

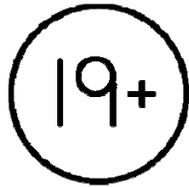
AMCTO
Cannabis Legalization
May 23, 2019

Ministry of the Attorney General

Ontario 

Provincial Cannabis Legislation

Ontario's *Cannabis Control Act, 2017* and *Cannabis Licence Act, 2018* are in force.



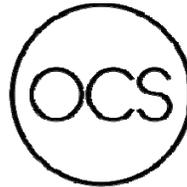
Prohibits the sale of recreational cannabis to anyone under the **age of 19**



Must be 19+ to possess, cultivate, consume and share cannabis



Additional tools to address **illegal selling**, including storefront dispensaries



The **Ontario Cannabis Store** is the **exclusive online retailer** for legal cannabis in Ontario and the **provincial wholesaler** to authorized private retail stores.



Enforcement – Illegal Selling

- The *Cannabis Control Act, 2017* contains additional tools and high fines to address illicit storefronts that are suspected of being used for the illegal sale or distribution of cannabis.
- Since October 2018 there has been a **significant reduction in the number of illegal cannabis storefronts** in Ontario including an 86% reduction across municipalities and a 55% reduction province-wide.
- Criminal Intelligence Service Ontario provides intelligence support to regional enforcement teams, led by the OPP working with other policing agencies, who investigate and disrupt illicit cannabis operations, including illegal storefronts.
- In May 2019, Ontario introduced legislative amendments to the *Cannabis Control Act, 2017*, that if passed, would provide stronger tools to police officers and designated persons to shut down illegal storefronts. These amendments include:
 - Removing the exemption that prohibits enforcement from temporarily closing illegal storefronts if the premises are being used as a residence;
 - Setting minimum fines related to illegal sale and distribution of cannabis; and
 - Making it an offence to enter or attempt to enter a premise that that has been barred by police or to obstruct police officers or other persons enforcing the Act.
- As of May 13, 2019, charges laid under Ontario's *Cannabis Control Act, 2017* include:
 - **Sale or distribution** of cannabis other than by an authorized retailer (i.e., the OCS): **~360** charges
 - **Purchasing** cannabis other than from an authorized retailer (i.e., the OCS): **~180** charges
 - **Landlord** knowingly permitting a premises to be used in relation to the illegal sale or distribution of cannabis: **~45** charges



Enforcement - Designation Process

- The *Cannabis Control Act, 2017* allows police officers and other persons designated by the Attorney General to enforce the Act, including:
 - Seizure authority
 - Interim closure authority of premises where a police officer has reasonable grounds to believe that the premises are being used for the illegal sale or distribution of cannabis
 - Removal of people from premises where a police officer has reasonable grounds to believe that the Act is being contravened on any premises
- Designated by-law officers work closely with the local police service on enforcement activities.

Application process:

- Interested enforcement officers may contact the Legalization of Cannabis Secretariat at the Ministry of the Attorney General.
 - The authority to designate to enforce the Act has been delegated to the Executive Director of the Legalization of Cannabis Secretariat
- Applicants are required to meet certain criteria in order to be designated (e.g., provide a risk assessment, training plan, operational plan, conduct criminal background checks).



Places of Consumption

The rules for the smoking and vaping of cannabis align with the rules for the smoking of tobacco and vaping under the *Smoke Free Ontario Act, 2017*

- Subject to the existence of other applicable laws and policies, smoking and vaping of medical and recreational cannabis is allowed in private residences and many outdoor places (e.g., sidewalks and parks) among other places.
- Smoking and vaping is prohibited*:
 - in enclosed public places and enclosed workplaces;
 - at elementary and secondary schools and on their 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, whether or not children are present.
- **All methods of consuming cannabis are prohibited in vehicles and boats** that are being driven or under a person’s care or control, subject to certain exceptions prescribed by regulation.
- **In general, municipalities can pass by-laws** further restricting the use of cannabis.

Cannabis Establishments

- Ontario’s regulatory framework does not currently permit the consumption of cannabis by smoking or vaping in establishments as it is prohibited to smoke and vape in any enclosed workplace or any enclosed public places.
- Consultations on places of use including cannabis consumption lounges were held prior to legalization.
- Regulatory amendments under the SFOA, 2017 and further consultation would be required to permit smoking/vaping consumption establishments and venues in Ontario.



Municipal Funding - OCLIF

- **In early 2019, Ontario provided municipalities with \$30 million through the Ontario Cannabis Legalization Implementation Fund** to help municipalities with the implementation costs of recreational cannabis legalization.
 - **The first payments totalling \$15 million** were made on a per household basis – adjusted so that at least \$5,000 was provided to each municipality.
 - **The second payments totalling \$15 million** were distributed after the January 22, 2019 deadline for municipalities to opt out.
 - Municipalities that did not opt-out received funding on a per household basis – adjusted so that at least \$5,000 was provided to each municipality.
 - Municipalities that opted out received a second \$5,000 each.
- Ontario is setting aside \$10 million in funding to address costs from unforeseen circumstances related to the legalization of recreational cannabis. Further details will be provided at a later date.
- In addition, Ontario will provide municipalities that have not opted out with 50 per cent of the surplus of the province's portion of the federal excise duty on recreational cannabis, if that amount exceeds \$100 million over the first two years of legalization.



Edibles, Extracts and Topicals

- The federal government has committed to authorizing the legal production and sale of cannabis edibles and concentrates no later than October 17, 2019.
- In December 2018, Health Canada posted proposed amendments to the *Cannabis Act* (Canada) and Cannabis Regulations for public comment, including:
 - Amending the *Cannabis Act* (Canada) to include **three new classes of cannabis**:
 - **Edible Cannabis**
 - **Cannabis Extracts**
 - **Cannabis Topicals**
 - Amending the Cannabis Regulations by expanding or adding new requirements related to licensing; good production practices; product specifications; packaging and labelling.
- Municipalities and the public were able to respond to the federal government's consultation by February 2019, via an online survey or by writing a submission.
- Ontario submitted feedback on the proposed amendments and their potential impacts for the province, including supply and timing in relation to Ontario's goals of fighting the illegal market and protecting youth.



Next Steps

- Continue to work closely with the Alcohol and Gaming Commission of Ontario to support the initial roll out of stores in April 2019 and monitor retail implementation across Ontario.
- Continue to work with our municipal partners, police services, First Nation communities and other key stakeholders as implementation of recreational cannabis legalization continues.
- Continue to engage with Health Canada to address legal cannabis supply shortages and other forms of cannabis (e.g. edibles, concentrates and topicals).
 - On May 8 2019, Health Canada announced cultivation and processing licences (medical and recreational) as well as sale for medical purposes licences must have a fully built site at the time of their application.
- Continue to measure and evaluate Ontario's approach using pre- and post-legalization data.



Thank you

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