CANNABIS IN YOUR COMMUNITY

A Presentation to CPAA Conference May 2017



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WE'LL BE THERE FOR YOUR HIGHS AND LOWS!



BROWNLEE LLP Barristers & Solicitors

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CURRENT CANNABIS REGULATION

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Access to Cannabis for Medical Purposes Regulations SOR/2016-230

- Came into force August 24, 2016
- Regulates the production and distribution of cannabis used for medical purposes
- Replaced the Marihuana for Medical Purposes Regulations (MMPR)
- Response to court decision that requiring medical users to obtain marihuana from licensed producers violated Charter



Access to Cannabis for Medical Purposes Regulations SOR/2016-230

- Regulates the production and distribution of cannabis used for medical purposes
- Allows individuals to "grow their own" marihuana for medical purposes or have a designated person grow the marihuana on their behalf
- Must register with Minister



Medical Marihuana Production Facilities

- Must be licensed by the Federal Government
- Licensing process requires detailed information about site, proposed activities and security clearances for individuals
- Licence is site specific



Medical Marihuana Production Facilities con't

- Must prior to applying for licence notify
 - Local government
 - Local fire authority
 - -Local police/RCMP
- Notice is to include indication of activities for which the licence is being sought



Medical Marihuana Production Facilities con't

 Must within 30 days of issuance, renewal, amendment, suspension, reinstatement or revocation of licence notify local authorities



Medical Marihuana Production Facilities cont'd

Once licenced:

- Strict rules around operation of facility, production, destruction, distribution and sale activities
- All activity must be indoors at the producer's site
- Must have air filtration system to protect escape of odours and pollen (if present)



Medical Marihuana Production Facilities cont'd

- Security measures must include:
 - -Visual monitoring
 - Monitored Intrusion detection system
 - Restricted access to areas where cannabis is present to those required to be in the are to carry out work responsibilities



Medical Marihuana Production Facilities cont'd

- Can only sell to individuals that are registered patients
- Application to register must be supported by medical document
- Product must be shipped to client

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Individual Production

- To produce cannabis for own medical purposes must be a registered person
- Application to register must be supported by medical documentation
- Does not require communication with local authorities
- Must disclose location of production indoors, outdoors or both
- Can have production by designated person



Individual Production

- Registration includes specifics as to:
 - Maximum amount of dried marihuana that can be possessed
 - Location where production allowed (address and location on site)
 - Type of production authorized (self vs. designated person)
 - Number of plants (determined in accordance with regulations)
 - Maximum amount of dried marihuana that can be stored on site



Municipal Involvement

Medical Marihuana Production Facilities

- Regulate but not prohibit
- Use class
- Applicable districts
- Regulations to address planning considerations



Municipal Involvement

"Grow their own"

No Notice to local authorities

No municipal regulation

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BILL C-45

An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts.

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- First reading April 13, 2017
- Subject to Parliamentary approval and Royal Assent expected to be law no later than July 2018
- Until the Cannabis Act comes into effect current status of the law remains



Purpose - Section 7

To protect public health and public safety by:

- protecting the health of young persons by restricting their access to cannabis
- protecting young persons and others
 from inducements to use cannabis



- provide for licit production of cannabis to reduce illicit activities in relation to cannabis
- deter illicit activities in relation to cannabis through sanctions
- reduce the burden on the criminal justice system in relation to cannabis



- provide access to a quality-controlled supply of cannabis; and
- enhance public awareness of the health risks associated with cannabis use.



• Possession in a Public Place allowed

 18 years or older, no more than the equivalent of 30 g of dried cannabis

 Young person, up to the <u>equivalent</u> of 5 g of dried cannabis

unless otherwise authorized under the Act.



Public Place – Definition

Any place to which the public has access as of right or by invitation, express or implied, and any motor vehicle located in a public place or in any place open to public view.



- Young Person Definition
 - For the purposes of s 8 (Possession); s 9 (Distribution) and s 12 (Production) an individual 12 years of age or older but under 18 years of age
 - All other sections an individual under the age of 18



- Act will allow persons over the age of 18 to also:
 - share up to 30 grams of dried legal cannabis with other adults
 - Purchase dried or fresh cannabis and cannabis oil from a provincially regulated retailer
 - Grow up to 4 cannabis plants per residence
 - Make legal cannabis containing products at home such as food and drinks



- Possession of illicit cannabis is prohibited unless authorized under the Act.
- Illicit cannabis Definition

cannabis sold, produced or distributed by a person prohibited from doing so under this Act, or any provincial Act or that was imported by a person prohibited from importing cannabis under this Act



- Possession of Cannabis Plants
 - In a public place, cannot have cannabis plants that are budding or flowering
 - Individual cannot possess more than four cannabis plants that are not budding or flowering

unless authorized under the Act



- Federal Government will continue to regulate and licence
 - Commercial production
 - Distribution and transportation
 - Sale
 - Importing and exporting
 - Packaging and labelling



Express provisions in the Access to Cannabis for Medical Purposes Regulation regarding

- Notice to local authorities
- Security measures
- Filtration of air

not brought forward into new Act though may be part of regulations



Section 42

Every person authorized under the Act to produce, sell or distribute cannabis will be required to disclosure information about cannabis to the public <u>as required to do so</u> <u>by regulation</u>

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- Provincial Governments will be able to authorize the commercial/retail sale of cannabis by passing an act to create the necessary framework
- Provincial Governments will not be licensing the commercial producers, or establishing industry standards



Provincial Legislation must:

- restrict retail sales to the sale of products produced by a person authorized under the federal Act
- prohibit sales to young persons



Provincial Legislation must:

- require that appropriate records be maintained
- require retailer to take adequate measures to reduce the risk of cannabis being diverted to an illegal market or activity

(Section 69)

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Provincial Legislation can:

- set a higher minimum age for possession of cannabis
- restrict personal cultivation by lowering # of plants or imposing restrictions on where personal cultivation can occur



Provincial Legislation can:

- restrict where cannabis may be consumed
- establish zoning rules for cannabis-based businesses
- amend traffic safety laws to deal with person who drive while impaired by cannabis



"Grow Your Own"

- Persons over 18 can cultivate, propagate and harvest cannabis for their own use
- Can have no more than four cannabis plants at any one time in their dwellinghouse
- Plants to be no more than 100 cm in height



"Grow Your Own"

 Dwelling-house - Definition
 The whole or any part of a building or structure that is kept or occupied as a permanent or temporary residence and includes a unit that is designed to be mobile and to be used as a permanent or temporary residence and that is being used as a residence



"Grow Your Own"

 Dwelling house includes the land immediately contiguous to it including a yard, garden, or any similar land and any building or structure on the land



"Grow Your Own"

 Maximum number of plants in a dwelling– house is four even if two or more individuals who are 18 years of age or older are ordinarily resident in the same dwelling-house



"Grow Your Own"

- nothing in Act that prohibits the amount of dried cannabis an individual over the age of 18 can possess
- nothing in Act that addresses possession of cannabis containing products

so long as not in a public place



PREPARING FOR BILL C-45 ISSUES FOR MUNICIPALITIES

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Provincial Response to Cannabis Act

- Have established a cross ministry task force that includes Health, Justice, Municipal Affairs and Finance
- Province will need to decide where cannabis can be sold and where it can be consumed
- Will directly impact what municipalities will need to address



Municipalities - Commercial Production

- Status Quo in terms of need for licence
- No notice to local authorities before applying for licence in the Act
- Municipalities will not be able to prohibit
- Speculative as to whether will be easier to get licence, whether more applications for licences



Municipalities - Commercial Production

- Types of licenced production will include more than just cultivation and sale to registered users
- May need to create a number of use classes; decide where uses will be allowed



Municipalities - Commercial Production

- Will be able to impose regulations and conditions on development for proper planning purposes
- Elimination of some federal restrictions may open door for greater municipal regulation i.e. security, odour control



- Land Use Bylaw define Sales Outlets
 - Cannabis/Cannabis oil/Cannabis accessories
 - Federal government has indicated that sale of edibles will not be permitted at this time
 - Option: define as separate uses, combined use class or treated as part of retail sales



- Consumption in Public
 - Cannabis Act does not expressly deal with <u>use</u> of cannabis in a public place
 - Specifically defined use class in LUB?
 - -Will this be a unique use?
 - Can sales be accessory?
 - Where might use be allowed?



- For any defined land uses
 - Separation distance between similar uses
 - -Separation from schools, parks
 - Separation from other uses like alcohol sales or alcohol consumption



- Business Licencing
 - Opportunity for specific operational rules
 - More rules means more enforcement
 - Business Licence fee may <u>help</u> offset costs

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- Taxing
 - Current municipal powers would not allow for imposition of a tax on cannabis sales
 - Nothing in Cannabis Act that deals with taxation
 - Could tax businesses though business tax powers



Policing

- Act seeks to reduce the burden on the criminal justice system
- Who will police sales? Consumption?
- Who will pay additional policing costs?



"Grow Your Own"

- Not the "grow op" with large #s of plants
- Can this be made a distinct use class?
- What are the planning impacts of growing cannabis vs growing other plants?
- Practicalities of enforcement if made a use class



- "Grow Your Own"
 - Outdoor plants
 - Separation from schools/parks
 - Opportunity to use Community Standards Bylaw? Odours?
 - Security
 - Additional community policing





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QUESTIONS?

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