

Bill C-218 Passed by House of Commons, Setting up Canada for a Big Score

February 18, 2021

The proposed reform to restrictions on single-event sports betting in Canada took a significant step forward yesterday with the passage of Bill C-218, *Safe and Regulated Sports Betting Act*. The bill passed a vote in the House of Commons with overwhelming support, by a margin of 303 votes in favour to 15 votes against. Bill C-218 will now proceed to hearings before the Justice Committee. Meanwhile, Bill C-13, *An Act to Amend the Criminal Code (single event sport betting)*, a similar bill regarding the legalization of single-event sports betting, is slated to proceed with a second reading in the House of Commons this Friday, February 19, 2021.

Both of the proposed bills concern changes to the federal *Criminal Code* aimed at decriminalizing single-event sports betting. The proposed changes would allow provinces and territories to regulate and license single-event sports betting, paving the way for lucrative opportunities for private businesses and service providers to access a legalized market in Canada. To learn more about the proposed changes and what it could mean for the sports betting industry, please see our previous comment from February 8, 2021, *What Are The Odds? Proposed Legislation Could Modernize Canada's Sports Betting Industry*.

The Proposed Bills

Bill C-218 is a private member's bill sponsored by Conservative Member of Parliament, Kevin Waugh. Private members' bills are often unsuccessful in becoming law, as evidenced by Bill C-290, an initial attempt to decriminalize single-event sports betting introduced in 2011, which died in the senate. However, hopes are higher for Bill C-218 which has broad support across all four major parties and does not appear to face the same senatorial opposition as its 2011 counterpart. In its current form, Bill C-218 contains a complete repeal of sub-section 207(4)(b) of the *Criminal Code*, which currently requires single-event betting, among other types of betting, to be conducted through a pool or pari-mutuel system.

Meanwhile, Bill C-13, a government backed bill introduced by Federal Justice Minister David Lametti, is also working its way towards a vote in the House of Commons. Historically, government backed bills have a much higher chance of becoming law and the government has not indicated that it will remove its proposal in light of the success of Bill C-218. The government's bill proposes an amendment to sub-section 207(4)(b) of the *Criminal Code*, rather than a full repeal. Bill C-13 would, instead, remove certain single-event betting activities from the definition of "Lottery Scheme," while retaining sub-section 207(4)(b) of the *Criminal Code* and some of the restrictions on certain types of betting.

Cassels

The two bills aimed at legalizing single-event sports betting are not identical. Rather, the complete repeal introduced by Bill C-218 contains crucial differences from the government backed amendments proposed in Bill C-13, particularly when it comes to horse racing.

Next Steps

Bill C-218 will now proceed to hearings before the Justice Committee. There, the committee will review the bill and produce a report with any suggested changes or amendments. Once the committee completes its work, the bill and any suggested amendments is sent back to the House of Commons for a further vote. The House of Commons then votes to send the bill forward to the Senate for approval.

Bill C-13, on the other hand, has not yet had its second reading. Although the second reading is tentatively scheduled for February 19, 2021, the House of Commons has previously delayed introducing the bill. Whether these delays will repeat themselves remains to be seen.

That said, both bills are viewed favorably by the overwhelming majority of the House of Commons and across party lines. Optimism remains high among stakeholders that one of Bill C-218 and Bill C-13 will proceed to becoming law in the near future. If and when legislation comes into force, the timeline for single-event sports betting will depend on the provinces and territories implementing plans to manage, regulate and license sports betting in their respective jurisdictions. Some industry experts have speculated that if legislation is enacted by the spring, we may see sports betting platforms up and running by late summer or early fall, which would perfectly align with one of the most anticipated sports betting weekends of the year with the NFL season kicking off in September.

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