



Ontario Catholic School
Trustees' Association

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October 1, 2018

MEMORANDUM

TO: Chairpersons and Directors of Education
- All Catholic District School Boards

FROM: Beverley Eckensweiler, President

SUBJECT: Bill 36: Cannabis Statute Law Amendment Act, 2018

On Thursday September 27, 2018 the government of Ontario introduced for first reading Bill 36 the *Cannabis Statute Law Amendment Act 2018* ("Bill 36"). Bill 36 amends various Acts introduced by the previous government on the use of cannabis and enacts one new Act in relation to the use and sale in Ontario of cannabis and of vapour products.

Summary

Bill 36 introduces and enables a private retail market for the sale of non-medical cannabis. In the new model:

- Private retailers would be licensed by the Alcohol and Gaming Commission of Ontario;
- The Ontario Cannabis Retail Corporation would be the exclusive wholesaler and online retailer of cannabis;
- Municipalities would be able to pass a council resolution by January 22, 2019 to opt out of retail stores;
- First Nations communities would be able to opt out of cannabis deliveries and retail stores;
- The province will provide municipalities \$40 million over two years to assist with the cost of non-medical cannabis legalization;
- Once the legislation is passed, the Alcohol and Gaming Commission would begin accepting licensing applications in December 2018.
- No cap on the total number of licenses or store authorizations;
- A distance buffer between private cannabis stores and schools would be set through regulation in advance of December 2018 following further consultations with key stakeholders.

Schedule 1: Amendments to the Cannabis Act, 2017 and Other Acts

Key proposed amendments include:

- Using the definition of “cannabis” to refer to the definition of cannabis in the *Cannabis Act* (Canada), and making other amendments to refer to federal law respecting cannabis;
- Repealing section 11 of the Act, which provided for prohibitions on places where cannabis may be consumed to private residences. The proposed bill allows non-medical cannabis to be consumed in public places as set out *Smoke-Free Ontario Act, 2017* (Schedule 4 to Bill 36).
- a new defined term of “authorized cannabis retailer” which, in addition to the Ontario Cannabis Retail Corporation, includes the holder of a retail store authorization under the *Cannabis Licence Act, 2018*,
- A new prohibition on falsely representing oneself as an authorized cannabis retailer is added as section 8.1 of the *Cannabis Act, 2017*.
- Another new prohibition is added in subsection 9 (2) of the Act, prohibiting persons from purchasing cannabis online or by any means other than in person at a cannabis retail store, as defined in the *Cannabis Licence Act, 2018*, except from the Ontario Cannabis Retail Corporation (subsection 10 (2) of the Schedule).

Schedule 2: Cannabis Licence Act, 2018 and related amendments to other acts

The Schedule enacts the new *Cannabis Licence Act, 2018*, which sets out licensing conditions for private cannabis retail stores. The licensing rules are administered by the Alcohol and Gaming Commission of Ontario. Further highlights include:

- A retail store authorization allows its holder to operate a particular cannabis retail store. A separate authorization is required with respect to each store. In order to apply for a retail store authorization, a person must be the holder of or an applicant for a retail operator licence,
- The Registrar shall refuse to issue a retail store authorization if the proposed cannabis retail store would be located less than the distance specified by or determined in accordance with the regulations from a school, prescribed land use or other circumstances laid out in regulations.
- Requirements for the sale of cannabis in cannabis retail stores and the operation of cannabis retail stores are elaborated. Requirements include that only cannabis and any other things that may be specified by regulations made under the Act may be sold in a cannabis retail store, as well as that cannabis may only be sold through a cannabis retail store in person at the store.
- Offence penalties are set out in section 40. Sections 27 to 35 provide for the designation of inspectors to conduct inspections to ensure compliance with the Act and its regulations and the appointment of investigators to investigate possible failures to comply; the sections also set out inspection and investigation powers and procedures.

Municipal Exemptions

- Sections 41 and 42 address additional municipal matters. Under section 41, a municipality (may pass a resolution by January 22, 2019 prohibiting cannabis retail stores from being located in the municipality. Such a prohibition may be lifted by a later resolution passed by the municipality, but a municipality's decision to do so is final and may not be further reversed.

Schedule 4: Amendments to the SMOKE-FREE ONTARIO ACT, 2017 and the highway traffic act

The *Smoke-Free Ontario Act, 2017* is amended to replace rules respecting the use of “medical cannabis” with rules respecting “cannabis”. For example, smoking or holding lighted cannabis in an enclosed public place or enclosed workplace is prohibited. Any form of consumption of cannabis in a vehicle or boat is prohibited.

Changes are also made to various provisions regarding vapour products and electronic cigarettes. For example, the definition of “vapour product” is extended to include packaging, and the rules concerning **the display and promotion of vapour products in stores are made subject to the regulations.**

Next Steps:

OCSTA will continue to participate in consultations with the Ministry of Finance and Attorney General to ensure the priorities of our boards are taken into consideration. This will include regulations related to the distance between any cannabis retail store and a school and marketing rules related to the sale of cannabis. OCSTA will continue to liaison with the Ministry of Education on more specific reforms impacting school board policies on expulsions and suspensions and any curriculum reforms to ensure codes of conduct actively discourage the use of non-medical cannabis.

If you have any questions, please contact Steve Andrews at sandrews@ocsta.on.ca