Economic Development, Innovation and Export Trade".

ACT RESPECTING OFFENCES RELATING TO ALCOHOLIC BEVERAGES

**12.** Section 83 of the Act respecting offences relating to alcoholic beverages (chapter I-8.1) is amended

(1) by replacing "or from the permit holder" in paragraph 5 by ", from the small-scale production permit holder or from a grocery permit holder";

(2) by inserting "from the permit holder or" after "directly" in paragraph 6.

**13.** Section 91 of the Act is amended by inserting "or of an artisan producers cooperative" after "wine or cider maker" in paragraph h.

**14.** Section 93 of the Act is amended by inserting ", a small-scale beer producer's permit" after "a small-scale production permit" in subparagraph e of the first paragraph.

**15.** Section 108 of the Act is amended by inserting the following subparagraph after subparagraph 3 of the first paragraph:

"(3.1) which is an artisan producers cooperative permit issued under the Act respecting the Société des alcools du Québec (chapter S-13), makes alcohol and spirits other than those he is authorized to make or sells alcoholic beverages;".

#### ACT RESPECTING LIQUOR PERMITS

**16.** Section 72.1 of the Act respecting liquor permits (chapter P-9.1) is amended by replacing subparagraph 2 of the second paragraph by the following subparagraph:

"(2) in the establishment of a reunion permit holder, the presence of alcoholic beverages supplied by the holder of one of the following permits:

(a) a grocery permit or cider seller's permit;

(b) a small-scale production permit or small-scale beer producer's permit issued under the Act respecting the Société des alcools du Québec;".

## REGULATION RESPECTING THE TERMS OF SALE OF ALCOHOLIC BEVERAGES BY HOLDERS OF A GROCERY PERMIT

**17.** Section 2 of the Regulation respecting the terms of sale of alcoholic beverages by holders of a grocery permit (chapter S-13, r. 6) is amended by adding the following paragraph at the end:

"(7) the alcoholic beverages described in the third paragraph of section 24.1 of the Act respecting the Société des alcools du Québec sold and delivered to him by a small-scale production permit holder."

**18.** Section 8 of the Regulation is amended by inserting ", other than those referred to in paragraph 7 of section 2," after "permitted alcoholic beverages".

#### FINAL PROVISION

**19.** This Act comes into force on the date or dates to be set by the Government.