

British Columbia Introduces Regulatory Framework for Cannabis

May 8, 2018

On April 26, 2018 the Government of British Columbia [announced](#) the introduction of its proposed regulatory framework for recreational cannabis. The province's proposed framework includes Bill 30, the *Cannabis Control and Licensing Act* (Bill 30), which itself includes consequential amendments to other statutes including the *Liquor Control and Licensing Act*, the *Residential Tenancies Act*, the *Police Act*, the *Community Safety Act*, and the *Business Practices and Consumer Protection Act*, among others, Bill 31, the *Cannabis Distribution Act* (Bill 31), and Bill 17, the *Motor Vehicle Amendment Act, 2018* (Bill 17). Collectively, Bills 17, 30, and 31, if passed, would establish a comprehensive legislative framework for regulating the licensing, distribution, purchase, sale, consumption, and enforcement of non-medical cannabis in British Columbia.

A summary of the key aspects of the province's regulatory framework is provided below.

Minimum Age, Possession, and Personal Cultivation Restrictions

The minimum age to possess, purchase and consume cannabis in the province will be 19, consistent with British Columbia's minimum age for alcohol and tobacco. Individuals over the minimum age will be able to possess up to 30 grams of non-medical cannabis in public places and will be permitted to grow up to four cannabis plants per household, consistent with the provisions of the proposed *Cannabis Act*. However, cannabis plants grown at home must not be visible from public spaces off the property and home cultivation will be banned in dwellings used as daycares. Further, landlords and strata councils will be able to restrict or prohibit home cultivation.

Distribution

In British Columbia, cannabis will be sold pursuant to a hybrid public-private model whereby the BC Liquor Distribution Branch (LDB) will operate standalone retail stores and offer online sales under the brand BC Cannabis Stores and private retailers will operate standalone retail stores only. The operating rules governing public and private retail stores will be similar to those currently in place for liquor stores. In urban areas, licensed retailers will not be permitted to sell cannabis in the same stores as liquor or tobacco. Certain exceptions will be established for rural non-medical cannabis stores similar to those currently in place for rural liquor stores which permit the sale of liquor by independently-owned full-service general grocery stores.

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The LDB will oversee the distribution of cannabis, while the Liquor Control and Licensing Branch (LCLB) will be responsible for licensing and monitoring the retail sector. Pursuant to British Columbia's model, federally licensed producers will supply cannabis to the LDB who will be the sole wholesale distributor of non-medical cannabis to public and private retailers. The LDB expects to open the first BC Cannabis Store and to offer online sales to the public by the end of summer 2018. The LCLB will launch an online application portal for individuals and businesses interested in applying for a non-medical cannabis retail licence in spring 2018.

While non-medical cannabis retail license applications will be open to the public, British Columbia is the first province to introduce restrictions on the vertical integration of cannabis businesses. Specifically, no retail licenses will be issued, renewed, transferred or amended to or for: (i) a person who has arranged, or agreed to arrange, with another person to sell the cannabis of a licensed producer to the exclusion of the cannabis of another licensed producer; (ii) a licensed producer or the licensed producer's agent; or (iii) a person who is associated with, connected with or financially interested in a licensed producer or a licensed producer's agent if that person is likely to promote the sale of such licensed producer's cannabis.

Consumption Options

British Columbia will generally allow adults to use non-medical cannabis in public spaces where tobacco smoking and vaping are permitted. However, to minimize child and youth exposure, smoking and vaping of non-medical cannabis will be banned in areas frequented by children, including schools, community beaches, parks and playgrounds. Use of cannabis in any form will also be banned for all occupants in vehicles and boats.

Local governments will be able to set additional restrictions, as they do now for tobacco use. In addition, landlords and strata councils will be able to restrict or prohibit non-medical cannabis smoking at tenanted and strata properties.

Additional Provincial Enforcement

British Columbia's proposed compliance and enforcement regime contains extensive provisions aimed at protecting children and youth, prioritizing public health and safety, limiting the black market and keeping roads safe.

British Columbia plans to increase training for law enforcement in the area of drug-impaired driving and toughen provincial regulations to give police more tools to remove drug-impaired drivers from the road and deter drug-affected driving, including creating a new 90-day Administrative Driving Prohibition for drug affected driving and expanding the current zero tolerance restrictions for the presence of alcohol for drivers in the Graduated Licensing Program to include zero tolerance for the presence of THC.

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In addition, British Columbia plans to establish a community safety unit that will target illegal sellers of cannabis and impose fines on retailers of up to double the retail value of the cannabis found in their stores.

We Can Help

For more information on how Cassels can assist your business, please contact Rowan Groenewald or another member of our firm's cross-disciplinary Cannabis Group. To learn more about the current state of the law surrounding the production, selling, purchasing and consumption of cannabis across Canada, [contact us](#) for a copy of the report.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.