

Legalization of Recreational Cannabis

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City Solicitor, City of Mississauga
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October 17, 2018

- recreational cannabis legalized (Canada)
- Ontario allows on-line purchases

April 1, 2019

- Private retail stores will begin selling cannabis
- Province will regulate and license through the AGCO
- Province has provided a one-time window for municipalities to opt out of retail sales – by January 22, 2019

Federal Responsibility

- regulates and licences all producers/growers
- Exclusively regulates medical cannabis
- set limit on possessing dried cannabis (30 gram) and home growing (4 plants/residence)
- *Criminal Code of Canada* – new impaired driving offences – new rules regarding possession

Provincial Responsibility

- determine rules regarding private retail
- regulate smoking and vaping through *Smoke Free Ontario Act*
- regulate advertising and promotion (not yet available)
- established minimum age to possess at 19 yrs.
- prohibit use of cannabis in many public places, work places, motor vehicles and boats
- Ontario Provincial Police enforcement

Provincial Responsibility

Ontario Cannabis Store:

- the only licensed wholesaler
- operates on-line store for recreational cannabis
- will sell all recreational cannabis to private retail store operators

Alcohol and Gaming Commission of Ontario (AGCO) responsibilities:

1. Approve all retail store locations
2. Consider municipal feedback or feedback from individuals
3. Perform background checks on operators and managers
4. Establish training requirements and conduct training
5. License all retail businesses
6. License all retail operators and managers store inspection prior to opening
7. Inspect retail stores prior to opening
8. Conduct ongoing compliance and audit process

Municipal Responsibility

- Province will allow municipalities to make a one-time decision to opt out of retail sales by January 22, 2019 – if opt out can opt in at a later date but then final
- if opt in, can provide public interest comments within 15 days of receipt of a retail store proposal notice
- If opt in before January 22, 2019 municipalities will have an increased share of cannabis revenue to pay for related costs
- prohibited from licensing or regulating retail cannabis stores
- continue to regulate smoking in public places (tobacco and cannabis)
- enforcement by police, by-law and security officers

Enabling Private Retail

- private retailers would be licensed by the Alcohol and Gaming Commission of Ontario (AGCO)
- the AGCO will begin to accept applications on December 17, 2018 and private retail stores will open as of April 1, 2019 unless the municipality opts out
- AGCO currently licenses regulates and ensures compliance in the alcohol, gaming and horse racing industries in Ontario, and as such offers considerable experience and expertise as a regulator of controlled substances

Licensing Parameters

- persons operating in contravention of provincial and federal cannabis legislation will not be eligible to operate a cannabis retail store
- additional store operating parameters (e.g. store format, security requirements, staff training requirements) will be established by regulation or by AGCO Registrar's standards

Retail Cannabis Store – Regulation 468/18

- not allowed within 150 m of property line of a public or private school
- no limit on number of retail stores in a municipality– for AGCO to determine –max. 75 stores per operator
- operators cannot allow those under 19 years to enter the store
- stores can be open 9 am – 11 pm (same hours as LCBO and beer/wine sales)

Licensing Public Notice Process

- when a licensed operator submits a request for a store location to be authorized, the AGCO will require the applicant to follow a public notice process
- a public notice will be posted on the AGCO website and a placard must be displayed at the proposed retail store location for a 15-day period
- local residents and municipalities will have 15 days to provide written submissions to the AGCO with respect to the application
- the Registrar will consider any concerns raised through this process when making its final decision to grant approval for that location

Retail Cannabis Store – Regulation 468/18

- subject to pre-opening inspection by AGCO
- cannot sell products other than cannabis and accessories – must be stand alone
- must display provincial authorization sticker



Smoking – Provincial Laws

- under the *Smoke-Free Ontario Act, 2017*, the smoking and vaping of cannabis (medical and recreational) is prohibited in the same places where the smoking and vaping of tobacco is prohibited, including:
 - in enclosed public places, enclosed workplaces, and other specified places;
 - at school, on school grounds, and all public areas within 20 metres of these grounds;
 - on children’s playgrounds and public areas within 20 metres of playgrounds;
 - in child care centres or where an early years program is provided; and
 - in places where home child care is provided, even if children aren’t present.

Smoking – Provincial Laws

- smoking and vaping of medical and recreational cannabis is allowed in private residences and many outdoor places
- all methods of consuming cannabis (e.g. smoking, vaping, ingestion) are prohibited in vehicles and boats that are being driven or under a person's care or control, subject to certain exceptions that would be prescribed by regulation (e.g. use of medical cannabis edibles by a passenger who is a medical cannabis user)

Smoking – Municipal By-laws

- municipalities have limited authority to pass by-laws to further restricting the locations where cannabis can be used
- the Region of Peel has primary responsibility for regulating smoking in public places and is reviewing those by-laws to consider restricting smoking cannabis

Smoking – Municipal By-laws

- Mississauga has amended its Parks and Smoking By-law to prohibit smoking cannabis in parks and public places such as Celebration Square
- municipalities cannot prohibit smoking (tobacco or cannabis) on a highway or road
- staff believe we have done what we can within our limited authority to limit exposure to cannabis smoke

To get more information:

www.agco.ca

www.ontario.ca/cannabis

www.canada.ca/cannabis

www.iagco.agco.ca/prod to submit an inquiry or complaint regarding retail store licensing

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