



Legalization of Cannabis- Overview

Presentation to

Regional Council Education Workshop

February 15, 2018

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Overview

- Background
- Federal Cannabis Framework
- Provincial Legislation
- Municipal Impacts
- Regulatory Gaps



Background – Federal Legalization Timeline

- 2015 - Federal government committed to legalizing recreational cannabis by July 2018
- November 2016 – Federal Task Force issued a report with 80 recommendations to guide federal legislation and regulations
- April 2017 - Bill C-45 the *Cannabis Act* was introduced
 - November 2017 - Passed 3rd reading in the house
 - Now in the Senate for consideration



Federal Legislation

- **Bill C-45 (*Cannabis Act*)**
 - Establishes criminal and regulatory framework for cannabis
 - Provides for licensing and oversight of cannabis supply chain
- **Bill C-46 (*Amendment to the Criminal Code*) also introduced in April 2017**
 - New impaired driving offences related to drug impaired driving
 - New provisions governing blood samples

Bills C-45 and C-46 are currently in second reading in the Senate



Federal Jurisdiction – Recreational Cannabis

- **Regulate**

- Licensed producers
- Type of legal products
- Potency of cannabis in each product

- **Establish**

- Minimum age for purchase and consumption
- Maximum amounts for possession
- Industry wide rules for labelling, advertising and promotional activities

Stated Goal: Provide access to a regulated and safe supply and limit youth access to cannabis



Federal Framework – Recreational Cannabis

- The existing medical cannabis framework will remain in place
- Federal Ministry of Health will license production, import/export and distribution from “seed to sale”
- In Summer 2018 - recreational cannabis will be available for purchase from licensed producers online with delivery by mail

Framework for edibles and derivative products expected in
2019



Federal Framework – Recreational Cannabis

- 18+ minimum age to use and possess
- 30 grams maximum for personal possession and purchase in a single sale
- Home cultivation - 4 plants per “dwelling house” for own use
- Regulates recreational cannabis supply chain
 - Product content
 - Advertising
 - Labelling



Provincial Jurisdiction

- License and oversee retail sale and distribution
- Option to:
 - Set minimum age above federal limit
 - create rules to govern “home grow”
- Regulate public consumption
- Set out enforcement regime for prohibitions



Ontario Legislation

- *Cannabis, Smoke-Free Ontario and Road Safety Statute Law Amendment Act, 2017*
 - introduced November 1, 2017 and passed on December 12, 2017
- Includes:
 - *Cannabis Act, 2017*
 - *Ontario Cannabis Retail Corporation Act, 2017*
 - *Smoke-Free Ontario Act, 2017*
 - Amendments to the *Highway Traffic Act*



Ontario Framework – Recreational Cannabis

- Adults 19+ to use, purchase or possess
- Retail sales only through OCRC
- Strict penalties for illicit storefronts
- Prohibits consumption in public spaces
- Youth diversion program
- No provincial rules on home cultivation



Ontario's *Cannabis Act, 2017* - Retail Sales

- Recreational Cannabis will only be available through the Ontario Cannabis Retail Corporation (OCRC) in store and online
- Ministry of Finance developing guidelines to determine location of stores and consulting with municipalities



14 municipalities have been identified for the first retail outlets in Ontario



Ontario's *Cannabis Act, 2017* - Retail Sales

- Strict penalties for:
 - individuals and corporations involved in the illegal sale and distribution of cannabis
 - landlords who knowingly permit a premises to be used for sale of cannabis
- Minimum fine of \$25,000 for corporate landlords
- Province plans to have a coordinated enforcement strategy to shut down illicit retailers



Public Consumption-Recreational Cannabis

- Cannot be consumed in a:
 - Public place
 - Vehicle*
 - Boat*
 - Workplace*
 - any prescribed place
- “Public place” – any place to which the public has access as of right or invitation, whether express or implied

*Province has stated that recreational cannabis can only be consumed in a private residence



Youth Education Diversion And Penalties

- Penalty for possession, consumption, cultivation if under 19 not more than \$200
- A police officer may refer a person to an approved youth education or prevention program
- A prosecutor may refer a person who is charged with an offence to an approved youth education or prevention program instead of ordering a penalty



Smoke-Free Ontario Act, 2017

- Replaces *The Smoke-Free Ontario Act* and the *Electronic Cigarettes Act, 2015*
- Applies to medical cannabis, tobacco, e-cigarettes and vapour products and prescribed substances
- Does not apply to recreational cannabis

January 18, 2018 the Province released a proposed regulatory framework setting out additional prohibited places



Medical vs. Recreational Consumption

	Private Residence	Public Place	Workplace	Vehicle	Boat
Medical - Smoked or Vaped					
Medical - Not smoked Not vaped			YES	YES – passengers only	YES – passengers only
Recreational			NO – except if in a private residence not providing home daycare	NO – except if used as a private residence and parked	NO – except if used as a private residence docked or anchored



Smoke Free Ontario Act- Enforcement

- Only *medical* cannabis is governed by the *Smoke Free Ontario Act, 2017* while recreational cannabis is governed by the *Cannabis Act, 2017*
- Inspectors are appointed to only enforce the *Smoke Free Ontario Act, 2017* and will not have authority to enforce prohibitions on use for recreational purposes
- Obligation to ensure SFOA compliance rests with employers and proprietors of public places

Municipal Employers

- Responsible for public safety and many employees work in safety-sensitive jobs
- Current Region drug and alcohol policies are not sufficient to address cannabis use
- Human resources policies need to be reviewed and updated to address the legalization of recreational cannabis
- Medical cannabis use requires accommodation

POA Courts and Prosecutions

- Provincial offences are set out in:
 - amendments to the *Highway Traffic Act*
 - Ontario's *Cannabis Act, 2017*
 - *Smoke-Free Ontario Act, 2017*; and
- New offences are anticipated to increase charges and program costs by 2%

Charges prosecuted in municipal POA Courts will increase as a result of cannabis legalization

Municipal Impact

Legalization of recreational cannabis will impact municipal services:

- Bylaw Enforcement
- Building inspection, planning and licensing (e.g. zoning)
- Court operations and prosecutions
- Fire Services
- Policing

- Paramedic Services
- Public Health (e.g. education, enforcement)
- Social housing, multi-unit residential and long term care facilities (rules for consumption and home grow)

Ontario's *Cannabis Act*, 2017- Local Enforcement Challenges

- Lack of adequate tools for enforcement including:
 - Home grow
 - Recreational consumption
 - Medical vs. recreational cannabis
 - Enforcement powers





Ontario's Proposed Regulations

- Restriction on where medical cannabis can be used in a non-smoke vaped form
- Provides some clarification of places of use rules for recreational cannabis
- Provides limited exemptions for consumption in residences that are: workplaces, vehicles or boats and hotel rooms
- Licensing and regulating cannabis consumption lounges/venues, designated outdoor smoking and vaping areas



Ontario's Proposed Regulations

- New penalties for drug - impaired driving align with existing penalties for alcohol impairment
- Prohibit smoking and vaping of medical cannabis and tobacco products in certain public places
- Prescribe forms of identification
- Limited exemption for someone under 19 to obtain a vapour product for medical cannabis use

Legislative Status

- Federal *Cannabis Act* (Bill C-45) under consideration
 - Currently at 2nd reading in the Senate
 - January 20 Health Canada closed its online public consultation on regulations - report is pending
- *Cannabis, Smoke-Free Ontario and Road Safety Statute Law Amendment Act, 2017* passed on December 12, 2017
 - Consultation on proposed Provincial regulations:
 - *Smoke-Free Ontario Act, 2017* – ends March 3
 - *Highway Traffic Act* – ends March 4
 - Ontario's *Cannabis Act, 2017* - ends March 5



Regulatory Gaps

- Regulation of Edibles
- Coordinated enforcement for illegal storefronts
- Provincial regulations for:
 - enforcement of recreational cannabis
 - Home grow
 - Multi-residential dwellings
 - use and home grow in care homes and long-term care

Conclusion

- Short implementation time
 - Federal government is imposing the timelines for other levels of government
- Significant gaps in legislation and regulation will directly impact municipalities

