

## **Texas ‘Hold Em’ Poker.**

In a discussion on August 26, with two members of a local Lions club that participates in Texas ‘Hold Em’ Poker tournaments, a detective constable from the ‘Organized Crime Enforcement Bureau’ of the Ontario Provincial Police from Orillia, an OPP sergeant from the Investigation and Enforcement Bureau from London, and an inspector from the Alcohol and Gaming Commission of Ontario, there were some facts that Lions clubs should be aware of that came to light.

The first is that some complaints have been filed against organizations (some of them Lions clubs) that hold these tournaments by members of the public because there appears to be laws that are broken. These officials were interested in providing education and direction in accordance with the applicable laws in respect of these games. They know that we are doing these to raise money for people in need in our communities. They met with myself and the two local Lions as an educational experience to explain where we might get into trouble and how we could avoid that from happening.

The second is that they have gone to these organizations and explained things as they did with us. They have sometimes conducted investigations after events have taken place, and when laws were found to be broken, there were consequences for the organizations and the places where these events were held. They prefer to be preventative rather than punitive.

Here’s the gist of our discussion.

If there is money paid for a chance to win a prize, and the hosting organization keeps some of that money, then there is a direct benefit to that organization. If the organization sells refreshments which may include liquor or not, then there is an indirect benefit to the organization. Both situations meet the definition of a gaming house. This is an offence under sections 197 (1) and 201 (1) and (2) of the Criminal Code of Canada. Under Ontario regulations 719 section 45 and 230 (2003) section 25, and under Ontario regulation 389/91 section 32 and 182 (2011) section 15, of the Liquor Licensing Act, ‘unlawful gambling’, drunkenness and or disorderly conduct in any area on the premises is an offence.

Since some organizations are keeping the 'buy-backs' or 'top up' fees, this is a direct gain and an offence. Since some clubs make a profit on the refreshments, this is an indirect gain and this is an offence. The consequences are that the person whose name appears on a Liquor Licence or a Special Occasion Permit (if you are serving alcohol), the organization holding the event, and the hall or hotel or the premises where the event was held, may be reviewed by AGCO for infractions which may affect the status of current or future liquor licences or Special Occasion Permits

Available to the public, is a Social Gaming Event Licence. Organizations that are not incorporated, are classed as having 'Charity' or 'Non-profit' status, and can apply for a Social Gaming Event Licence through their local municipality. There is a small fee. However, this frees them up to make a profit from the monies paid in, and the refreshments. Organizations that are incorporated may not qualify for a Social Gaming Event Licence, however, eligibility will be determined by the AGCO licensing office.

These officials emphasized that they were not interested in stopping us from having these events. Their intent was to inform us of the law and to encourage us to seek our own legal opinion before getting into these tournaments. They explained that organizers from 'for-profit' companies who arrange these events (equipment and rules, for a fee), will often portray the law as a 'grey' area. Obviously it is not a 'grey' area. When the law is broken, it is not these companies that suffer the consequences, it is the charitable organizations.