

Cannabis Retail Overview (Alberta)

Prepared for: Legal Education Society of Alberta
Legalization of Marijuana

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Materials current as of April 17, 2018

For presentation in:
Edmonton, Alberta – May 17, 2018
Calgary, Alberta – May 24, 2018

CANNABIS RETAIL OVERVIEW (ALBERTA)

The Alberta Government (the “**AB Gov.**”) has released long-awaited legislation regarding its approach to Canada’s legalization of cannabis (“**Bill 26**”).¹ At worst, Bill 26 is a similar approach to liquor distribution; at best, it is the gold-standard for cannabis retail regulation. However, it will be proven over time if it is the gold-standard to be adopted by other provinces as they each deregulate the sale of cannabis from their provincial monopolies.

The following intends to give a general but brief overview of Bill 26 with a focus on the retail side of the equation. I will highlight how these provisions will likely be affected and clarified by the forthcoming amendments to the regulations and policy drafted by the AGLC (defined below).

<p>Federal Law governs:</p> <ul style="list-style-type: none">- Possession limits;- New criminal offences;- Advertising;- Impaired driving;- Medical cannabis;- Production;- Age limit (Federal limit);- Public health; Education;- Taxation; Home cultivation;- Regulatory compliance	<p>Provincial Law governs:</p> <ul style="list-style-type: none">- Impaired driving;- Public health;- Education;- Taxation;- Workplace safety;- Distribution/wholesaling;- Retail model;- Retail locations and rules;- Regulatory compliance;- Public consumption.	<p>Municipal Law governs:</p> <ul style="list-style-type: none">- Retail locations and rules;- Public consumption;- Land use and zoning;- Education.
<p>Regulations:</p> <ul style="list-style-type: none">- Cannabis Act (Canada) – Bill C-45- Cannabis Act (Regulations)	<p>Regulations:</p> <ul style="list-style-type: none">- <i>An Act to Control and Regulate Cannabis (Alberta) – Bill 26 & Bill 6</i>	<p>Regulations:</p> <ul style="list-style-type: none">- Land use bylaws & zoning;- Retail locations & rules; and- Public consumption.

OVERVIEW OF BILL 26

Bill 26 amends the *Gaming and Liquor Act* (Alberta) (the “**amended GLA**”) to regulate the distribution and retail sale of cannabis in Alberta. Overall, in a similar manner to the regulatory scheme concerning alcohol, Bill 26 authorizes the Alberta Gaming & Liquor Commission (the “**AGLC**”) to regulate the sale of cannabis. In fact, the legislation is almost identical albeit some nuances.

A “*cannabis licensee*” or “**Licensee**” is a cannabis retailer, with the term “*cannabis licensee*” meaning a license granted under the GLA that “authorizes the purchase, sale, transport, possession,

¹ See Clause 3(d) of Bill 26, An Act to Control and Regulate Cannabis.

storage or use of cannabis”. No license will be issued to a minor, a corporation of which the directors or officers are minors,² or to any person who is an employee or agent of the AGLC.³

A “cannabis supplier” or “**Supplier**” is a person that holds a license under the *Access to Cannabis for Medical Purposes Regulations* (Canada) (the “**ACMPR**”) or? the proposed *Cannabis Act* (Canada). Suppliers authorized to produce cannabis for commercial purposes by the Federal government may sell that cannabis to the AGLC. All sales representative of a supplier must be registered with the AGLC.⁴ Further, the wholesale price of cannabis must be the same, at any one time, for all licensees.

AGLC POLICY

The AGLC is designated as the regulator of the sale distribution, import, purchase, storage, transportation and use of cannabis in Alberta.⁵ The AGLC has the authority to carry out public online sales and licensing of privately owned and operated stores with strong oversight allowed for by Bill 26.

Pursuant to sections 2.2.8 and 2.2.9 of the AGLC Policy, the AGLC is authorized (at its discretion) to issue a license if:

1. it considers it appropriate to do so;
2. the applicant is eligible; and
3. the requirements of GLA are met.

Furthermore, the AGLC cannot issue a license to a cannabis retail store unless a development permit is issued.⁶ Pursuant to the legislated minimum distances outlined by the Regulations accompanying Bill 26, a cannabis store may not have an exterior wall located within 100 metres of:

1. a provincial health care facility or a boundary of the land on which the facility is located,
2. a school or a boundary of a parcel of land on which the school is located, or
3. a parcel of land that is designated as school reserve [...].⁷

² See section 90.11 of the amended GLA.

³ See section 90.11 of the amended GLA.

⁴ See subsection 90.13(1) of the amended GLA.

⁵ See subsection 90.01 of the amended GLA.

⁶ See Section 2.2.8 and 2.2.9 of the AGLC Policy.

⁷ See subsection 105(3) of the Regulations to the amended GLA.