



New South Wales

Cannabis Legalisation Bill 2021

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are to—

- (a) legalise cannabis or cannabis products produced and distributed under the licensing scheme established by the proposed Act, and
- (b) legalise cannabis grown for personal use in particular circumstances, and
- (c) establish the New South Wales Cannabis Authority, and
- (d) regulate the use of cannabis and cannabis products, particularly in relation to protection of persons under 18 years of age and the smoking of cannabis or cannabis products in public places, and
- (e) regulate the packaging, labelling and storage requirements for cannabis and cannabis products and prohibit certain advertising and promotions in relation to cannabis and cannabis products, and
- (f) provide for administrative review of a decision made by the New South Wales Cannabis Authority in relation to licences under the proposed Act, and
- (g) provide for persons to be authorised to enforce and monitor compliance with the proposed Act, and
- (h) make other minor and consequential amendments.

Outline of provisions

Part 1 Preliminary

Part 1 (**clauses 1–6**) contains provisions relating to the name and commencement of the proposed Act, its interpretation and the application of the proposed Act. The Part provides for the legalisation of cannabis, if cannabis, cannabis products and cannabis accessories are cultivated, produced and distributed in accordance with the proposed Act.

Part 2 New South Wales Cannabis Authority

Part 2 (**clauses 7–12**) contains provisions to establish the New South Wales Cannabis Authority (the *Authority*) as a body corporate, including the objects and functions of the Authority, and provides for the establishment of an expert advisory panel and the role of the panel.

Part 3 Cannabis licences, social club licences and personal use

Part 3 (**clauses 13–45**) contains provisions for the licensing scheme authorising a person to produce or distribute cannabis, including as part of a cannabis social club.

All cannabis and cannabis products produced under a cannabis licence are to be provided to the Authority for the Authority to ensure the cannabis has been produced in accordance with the conditions of the licence, and sold to persons authorised to distribute cannabis and cannabis products under a licence.

Cannabis grown by a cannabis social club under a social club licence may be supplied to members of the social club or sold to the Authority for the Authority's distribution to persons authorised to distribute cannabis and cannabis products under a licence.

The Part also contains provisions relating to the conditions each licence is subject to under the proposed Act, and the administration of a licence granted under the Part.

The provisions provide for the number of plants an individual may grow without a licence for personal use at a property.

Part 4 Offences

Part 4 (**clauses 46–55**) contains provisions to protect minors, including limiting the access minors have to cannabis by prohibiting sale or other supply of cannabis and cannabis products by persons to minors and creating an offence for exposing minors to cannabis emissions. A police officer is permitted to seize cannabis, a cannabis product or cannabis accessory in the possession of a person in a public place if the officer suspects on reasonable grounds the person is a minor.

The Part also includes administrative provisions that provide for evidence of age and the liability of an employer for an employee who commits the offence of sale to a minor.

The Part contains offences to restrict persons from consuming cannabis in public places, other than on cannabis consumption premises or cannabis consumed under a social club licence, and to prohibit the use of unlicensed premises as a place for consumption of cannabis or cannabis products. It is an offence to use the Authority endorsement if the cannabis or cannabis product has not been produced, distributed and supplied in accordance with the proposed Act.

Part 5 Advertising and promotion of cannabis and cannabis products

Part 5 (**clauses 56–60**) contains provisions prohibiting certain forms of advertising of cannabis and cannabis products, the promotion of cannabis and cannabis products using prizes and other benefits or tickets, coupons or similar. Implementing or conducting shopper loyalty programs that extend to the purchase of cannabis or cannabis products, or the giving of such products as gifts or

free samples are also prohibited. The Part also prohibits a person from promoting or publicising cannabis or cannabis products under a sponsorship arrangement.

Part 6 Powers of authorised officers

Part 6 (**clauses 61–77**) contains provisions relating to authorised persons and the power provided to authorised persons to enter, inspect and search premises and to require a person to produce information or attend at a time and place to answer questions and produce documents.

Part 7 Miscellaneous

Part 7 (**clauses 78–82**) contains miscellaneous provisions, including a provision allowing the Authority to ban products in particular circumstances, and a provision to prohibit the advertisement and supply of banned products. The Part also contains a provision that enables a person to apply to the Civil and Administrative Tribunal for administrative review of certain decisions, provides for a defence in relation to certain offences for a period of 12 months from commencement of the proposed Act and provides for the Governor to make regulations for the purposes of the proposed Act.

Schedule 1 Amendment of Acts

Schedule 1 amends the Acts specified in the Schedule.

Dictionary

Dictionary defines words used in the proposed Act.