

**NOTICE OF MEETING
REGULAR MEETING AGENDA**

- 1. CALL TO ORDER**
- 2. AGENDA APPROVAL**
- 3. PUBLIC COMMENT UPON MATTERS ALREADY ON THE AGENDA** *(The Public may comment on any item on the agenda with the exception of items shown under Public Hearings. The standard time limit is 3 minutes.)*
- 4. VISITORS/PRESENTATIONS** *(20 Minutes Scheduled for Presentation and Q & A)*
- 5. ADOPTION OF CONSENT AGENDA** *(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda under Pending Business at the request of Commissioner. No motion is required.)*
 - A. Meeting Minutes from the April 27, 2017 Regular Meeting **Page 3**
- 6. REPORTS – State, Borough, Council, Staff**
- 7. PENDING BUSINESS**
- 8. NEW BUSINESS**
 - A. Welcome New Commissioner **Page 7**
 - B. Cannabis on the Spit – Recommendation to Council to Amend the Regulations to allow Cannabis Operations on the Spit **Page 15**
- 9. INFORMATIONAL MATERIALS**
 - A. 2017 Meeting Schedule and Packet Processing Deadlines **Page 31**
 - B. 2017 Commission Attendance at Council Meetings **Page 32**
 - C. Adopted Regulations in Final Process **Page 33**
 - D. Regulations Projects:
 - Revocation of Handlers Permit and Transportation **Page 53**
 - Onsite Consumption **Page 61**
 - Advertising Requirements – Space Planning and Layout **Page 73**
 - Labeling and Packaging
 - Quality Control **Page 85**
 - Waste Disposal **Page 89**
 - Plant Count for New Cultivars **Page 93**
 - Direct or Indirect Financial Interest **Page 99**
 - Local Government Authority **Page 105**
 - Timing of Public Objections **Page 109**
 - Notify AMCO of Crime on Licensed Premises **Page 113**
 - Promotional Activities and Advertisement **Page 115**
 - Kief and testing Trim **Page 119**
 - Recreation or Youth Center Definition **Page 123**

- Testing Equipment Failure Notification	Page 125
E. Alaska Dispatch Articles Related to Cannabis	Page 127
- Marijuana Tax Revenue Jumps to Over \$500,000 in June dated August 1, 2017	
- Is the Marijuana Industry Actually making Money for Alaska? Dated August 11, 2017	
F. Articles Submitted by Commissioner Request	Page 133-148
- National Conference of State Legislatures Urges De-Scheduling of Marijuana, dated August 7, 2017	
- Banking and Financial Regulations of Marijuana Resolution (NCSL)	
- Georgia Lawmaker Delivers Cannabis Oil While Dodging Felony Charges, nbcnews.com, dated April 28, 2017	
- Recreational Cannabis – Minimizing the Health Risks from Legalization, New England Journal of Medicine, Perspective, dated February 23, 2017	
- Meet the Senators and Congressmen who Support Marijuana Legalization, The Washington Post, Workblog by Christopher Ingraham, dated Septemebr 29, 2016	
- Jamaican Study of Pregnant Mothers Shows that Marijuana Doesn't Harm Newborns, by Jay Smoker, Janelle Stone, dated June 2, 2011, www.weedblog.com	
G. Resolution 2017-251(S), Anchorage, Alaska Supporting Onsite Consumption in Licensed Retail Establishments	Page 149
H. Cannabis Operations Initiated within City Limits	Page 151
I. Cannabis Operations Under Review within City Limits	Page 153
J. Marijuana Shared Revenue Tracking as of July 25, 2017	Page 154-158

10. COMMENTS OF THE AUDIENCE

11. COMMENTS OF THE STAFF

12. COMMENTS OF THE COMMISSION

13. ADJOURNMENT THE NEXT REGULAR MEETING IS THURSDAY, DECEMBER 14, 2017 at 5:30pm in the **COWLES COUNCIL CHAMBERS** located at City Hall 491 E. Pioneer Avenue, Homer Alaska

Session 17-02, a Regular Meeting of the Cannabis Advisory Commission was called to order by Chair Tim Clark at 5:30 p.m. on April 27, 2017 in the Cowles Council Chambers located at City Hall 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONERS HARRIS, REYNOLDS, LEWIS, ROBL, STEAD, GAROUTTE, CRANE AND CLARK

ABSENT: COMMISSIONER YOUNG (EXCUSED)

STAFF: CITY PLANNER ABBOUD
DEPUTY CITY CLERK KRAUSE

APPROVAL OF AGENDA

Chair Clark requested a motion to approve the agenda.

LEWIS/REYNOLDS – SO MOVED.

There was no discussion.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENT

VISITORS/PRESENTATIONS

RECONSIDERATION

ADOPTION OF CONSENT AGENDA

A. Meeting Minutes for the January 26, 2017 Regular Meeting

Chair Clark called for adoption of the Consent agenda containing the minutes from the January 26, 2017 regular meeting.

LEWIS/STEAD – SO MOVED.

There was no discussion.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

REPORTS

City Planner Abboud reported that retail establishment and Standard Cultivation Applications had been filed for businesses within city limits. So far he has not received any other additional paperwork but assumes that in the near future the city will be sent those

documents. Commissioner Lewis commented that he saw the notice in the Homer News edition for April 27, 2017.

He responded to questions from the Commission regarding the license coming before council, the public notice requirement, and review by the Kenai Borough Assembly and comments against the license.

Commissioner Harris inquired about getting notice of comments or action to prohibit a license application in the city. Discussion ensued on the process and notice thereof and how the process would work. City Planner Abboud will be reviewing any application packet received in accordance with the established city code. Commissioner Harris asked if the application is a public document could he email it to commission. It was noted that Deputy City Clerk Krause could perform that task and a reminder not to respond all was given.

Commissioner Reynolds brought forth issue of procedure and to speak through the Chair not to comment back and forth. She then commented on the location for the applicants were zoned areas and there should not be any issues with those applicants.

City Planner Abboud noted that several potential applicants have come in to speak with him and the only one who hasn't come in is the one shown on the list who is on the Spit.

PUBLIC HEARINGS

PENDING BUSINESS

NEW BUSINESS

A. Welcome New Commissioners

Chair Clark welcomed Commissioner Garoutte and Crane and requested that they let the commission know why they decided to serve on this commission.

Commissioner Crane provided a brief explanation on joining this commission is that he was recruited stating that he has no opinion for or against but is what you might call a cannabis agnostic. He has a background in law in public safety.

He did ask a question though of the Commission and that was how they were able to talk, and go into business regarding what is still an essentially illegal drug. Commissioner Reynolds encouraged him to ask his questions of the commissioners.

He also provided snack materials "munchies" to test humor of the commissioners.

There was a brief discussion and recommendations from the commission on where he can obtain information to assist him on the why and how they are able to operate and regulate cannabis and why they serve on the commission.

Commissioner Garoutte provided a brief explanation on his purpose in joining the commission. He noted that he operates a marijuana trimming service around the state with his brother and is interested in what is going on in this town and he would like to see level headed regulations.

B. Elections

Chair Clark summarized the reason for having elections that he has decided not to request reappointment. He inquired if Vice Chair Stead is interested in moving to the position of Chair.

After some encouragement from the Commissioners to take the role of Chair Commissioner Stead accepted.

Chair Stead called for nominations for Vice Chair.

Commissioner Reynolds nominated Commissioner Harris. Commissioner Lewis seconded the nomination.

There was a discussion regarding seeking another member or volunteer to serve as Vice Chair after Commissioner Harris expressed reluctance at serving as Vice Chair. Commissioner Garoutte had offered to serve as Vice Chair stating he has experience with another organization on how meetings are conducted. After some encouragement and noting that Commissioner Stead has only missed one meeting since being appointed Commissioner Harris accepted the nomination.

Commissioner Lewis moved to close nominations. Seconded by Commissioner Garoutte.

There being no additional nominations Commissioner Harris was elected as Vice Chair.

INFORMATIONAL MATERIALS

A. 2017 Meeting Schedule and Packet Processing Deadlines

B. 2017 Commission Attendance at Council Meetings

Chair Stead requested a volunteer to speak at the May 8th Council meeting and the September 11th Council meeting. He provided a brief explanation on what would be reported. Commissioners Garroure and Crane volunteered to speak at the meetings.

C. Open Draft Regulations and Adopted Regulations Awaiting Final Process

There was no discussion.

COMMENTS OF THE AUDIENCE

COMMENTS OF STAFF

City Planner Abboud had no comments.

Deputy City Clerk Krause expressed her appreciation of a short meeting.

COMMENTS OF THE CHAIR

Chair Stead thanked everyone for attending tonight.

COMMENTS OF THE COMMISSION

Commissioner Robl and Harris had no comments.

Commissioner Clark stated it was a fun ride, he learned a lot, appreciated the help from the other Commissioners, he has enjoyed his tenure and they will see him in the audience in the future.

Commissioner Garoutte expressed his appreciation to be on the commission and looks forward to working with everyone in the future.

Commissioner Reynolds expressed her appreciation for Commissioner Clark's time and service on the Commission and welcomed the newest members advocating for them to feel free to ask questions of the commission any time, she looks forward to working with them and it was a good meeting.

Commissioner Lewis commented it was a good meeting and welcomed the new commissioners.

ADJOURN

There being no further business to come before the Commission, Chair Clark adjourned the meeting at 6:15 p.m. The next regular meeting is scheduled for THURSDAY, AUGUST 24, 2017 at 5:30 p.m. in the City Hall Cowles Council Chambers located at 491 E Pioneer Avenue, Homer, Alaska.

Renee Krause, CMC, Deputy City Clerk I

Approved: _____



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

MEMORANDUM

TO: CANNABIS ADVISORY COMMISSION
FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK
DATE: AUGUST 17, 2017
SUBJECT: WELCOME NEW COMMISSIONER

Our last vacancy was filled by the appointment of Grant Garoutte at the May 30, 2017 City Council meeting. Thanks for joining us and volunteering your time and efforts to this commission!





City of Homer

www.cityofhomer-ak.gov

Office of the Mayor

491 East Pioneer Avenue
Homer, Alaska 99603

mayor@ci.homer.ak.us

(p) 907-235-3130

(f) 907-235-3143

Memorandum 17-076

TO: HOMER CITY COUNCIL
FROM: BRYAN ZAK, MAYOR
DATE: MAY 22, 2017
SUBJECT: REAPPOINTMENT OF SUSAN FALLON TO THE LIBRARY ADVISORY BOARD AND
THE APPOINTMENT OF GRANT GARROUTE TO THE CANNABIS ADVISORY
COMMISSION.

Susan Fallon is reappointed to the Library Advisory Board for a three-year term to expire April 1, 2020.

Grant Garroute is appointed to the Cannabis Advisory Commission for a three-year term to expire May 1, 2020. The appointment is made to fill the seat vacated by Aryn Young.

RECOMMENDATION:

Confirm the reappointment of Susan Fallon to the Library Advisory Board and the appointment of Grant Garroute to the Cannabis Advisory Commission.

Fiscal Note: N/A



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Office of the Mayor

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(p) 907-235-3130

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June 1, 2017

Grant Garoutte
P.O. Box 1735
Homer, AK 99603

Dear Grant,

Congratulations! Council confirmed/approved your appointment to the Cannabis Advisory Commission during their Regular Meeting of May 30, 2017 via Memorandum 17-076.

Included is the 2016 Public Official Conflict of Interest Disclosure Statement. Please complete this document and return it to the Clerk's office. This form will be retained in the Clerk's office. It is a public document and may be requested by any member of the public. In the event the Public Official Conflict of Interest Disclosure Statement is requested by a member of the public, you will be notified of the requestor's name.

Also included is the Code of Ethics as outlined in Homer City Code 1.18. This provides important guidelines in your role as a commissioner as to conduct and conflicts of interest.

Thank you for your willingness to serve the City of Homer on the Cannabis Advisory Commission. There certainly are exciting times ahead.

Your term will expire May 1, 2020.

Cordially,

Bryan Zak, Mayor

Enc: Memorandum 17-076
Certificate of Appointment
2016 Public Official Conflict of Interest Disclosure Statement
Robert's Rules of Order Handbook
HCC 2.78 Cannabis Advisory Commission
HCC 1.18 Conflicts of Interest, Partiality, and Code of Ethics

Cc: Cannabis Advisory Commission

City of Homer

Homer, Alaska

Mayor's Certificate of Appointment

Greetings

Be It Known That

Grant Garoutte

Has been appointed to

serve as

“Commissioner”

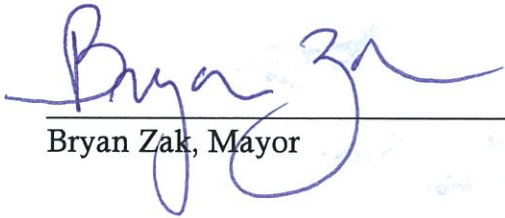
on the

“Cannabis Advisory Commission”

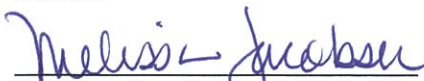
This appointment is made because of your dedication to the cause of good government, your contributions to your community and your willingness to serve your fellow man.

*In Witness whereof I hereunto set my hand
this 31st of May, 2017*




Bryan Zak, Mayor

Attest:


Melissa Jacobsen, MMC, City Clerk



CITY OF HOMER
APPLICATION TO SERVE ON ADVISORY BODY
COMMISSION, BOARD, COMMITTEE, TASK FORCE

CITY CLERK'S OFFICE
CITY OF HOMER
491 E. PIONEER AVE
HOMER, AK 99603
PH. 907-235-3130
FAX 907-235-3143
clerk@cityofhomer-ak.gov

The information below provides some basic background for the Mayor and Council
This information is public and will be included in the Council Information packet

MAR 23 2017 PM 04:02 RK

Name: GRANT GAROUTTE Date: 3/23/17
Physical Address: 394 SOUNDVIEW HOMER AK 99603
Mailing Address: P.O. Box 1735
Phone #: 907-299-8971 Cell #: 11 Work #: 907-299-6552
Email Address: gatgaroutte@hotmail.com

The above information will be published in the City Directory and within the city web pages if you are appointed by the Mayor and your appointment is confirmed by the City Council

Please indicate the advisory body that you are interested in serving on by marking with an X.
You may select more than one.

- | | |
|--|---|
| ☐ ADVISORY PLANNING COMMISSION
1ST & 3RD WEDNESDAY OF THE MONTH AT 6:30 PM
WORKSESSION PRIOR TO EACH MEETING AT 5:30 PM | ☐ ECONOMIC DEVELOPMENT ADVISORY COMMISSION
2ND TUESDAY OF THE MONTH AT 6:00 PM |
| ☐ PARKS ART RECREATION & CULTURE ADVISORY COMMISSION
3RD THURSDAY OF THE MONTH AT 5:30 PM | ☒ CANNABIS ADVISORY COMMISSION
4TH THURSDAY OF THE MONTH AT 5:30 PM |
| ☐ PORT & HARBOR ADVISORY COMMISSION
3RD WEDNESDAY OF THE MONTH
OCT-APRIL AT 5:00 PM
MAY - SEPT AT 6:00 PM | ☐ LIBRARY ADVISORY BOARD
1ST TUESDAY OF THE MONTH AT 5:30 PM |
| ☐ PUBLIC ARTS COMMITTEE
2ND THURSDAY OF THE MONTH AT 5:00 P.M.
FEB, MAY, AUGUST & NOVEMBER
WORKSESSIONS PRIOR AT 4:00 PM | ☐ OTHER - PLEASE INDICATE
_____ |
| ☐ CITY COUNCIL
2ND & 4TH MONDAY OF THE MONTH
SPECIAL MEETINGS & WORKSESSIONS AT 4:00 PM
COMMITTEE OF THE WHOLE AT 5:00 PM
REGULAR MEETING AT 6:00 PM | |

I have been a resident of the city for 20 years. I have been a resident of the area for 23 years.

I am presently employed at Peninsula Trim LLC

Please list any special training, education or background you may have which is related to your choice of advisory body.

Co-owner of Peninsula Trim LLC Alaska's first legally compliant Marijuana Trimming Service.

Adjutant for the American Legion Post #16

Have you ever served on a similar advisory body? If so please list when, where and how long:

No

Why are you interested in serving on the selected advisory body?

I think that the ~~to~~ Commission would benefit from a veterans ~~view~~ point of view, I personally have experience running

Please list any current memberships or organizations you belong to related to your selection(s); ^{a cannabis related business}

none

Please answer the following only if you are applying for the Advisory Planning Commission:
Have you ever developed real property other than a personal residence, if so briefly explain:

N/A

Please answer if your are applying for the Port & Harbor Advisory Commission:
Do you use the Homer Port and/or Harbor on a regular basis?

Yes

☐

No

☐

What is your primary use? Commercial

☐

Recreational

☐

Please include any additional information that may assist the Mayor in his/her decision making:

Our city needs reasonable regulations that will keep our community safe. I grew up here in Homer I am giving my time to the American Legion but I would love to give time to our city.

When you have completed the application please review and return to the City Clerk's Office. You may also email this to clerk@cityofhomer-ak.gov or fax to 907-235-3143. Thank you for applying!



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MEMORANDUM

TO: CANNABIS ADVISORY COMMISSION

FROM: CARRIE HARRIS, CAC COMMISSIONER

THRU: RENEE KRAUSE, CMC, DEPUTY CITY CLERK

DATE: AUGUST 17, 2017

SUBJECT: CANNABIS ON THE SPIT – RECOMMENDATION TO COUNCIL TO AMEND REGULATIONS
TO ALLOW CANNABIS OPERATIONS ON THE SPIT

Commissioner Harris has requested this topic on the agenda regarding Spit Zoning.

City Planner Abboud can expound on the process for the commission on amending the zoning regulations, however this is outlined in Homer city Code 21.95 which has been included.

Following are the current regulations on zoning in the Marine Commercial and Marine Industrial Districts, Homer City Code 21.28 and Homer City Code 21.30 respectively.

Please note that the city will not approve cannabis related business or industry per the advice received from the City Attorney and in accordance with Homer City Code 21.62.020(a)(7) which has been included for the commission's information

Recommendation

For Informational Purposes only.

Chapter 21.95

LEGISLATIVE PROCEDURES AND AMENDMENTS¹

Sections:

- [21.95.010](#) Initiating code amendment.
- [21.95.020](#) Initiating zoning map amendment.
- [21.95.030](#) Restriction on repeating failed amendment proposals.
- [21.95.040](#) Planning Department review of code amendment.
- [21.95.050](#) Planning Department review of zoning map amendment.
- [21.95.060](#) Review by Planning Commission.
- [21.95.070](#) Review by City Council.

21.95.010 Initiating code amendment.

An amendment to this title may be initiated by any of the following:

- a. A member of the City Council;
- b. A member of the [Planning Commission](#);
- c. The City Manager;
- d. The City Planner; or
- e. A petition bearing the signatures, and the printed names and addresses, of not less than 50 qualified City voters.
[Ord. [10-58](#), 2011].

21.95.020 Initiating zoning map amendment.

An amendment to the official zoning map may be initiated by any of the following:

- a. A member of the City Council;
- b. A member of the [Planning Commission](#);
- c. The City Manager;
- d. The City Planner; or
- e. A petition of property owners meeting the following requirements:
 - 1. The proposed amendment would either:
 - a. Apply to an area not less than two acres, including half the width of any abutting [street](#) or [alley](#) rights-of-way; or
 - b. Reclassify the area to a [zoning district](#) that is contiguous to the area or separated from the area only by a [street](#) or [alley](#) right-of-way.
 - 2. The petition represents [lots](#) that include more than 50 percent of the area (excluding rights-of-way) that is the subject of the proposed amendment. A [lot](#) is represented on the petition only if the petition bears the signatures, and the printed names and addresses, of all record owners of the [lot](#).
 - 3. The petition also shall include the following:

- a. The following statement on each page of the petition: "Each person signing this petition represents that the signer is a record owner of the [lot](#) whose description accompanies the signature; that the signer is familiar with the proposed zoning map amendment and the current [zoning district](#) of the [lot](#); and that the signer supports the City Council's approval of the amendment."
- b. The name of each record owner, the legal description and the Borough tax parcel number of each [lot](#) that is the subject of the proposed amendment.
- c. A map showing the [lots](#) comprising the area that is the subject of the proposed amendment, all [lots](#) contiguous to the boundary of that area, and the present zoning and proposed zoning of each such [lot](#).
- d. A statement of the justification for the proposed amendment. [Ord. [10-58](#), 2011].

21.95.030 Restriction on repeating failed amendment proposals.

No proposal by qualified voters to amend this title, or by property owners to amend the official zoning map, shall be reviewed by the [Planning Department](#), or submitted to the [Planning Commission](#) or the Council, if it is substantially the same as any other amendment that the Council rejected within the previous nine months. [Ord. [10-58](#), 2011].

21.95.040 Planning Department review of code amendment.

The [Planning Department](#) shall evaluate each amendment to this title that is initiated in accordance with HCC [21.95.010](#) and qualified under HCC [21.95.030](#), and may recommend approval of the amendment only if it finds that the amendment:

- a. Is consistent with the [Comprehensive Plan](#) and will further specific goals and objectives of the plan.
- b. Will be reasonable to implement and enforce.
- c. Will promote the present and future public health, safety and welfare.
- d. Is consistent with the intent and wording of the other provisions of this title. [Ord. [10-58](#), 2011].

21.95.050 Planning Department review of zoning map amendment.

The [Planning Department](#) shall evaluate each amendment to the official zoning map that is initiated in accordance with HCC [21.95.020](#) and qualified under HCC [21.95.030](#), and may recommend approval of the amendment only if it finds that the amendment:

- a. Is consistent with the [Comprehensive Plan](#) and will further specific goals and objectives of the plan.
- b. Applies a [zoning district](#) or districts that are better suited to the area that is the subject of the amendment than the district or districts that the amendment would replace, because either conditions have changed since the adoption of the current district or districts, or the current district or districts were not appropriate to the area initially.
- c. Is in the best interest of the public, considering the effect of [development](#) permitted under the amendment, and the cumulative effect of similar [development](#), on property within and in the vicinity of the area subject to the amendment and on the community, including without limitation effects on the environment, transportation, public services and facilities, and land [use](#) patterns. [Ord. [10-58](#), 2011].

21.95.060 Review by Planning Commission.

- a. The [Planning Commission](#) shall review each proposal to amend this title or to amend the official zoning map before it is adopted by the City Council.
- b. Within 30 days after determining that an amendment proposal is complete and complies with the requirements of

this chapter, the [Planning Department](#) shall present the amendment to the [Planning Commission](#) with the Planning Department's comments and recommendations, accompanied by proposed findings consistent with those comments and recommendations.

c. The [Planning Department](#) shall schedule one or more public hearings before the [Planning Commission](#) on an amendment proposal, and provide public notice of each hearing in accordance with Chapter [21.94](#) HCC.

d. After receiving public testimony on an amendment proposal and completing its review, the [Planning Commission](#) shall submit to the City Council its written recommendations regarding the amendment proposal along with the Planning Department's report on the proposal, all written comments on the proposal, and an excerpt from its minutes showing its consideration of the proposal and all public testimony on the proposal. [Ord. [16-57](#) § 1, 2017; Ord. [10-58](#), 2011].

21.95.070 Review by City Council.

City Council shall consider an amendment proposal to this title in accordance with the ordinance enactment procedures in the Homer City Code but shall not adopt an amendment proposal under this title without considering the recommendations of the [Planning Commission](#) regarding an amendment proposal. When City Council is considering an amendment proposed by the [Planning Commission](#), the City Council may adopt the proposed amendment as submitted or with amendments, or reject the proposed amendment. [Ord. [16-57](#) § 2, 2017; Ord. [10-58](#), 2011].

¹Ordinance [08-29](#) repealed and reenacted by Ordinance [10-58](#), January 24, 2011.

**The Homer City Code is current through Ordinance 17-25,
passed June 26, 2017.**

Disclaimer: The City Clerk's Office has the official version of the Homer City Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.

Chapter 21.28

MC MARINE COMMERCIAL DISTRICT

Sections:

- [21.28.010](#) Purpose.
- [21.28.020](#) Permitted uses and structures.
- [21.28.030](#) Conditional uses and structures.
- [21.28.040](#) Dimensional requirements.
- [21.28.050](#) Site and access plan.
- [21.28.060](#) Traffic requirements.
- [21.28.070](#) Site development requirements.
- [21.28.080](#) Nuisance standards.
- [21.28.090](#) Lighting standards.

21.28.010 Purpose.

The purpose of the Marine Commercial District is primarily for [water-related](#) and [water-dependent](#) uses and the business and commercial [uses](#) that serve and support them, including but not limited to fishing, marine transportation, off-shore energy [development](#), recreation and tourism. It is recognized that unique [natural features](#) of Homer's marine environment contribute significantly to the economic and social environments; therefore, [performance standards](#) are required to minimize the impact of [development](#) on the [natural features](#) on which they depend. [Ord. [08-29](#), 2008].

21.28.020 Permitted uses and structures.

The following [uses](#) are permitted outright in the Marine Commercial District, except when such [use](#) requires a conditional [use](#) permit by reason of size, traffic volumes, or other reasons set forth in this chapter:

- a. Offices for tourism-related charter and tour businesses, such as fishing, flightseeing, day excursions and boat charters and tours;
- b. Marine equipment sales, rentals, service, repair and storage;
- c. Retail stores limited to the sale of seafood products, sporting goods, curios, and arts and crafts;
- d. Business [offices](#) for [water-dependent](#) and [water-related](#) activities such as fish brokers, off-shore oil and gas service companies, and stevedores;
- e. Customary [accessory uses](#) that are clearly subordinate to the main [use](#) of the [lot](#) or [building](#) such as piers or wharves; provided, that separate [permits](#) shall not be issued for the construction of an accessory [structure](#) prior to that of the main [structure](#);
- f. Mobile food services;
- g. Itinerant merchants, provided all activities shall be limited to [uses](#) permitted outright under this [zoning district](#);
- h. Recreational vehicle parks, provided they shall conform to the standards in Chapter [21.54](#) HCC;
- i. Restaurants;
- j. Cold storage facilities;
- k. Campgrounds;

- l. Manufacturing, processing, cooking, and packing of seafood products;
- m. Parks;
- n. Boat launching or moorage facilities, marinas;
- o. Caretaker, business owner or employee housing as an [accessory use](#) to a primary [use](#), and limited to no more than 50 percent of the [floor area](#) of a [building](#) and for [use](#) by an occupant for more than 30 consecutive days;
- p. Lodging as an [accessory use](#), limited to no more than 50 percent of the [floor area](#) of a [building](#);
- q. As an [accessory use](#), one [small wind energy system](#) per [lot](#). [Ord. [13-11\(A\)](#) § 2, 2013; Ord. [09-34\(A\)](#) § 18, 2009; Ord. [08-29](#), 2008].

21.28.030 Conditional uses and structures.

The following [uses](#) may be permitted in the Marine Commercial District when authorized by conditional [use](#) permit issued in accordance with Chapter [21.71](#) HCC:

- a. Drinking establishments;
- b. Public utility facilities and [structures](#);
- c. Hotels and [motels](#);
- d. Lodging;
- e. More than one [building](#) containing a permitted [principal use](#) on a [lot](#);
- f. Planned unit [developments](#), limited to [water-dependent](#) and [water-related](#) uses, with no [dwelling](#) units except as permitted by HCC [21.28.020](#)(o);
- g. Indoor recreational facilities;
- h. Outdoor recreational facilities;
- i. The location of a [building](#) within a [setback](#) area required by HCC [21.28.040](#)(b). In addition to meeting the criteria for a conditional [use](#) permit under HCC [21.71.030](#), the [building](#) must meet the following standards:

1. Not have a greater negative effect on the value of the adjoining property than a [building](#) located outside the [setback](#) area; and
2. Have a design that is compatible with that of the [structures](#) on the adjoining property. [Ord. [14-49\(A\)](#) § 8, 2014; Ord. [13-11\(A\)](#) § 3, 2013; Ord. [08-29](#), 2008].

21.28.040 Dimensional requirements.

The following dimensional requirements shall apply to all [structures](#) and [uses](#) in the Marine Commercial District:

- a. The minimum [lot](#) size is 20,000 square feet, except for [lots](#) lawfully platted before December 12, 2006. The minimum [lot width](#) is 150 feet, except for [lots](#) lawfully platted before December 12, 2006.
- b. Setbacks. No [building](#) may be located in a required [setback](#) area without an approved conditional [use](#) permit.
 1. Buildings shall be set back 20 feet from all dedicated rights-of-way. [Alleys](#) are not subject to a 20-foot [setback](#) requirement. The [setback](#) requirements from any [lot](#) line abutting an [alley](#) will be determined by the dimensional requirements of subsection (b)(2) of this section.

2. Buildings shall be set back five feet from all other [lot](#) boundary lines.
- c. The maximum [building height](#) is 35 feet.
- d. No [lot](#) shall contain more than 8,000 square feet of [building area](#) (all [buildings](#) combined), nor shall any [lot](#) contain [building area](#) in excess of 70 percent of the [lot area](#) without an approved conditional [use](#) permit.
- e. Building Area and Dimensions – Retail and [Wholesale](#).
 1. The total [floor area](#) of retail and [wholesale business](#) uses within a single [building](#) shall not exceed 25,000 square feet.
 2. In no event may a conditional [use](#) permit, [planned unit development](#), or [variance](#) be granted that would allow a [building](#) to exceed the limits of subsection (e)(1) of this section and no [nonconforming use](#) or [structure](#) may be expanded in any manner that would increase its nonconformance with the limits of subsection (e)(1) of this section. [Ord. [13-11\(A\)](#) § 4, 2013; Ord. [08-29](#), 2008].

21.28.050 Site and access plan.

- a. A zoning [permit](#) for any [use](#) or [structure](#) within the Marine Commercial District shall not be issued by the City without a level one [site plan](#) approved by the City under Chapter [21.73](#) HCC.
- b. A zoning [permit](#) for any [use](#) or [structure](#) shall not be issued without a level one [right-of-way](#) access plan approved by the City under Chapter [21.73](#) HCC. [Ord. [08-29](#), 2008].

21.28.060 Traffic requirements.

A conditional [use](#) permit is required for every [use](#) that:

- a. Is estimated to generate more than 100 vehicle [trips](#) during any hour of the day calculated utilizing the [Trip](#) Generation Handbook, Institute of Transportation Engineers, 9th Edition;
- b. Is estimated to generate more than 500 vehicle [trips](#) per day calculated utilizing the [Trip](#) Generation Handbook, Institute of Transportation Engineers, 9th Edition;
- c. Is estimated to generate an increase in the traffic to more than 100 vehicle [trips](#) during any hour of the day due to a change in land [use](#) or intensity of [use](#); or
- d. Is expected to generate traffic that will detract from the safety of, or degrade by one [level of service](#), the [highway](#), [road](#), [street](#), [alley](#) or intersection. [Ord. [13-27](#) § 10, 2013; Ord. [08-29](#), 2008].

21.28.070 Site development requirements.

All [development](#) on lands in this district shall conform to the level three [site](#) development standards set forth in HCC [21.50.040](#) and the following requirements:

- a. Development shall not impair public [use](#) of adjacent publicly owned tidelands.
- b. Buildings and roadways shall be located to minimize [alteration](#) to the natural terrain.
- c. Grading and [filling](#) shall not alter the storm berm except as necessary to correct unsafe conditions.
- d. Point source discharges to a waterway shall conform to the applicable regulations of the Alaska [Department](#) of Environmental Conservation. [Ord. [13-11\(A\)](#) § 5, 2013; Ord. [08-29](#), 2008].

21.28.080 Nuisance standards.

All [development](#) and [structures](#) shall conform to the nuisance standards contained in HCC [21.59.010](#). [Ord. [08-29](#), 2008].

21.28.090 Lighting standards.

All [uses](#) and [development](#) shall conform to the lighting standards contained in HCC [21.59.030](#). [Ord. [08-29](#), 2008].

**The Homer City Code is current through Ordinance 17-25,
passed June 26, 2017.**

Disclaimer: The City Clerk's Office has the official version of the Homer City Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.

Chapter 21.30

MI MARINE INDUSTRIAL DISTRICT

Sections:

- [21.30.010](#) Purpose.
- [21.30.020](#) Permitted uses and structures.
- [21.30.030](#) Conditional uses and structures.
- [21.30.040](#) Dimensional requirements.
- [21.30.050](#) Site and access plan.
- [21.30.060](#) Traffic requirements.
- [21.30.070](#) Site development requirements.
- [21.30.080](#) Nuisance standards.
- [21.30.090](#) Lighting standards.

21.30.010 Purpose.

The purpose of the Marine Industrial District is primarily to provide adequate space for those [water-dependent](#) industrial [uses](#) that require direct marine access for their operation, such as fishing, fish processing, marine transportation, off-shore oil [development](#) and tourism, giving priority to those [water-dependent](#) uses over other industrial, commercial and recreational [uses](#). [Ord. [08-29](#), 2008].

21.30.020 Permitted uses and structures.

The following [uses](#) are permitted outright in the Marine Industrial District, except when such [use](#) requires a conditional [use](#) permit by reason of size, traffic volumes, or other reasons set forth in this chapter:

- a. Port and harbor facilities;
- b. Manufacturing, processing and packing of sea products;
- c. Cold storage;
- d. Dry docks;
- e. Wharves and docks, marine loading facilities, ferry terminals, marine railways;
- f. Marine equipment sales, rentals, service, repair and storage;
- g. Boat launching or moorage facilities, marinas, boat charter services;
- h. Warehouse and marshaling [yards](#) for storing goods awaiting transfer to marine vessels or off-loaded from a marine vessel and awaiting immediate pickup by land-based transportation;
- i. Mobile food services;
- j. Itinerant merchants, provided all activities shall be limited to [uses](#) permitted outright under this [zoning district](#);
- k. Recreational vehicle parks, provided they shall conform to the standards in Chapter [21.54](#) HCC;
- l. Caretaker, business owner or employee housing as an [accessory use](#) to a primary [use](#), and limited to no more than 50 percent of the [floor area](#) of a [building](#) and for [use](#) by an occupant for more than 30 consecutive days;
- m. More than one [building](#) containing a permitted [principal use](#) on a [lot](#);
- n. Restaurant as an [accessory use](#);

o. Parks;

p. As an [accessory use](#), one [small wind energy system](#) per [lot](#). [Ord. [13-11\(A\)](#) § 6, 2013; Ord. [09-34\(A\)](#) § 19, 2009; Ord. [08-29](#), 2008].

21.30.030 Conditional uses and structures.

The following [uses](#) may be permitted in the Marine Industrial District when authorized by conditional [use](#) permit issued in accordance with Chapter [21.71](#) HCC:

- a. Planned unit [development](#), limited to [water-dependent](#) or [water-related](#) uses and excluding all [dwellings](#);
- b. Boat sales, rentals, service, repair and storage, and boat manufacturing;
- c. Extractive enterprises related to other [uses](#) permitted in the district;
- d. Campgrounds;
- e. Bulk petroleum storage;
- f. Helipads;
- g. Heliports;
- h. Indoor recreational facilities;
- i. Outdoor recreational facilities;
- j. Public utility facilities and [structures](#);
- k. The location of a [building](#) within a [setback](#) area required by HCC [21.30.040](#)(b). In addition to meeting the criteria for a conditional [use](#) permit under HCC [21.71.030](#), the [building](#) must meet the following standards:
 - 1. Not have a greater negative effect on the value of the adjoining property than a [building](#) located outside the [setback](#) area; and
 - 2. Have a design that is compatible with that of the [structures](#) on the adjoining property. [Ord. [14-49\(A\)](#) § 9, 2014; Ord. [13-11\(A\)](#) § 7, 2013; Ord. [08-29](#), 2008].

21.30.040 Dimensional requirements.

The following dimensional requirements shall apply to all [structures](#) and [uses](#) in the Marine Industrial District:

- a. Lot Size. The minimum [lot](#) size is 6,000 square feet.
- b. Setbacks. No [building](#) may be located in a required [setback](#) area without an approved conditional [use](#) permit.
 - 1. Buildings shall be set back 20 feet from all dedicated rights-of-way. [Alleys](#) are not subject to a 20-foot [setback](#) requirement. The [setback](#) requirements from any [lot](#) line abutting an [alley](#) will be determined by the dimensional requirements of subsection (b)(2) of this section.
 - 2. Buildings shall be set back five feet from all other [lot](#) boundary lines.
- c. The maximum [building height](#) is 35 feet.
- d. No [lot](#) shall contain more than 8,000 square feet of [building area](#) (all [buildings](#) combined), nor shall any [lot](#) contain [building area](#) in excess of 70 percent of the [lot area](#) without an approved conditional [use](#) permit.

e. Building Area and Dimensions – Retail and [Wholesale](#).

1. The total [floor area](#) of retail and [wholesale business](#) uses within a single [building](#) shall not exceed 25,000 square feet.
2. In no event may a conditional [use](#) permit or [variance](#) be granted that would allow a [building](#) to exceed the limits of subsection (d)(1) of this section and no [nonconforming use](#) or [structure](#) may be expanded in any manner that would increase its nonconformance with the limits of subsection (d)(1) of this section. [Ord. [13-11\(A\)](#) § 8, 2013; Ord. [08-29](#), 2008; Ord. [08-27\(S\)](#) § 1, 2008].

21.30.050 Site and access plan.

- a. A zoning [permit](#) for a [building](#) or [structure](#) within the Marine Industrial District shall not be issued by the City without a level two [site plan](#) approved under Chapter [21.73](#) HCC.
- b. No zoning [permit](#) may be granted without a level two [right-of-way](#) access plan approved under Chapter [21.73](#) HCC. [Ord. [08-29](#), 2008].

21.30.060 Traffic requirements.

A conditional [use](#) permit is required for every [use](#) that:

- a. Is estimated to generate more than 100 vehicle [trips](#) during any hour of the day calculated utilizing the [Trip](#) Generation Handbook, Institute of Transportation Engineers, 9th Edition;
- b. Is estimated to generate more than 500 vehicle [trips](#) per day calculated utilizing the [Trip](#) Generation Handbook, Institute of Transportation Engineers, 9th Edition;
- c. Is estimated to generate an increase in the traffic to more than 100 vehicle [trips](#) during any hour of the day due to a change in land [use](#) or intensity of [use](#); or
- d. Is expected to generate traffic that will detract from the safety of, or degrade by one [level of service](#), the [highway](#), [road](#), [street](#), [alley](#) or intersection. [Ord. [13-27](#) § 11, 2013; Ord. [08-29](#), 2008].

21.30.070 Site development requirements.

All [site](#) development shall conform to the level three [site](#) development standards contained in HCC [21.50.040](#) and the following requirements:

- a. Development shall not impair public [use](#) of adjacent publicly owned tidelands.
- b. Buildings and roadways shall be located to minimize [alteration](#) to the natural terrain.
- c. Grading and [filling](#) shall not alter the storm berm except as necessary to correct unsafe conditions.
- d. Point source discharges to a waterway shall conform to the applicable regulations of the Alaska [Department](#) of Environmental Conservation. [Ord. [13-11\(A\)](#) § 9, 2013; Ord. [08-29](#), 2008].

21.30.080 Nuisance standards.

The nuisance standards of HCC [21.59.010](#) apply to all [development](#), [uses](#), and [structures](#) in this [zoning district](#). [Ord. [08-29](#), 2008].

21.30.090 Lighting standards.

The level one lighting standards of HCC [21.59.030](#) apply to all [development](#), [uses](#), and [structures](#) in this [zoning district](#). [Ord. [08-29](#), 2008].

Chapter 21.62

MARIJUANA CULTIVATION, MANUFACTURING, RETAIL, AND TESTING FACILITIES

Sections:

- [21.62.010](#) Scope.
- [21.62.020](#) Intent.
- [21.62.030](#) Definitions.
- [21.62.040](#) Pre-application conference and State of Alaska application review process.
- [21.62.050](#) Costs.
- [21.62.060](#) Safety and security plan.
- [21.62.070](#) Buffers.
- [21.62.080](#) General restrictions applied to all marijuana facilities.

21.62.010 Scope.

- a. This chapter applies to the operation of all marijuana cultivation, manufacturing, retail, and testing facilities within the City boundaries.
- b. This chapter in no way protects marijuana facilities from enforcement of Federal law nor is it intended to sanction conduct or operations prohibited by law. All persons engaged in the marijuana industry within the city operate at their own risk and have no legal recourse against the City in the event that City laws are preempted, negated or otherwise found unenforceable based upon Federal law prohibiting the sale, distribution, consumption or possession of marijuana. [Ord. [16-04\(A-2\)\(S-3\)](#) § 5, 2016].

21.62.020 Intent.

a. This chapter is intended to impose regulations that prevent:

1. The distribution of marijuana to minors;
2. Revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels;
3. The diversion of marijuana from [states](#) where it is legal under [State](#) law in some form to other [states](#) where it is unlawful;
4. State-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
5. Violence and the [use](#) of firearms in the cultivation and distribution of marijuana;
6. Drugged driving and the exacerbation of other adverse public health consequences associated with marijuana [use](#);
7. The growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public land; and
8. Marijuana possession or [use](#) on Federal property. [Ord. [16-04\(A-2\)\(S-3\)](#) § 5, 2016].

21.62.030 Definitions.

[Reserved]. [Ord. [16-04\(A-2\)\(S-3\)](#) § 5, 2016].

21.62.040 Pre-application conference and State of Alaska application review process.

- a. When this title requires a conditional [use](#) permit for a marijuana facility, the applicant must meet with the City

Planner to discuss the conditional [use](#) permit process and any issues that may affect the proposed conditional [use](#). This meeting is to provide for an exchange of general and preliminary information only and no statement made in such meeting by either the applicant or the City Planner shall be regarded as binding or authoritative for the purposes of this title.

b. The City Planner shall be responsible for reviewing all applications filed with the [State](#) of Alaska under AS [17.38](#) for the operation of marijuana establishments in the City of Homer once those applications have been submitted to the City for its review by the [State](#) of Alaska. The City Planner, or his or her designee, shall recommend to the [State](#) of Alaska, within 15 days of receipt of an application denying an application that does not comply with this code or he or she may recommend approving the application with conditions that, if adopted, will result in compliance with this code. [Ord. [16-50](#) § 1, 2016; Ord. [16-04\(A-2\)\(S-3\)](#) § 5, 2016].

21.62.050 Costs.

The cost of all [permits](#), studies and investigation required under this chapter shall be borne by the applicant. [Ord. [16-04\(A-2\)\(S-3\)](#) § 5, 2016].

21.62.060 Safety and security plan.

A conditional [use](#) permit for a marijuana facility required by this title shall include an analysis of the ways in which the intent and purpose of this chapter have been met and the safety concerns identified in HCC [21.62.010](#) and [21.62.020](#) will be addressed. [Ord. [16-04\(A-2\)\(S-3\)](#) § 5, 2016].

21.62.070 Buffers.

a. The [Commission](#) may require [buffers](#), including berms, fences, trees, and shrubs, to minimize impacts to adjacent property. A landscaped [buffer](#) or combination of [landscaping](#) and berms of no less than 10 feet in width will be required where the property with a marijuana facility adjoins districts in which marijuana facilities are prohibited or permitted only as a conditional [use](#).

b. The following [buffer](#) zones shall be applied to all marijuana facilities in all districts:

1. Schools: 1,000 feet.
2. Churches: 500 feet.
3. Jail: 500 feet.
4. Youth/recreation center: 500 feet.
5. Library: 200 feet.

c. Marijuana facilities abutting the Jack Gist Municipal Park, Karen Hornaday Municipal Park, Bayview Municipal Park, or Ben Walters Municipal Park must have 1,000 feet or more [buffers](#) measured from the boundary of the park.

d. For purposes of this section, "schools" mean property primarily used as a private or public elementary or secondary education facility or property primarily used as a post-secondary education facility, including but not limited to private, faith-based, and public colleges and universities. [Ord. [16-04\(A-2\)\(S-3\)](#) § 5, 2016].

21.62.080 General restrictions applied to all marijuana facilities.

a. All marijuana facilities in all districts shall comply with HMC 21.59.030.

b. An application for a conditional [use](#) permit under this chapter shall not be approved if the location of the facility violates the regulatory intent in HMC 21.62.020. [Ord. [16-04\(A-2\)\(S-3\)](#) § 5, 2016].

2017 MEETINGS
CANNABIS ADVISORY COMMISSION

Following are the regular meeting dates established for the Commission. All meetings will be in Council Chambers unless otherwise noted and start at 5:30 p.m.

<u>Meeting Date</u>	<u>Packet Deadline</u>
January 26, 2017	January 18, 2017
April 27, 2017	April 19, 2017
August 24, 2017	August 16, 2017
December 14, 2017	December 6, 2017

If a commissioner wishes to add an item on the agenda that would be relevant to the discussion/action of the commission please submit or drop off at the Clerk's Office no later than Noon on the packet deadline date.

Commissioners may email requests for information or materials that they would like in the packet to the clerk, Renee Krause at rkrause@ci.homer.ak.us or staff, Rick Abboud at rabboud@ci.homer.ak.us.

The Clerk will email a draft agenda to the Chair and Staff no later than 4:00 p.m. on the packet deadline day. The Chair and Staff are requested to return the approved agenda with any additions and corrections to the Clerk no later than 10:00 a.m. the following day so that the meeting packet can be produced and available for distribution no later than 3 p.m.

2017 HOMER CITY COUNCIL MEETINGS
CANNABIS ADVISORY COMMISSION ATTENDANCE

It is the goal of the Commission to have a member speak regularly to the City Council at council meetings. There is a special place on the council's agenda specifically for this. After Council approves the consent agenda and any scheduled visitors it is then time for staff reports, commission reports and borough reports. That is when you would stand and be recognized by the Mayor to approach and give a brief report on what the Commission is currently addressing, projects, events, etc. **A commissioner is scheduled to speak and has a choice at which council meeting they will attend. It is only required to attend one meeting during the month that you are assigned.** However, if your schedule permits please feel free to attend both meetings. Remember you cannot be heard if you do not speak.

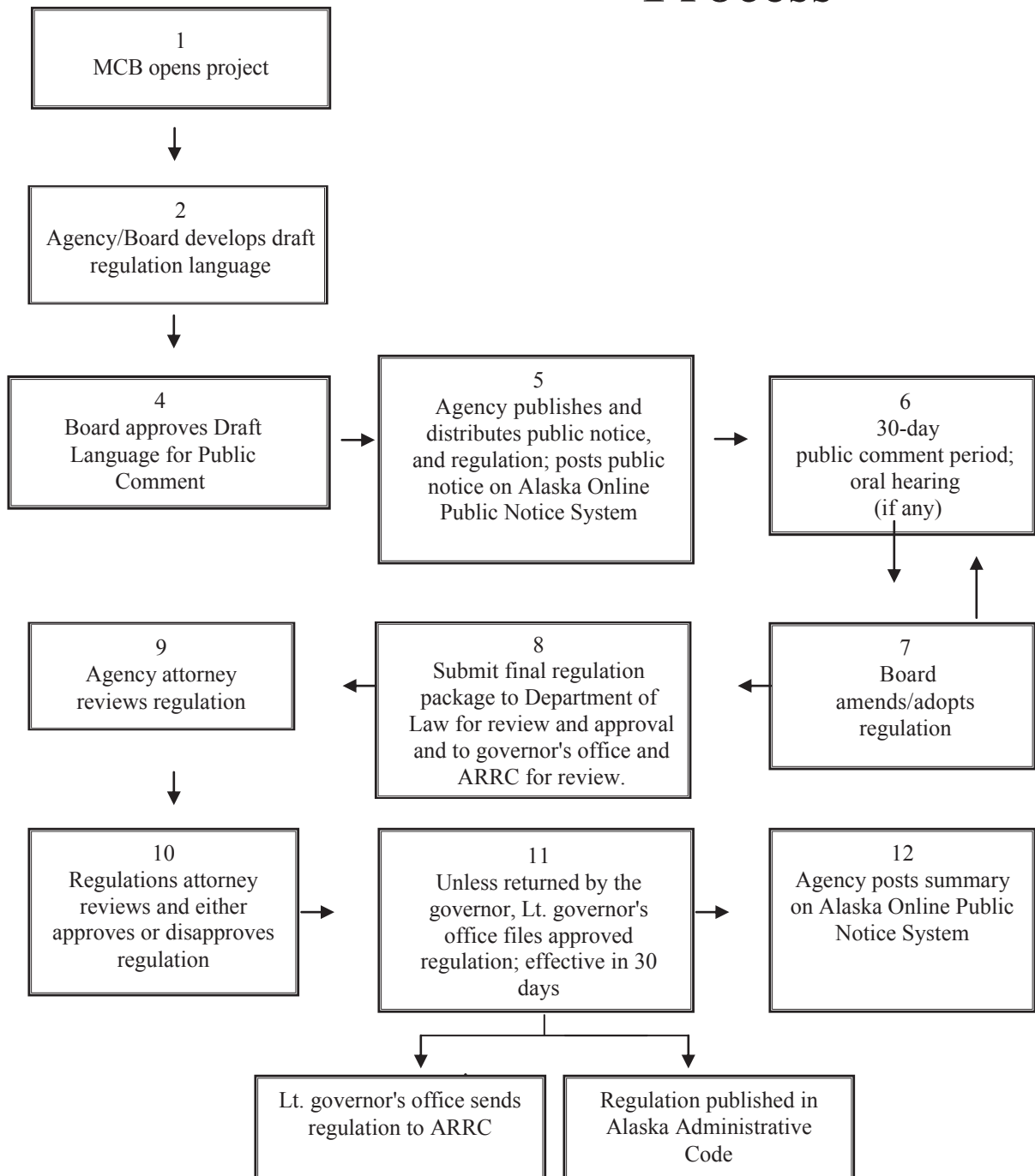
The following Meeting Dates for City Council for 2017 is as follows:

February 13, 27 2017	CAC Meeting 01/26/17	_____
March 13, 28 2017	optional	_____
April 10, 24 2017	CAC Meeting 04/27/17	_____
May 8, 30 2017	optional	Garrette Garoutte, Ralph Crane
June 12, 26 2017	optional	_____
July 24 2017	optional	_____
August 14, 28 2017	CAC Meeting 08/24/17	_____
September 11, 25 2017	optional	Garrette Garoutte, Ralph Crane
October 9, 23 2017	optional	_____
November 27 2017	optional	_____
December 11, 2017	CAC Meeting 12/14/17	_____

Please review and if you will be unable to make the meeting you are tentatively scheduled for please Notify the Chair who may contact another commissioner or attend the meeting.

Rev. 01/17 - rk

Steps in the Regulation Adoption Process



3 AAC 306.925. Submissions to the board. Except as otherwise specifically provided in this chapter, applications and communications of a formal nature must be submitted in writing, upon prescribed forms as appropriate, to the board at its main office, and are not considered timely filed until received there.

3 AAC 306.930. Staff. (a) The director of the board is responsible for the management of the board's offices, the administration of the board's functions and the enforcement of AS 17.38 and this chapter.

(b) The director will employ and supervise necessary clerical and investigative personnel and will prescribe their duties and authority.

(c) The director will prescribe forms for application for new licenses, transfers, renewals and for endorsements, petitions, and other necessary documents.

3 AAC 306.935. Conduct of board meetings. (a) The board will, at the first meeting of each calendar year, select a chair from among its members to preside over board meetings during the ensuing year.

(b) The board will meet at the call of the chair after reasonable public notice is given.

(c) For the purposes of AS 17.38.093(b), the "whole membership" is all persons appointed and serving as members of the board. If necessary, the director shall cast a tie-breaking vote with the consent of the board executed at the beginning of the meeting.

(d) The director is responsible for preparing an informative agenda for each board meeting. A copy of the agenda will be available for inspection by persons who request it.

3 AAC 306.940. Public comment at board meetings. (a) At its public meetings, the board will receive public comment upon items of agenda business and other issues of public interest related to commercial marijuana establishments, including the conduct of business by

licensees and the compliance by licensees and others with the statutes and regulations related to commercial marijuana establishments. Public comment may also be submitted to the board in writing by any person at any time, however comment on a proposed regulation must be made within the time provided in the public notice for the proposed regulation.

(b) The right to be heard provided for in this section does not constitute intervention in a proceeding or exhaustion of an administrative remedy.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.310(a)(6) is amended to read:

(6) after the expiration date shown on the label of the **perishable marijuana product** [MARIJUANA OR MARIJUANA PRODUCT].

(Eff. 2/21/2016, Register 217; am __/__/____, Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS17.38.070	AS 17.38.190	AS 17.38.900
	AS17.38.121		

3 AAC 306.360(e) is repealed and readopted to read:

(e) All advertising for marijuana or any marijuana product must contain each of the following warnings:

(1) “For adult use only, 21 and older”;

(2) “Do not operate a vehicle or machinery after consuming marijuana” . (Eff.

2/21/2016, Register 217; am __/__/____, Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

3 AAC 306 is amended by adding a new section to read:

3 AAC 306.925 Shared use spaces in marijuana establishments (a) A licensed marijuana establishment may share support spaces with other non-licensee tenants of the same building provided that;

(1) No marijuana or marijuana products may be cultivated, processed, stored, or sold in areas not under the direct and exclusive control of the licensee and;

(2) Non-licensed tenants are not able to access the licensed premises via the shared-use space.

(b) Multiple marijuana establishments may share support spaces provided that;

(1) No marijuana or marijuana products may be cultivated, processed, stored, or sold in areas not under the direct and exclusive control of each licensee and;

(2) Employees of one licensee may not have access to an adjacent licensed premises via the shared space unless that employee is authorized to access both premises. (Eff.

___/___/___, Register___)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS17.38.070	AS 17.38.190	AS 17.38.900
	AS17.38.121		

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.315 is amended to read:

3 AAC 306.315. Application for retail marijuana store license. A person seeking a new retail marijuana store license must submit an application on a form the board prescribes, including the information required under 3 AAC 306.020 and

(1) a copy of **an active application for** a food safety permit [REQUIRED] under 18 AAC 31.020 **from the Department of Environmental Conservation or a municipality with authority delegated under AS 17.20.072 and 18 AAC 31.945;** and

(2) in the operating plan required under 3 AAC 306.020(c), a description of the way marijuana and marijuana products at the retail marijuana store will be displayed and sold. (Eff. 2/21/2016, Register 215, am __/__/____, Register____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.520 is amended to read:

3 AAC 306.520. Application for marijuana product manufacturing facility license

An applicant for a marijuana product manufacturing facility license, including a marijuana concentrate manufacturing facility license, must file an application on a form the board prescribes, and provide the information required under 3 AAC 306.020 and

(1) a copy of **an active application for** a food safety permit [IF
REQUIRED] under 18 AAC 31.020 from the Department of
Environmental Conservation or a municipality with authority
delegated under AS 17.20.072 and 18 AAC 31.945. (Eff. 2/21/2016,
Register 215, am __/__/____, Register____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.250 is amended to read:

3 AAC 306.250. Effect on licenses of restriction on sale. **(a)** If a majority of the voters vote under 3 AAC 306.200(a) to prohibit sale of marijuana and marijuana products or the operation of marijuana establishments, or if the assembly or city council passes an ordinance to the same effect, the board will not issue, renew, or transfer to another person a license for a marijuana establishment with premises located within the boundary of the local government [OR IN THE UNINCORPORATED AREA WITHIN 10 MILES OF THE BOUNDARIES OF THE LOCAL GOVERNMENT].

(b) A license for a marijuana establishment within the boundary of the local government [OR IN THE UNINCORPORATED AREA WITHIN 10 MILES OF THE BOUNDARY OF THE LOCAL GOVERNMENT] is void 90 days after the results of the election are certified, **or after the effective date of an ordinance to the same effect if the local government opted out by ordinance.**

(c) A license that expires during the 90 days after the certification of a local option election, **or during the period of time between adoption or passage of an ordinance to the same effect and the effective date of that ordinance,** may be extended until it is void under this section, by payment of a prorated portion of the annual license fee. (Eff.

2/21/2016, Register 217, am __/__/__, Register__)

Authority:	AS 17.38.020	AS 17.38.200	AS 17.38.900
	AS 17.38.190	AS 17.38.210	

Register____, ____2017 COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.040 is amended by adding a new section to read:

3 AAC 306.040. Ownership change to be reported (a) A licensed marijuana establishment shall, not later than 10 days after an ownership change, report the change on a form prescribed by the board.

(b) If any change required to be reported under this section will result in a change in controlling interest of the marijuana establishment license, the marijuana establishment must file an application for transfer of license to another person under 3 AAC 306.045.

(c) **Any individual reported under this section must submit the person's fingerprints and the fees required by the Department of Public Safety under AS 12.62.160 for criminal justice information. The director will follow the procedure set forth in 3 AAC 306.055(b) for submitting the fingerprints of any individual added under this section.**

(d) In this section, "ownership change" means

(1) if the licensee is a partnership, including a limited partnership, any change in the identity of the partners, or in the ownership percentages held by any partners;

(2) if the licensee is a limited liability company, any change in the identity of the members, or in the ownership percentage held by any member; or

(3) if the licensee is a corporation, any sale of corporate stock to a person not currently an owner, or any change of the percentage ownership of an existing shareholder. (Eff. 2/21/2016, Register 217; am __/__/____, Register____)

Register____, ____2017 COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.100(c) is amended as follows:

3 AAC 306.100. Fees; refund.

(c) The non-refundable fee to request board approval of a change in a licensed marijuana establishment's business name, **ownership**, licensed premises diagram, operating plan, or proposed new marijuana product is \$250. A change fee does not apply to an application for transfer of a license **or a transfer of controlling interest** to another person.

. . .

(Eff. 2/21/2016, Register 217; am __/__/____, Register____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306 is amended by adding a new section to read:

3 AAC 306.365. Required consumer notices for retail marijuana stores (a) A retail marijuana store must post, in a conspicuous location visible to customers, the following notices:

(1) “Consumption of marijuana in public is prohibited by law.”

(2) “Transportation or carriage of marijuana or marijuana products on Alaska waterways, including cruise ships, or by air carrier is prohibited by federal law.”

(3) “Transportation or shipment of marijuana or marijuana products outside the State of Alaska is prohibited by federal law.”

(4) “Providing marijuana to persons under the age of 21 is prohibited by law.”

(b) Notification signs required under (a) of this section must be at least 11 inches by 14 inches in size. Lettering must be at least one-half inch in height and in contrasting colors. (Eff. __/__/____, Register____)

Authority: 17.38.190 17.38.900

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.645 is amended to read:

3 AAC 306.645. Laboratory testing of marijuana and marijuana products. (a) A marijuana testing facility shall use the general body of required laboratory tests as set out in this section for marijuana plant material, an extract or concentrate of marijuana, and an edible marijuana products. Required tests may include potency analysis, moisture content, foreign matter inspection, microbial screening, pesticide, other chemical residue, and metals screening, and residual solvents levels. A marijuana testing facility shall establish a schedule of fees and sample size required for each test it offers.

(b) The tests required for each marijuana type or marijuana product, are as follows:

(1) potency testing is required on marijuana bud and flower, marijuana concentrate, and a marijuana product, as follows:

(A) the required cannabinoid potency test must at least determine the concentration of THC, THCA, CBD, CBDA and CBN cannabinoids; a marijuana testing facility may test and report results for any additional cannabinoid if the test is conducted in compliance with a validated method;

(B) a marijuana testing facility shall report potency test results as follows:

(i) for a potency test on marijuana and marijuana concentrate, marijuana testing facility shall list for each required cannabinoid a single percentage concentration that represents an average of all samples within the test

batch; alternatively, the sum of THC and THCA may be reported as total THC;

the sum of CBD and CBDA may be reported as total CBD;

(ii) for a potency test on a marijuana product, whether conducted on each individual production lot or using process validation, marijuana testing facility shall list for each cannabinoid the total number of milligrams contained within a single retail marijuana product unit for sale;

(iii) for testing whether the THC content is homogenous, the marijuana testing facility shall report the THC content of each single serving in a multi-unit package; the reported content must be within 20 percent of the manufacturer's target; for example, in a 25 milligrams total THC package with five servings, each serving must contain between four and six milligrams of THC;

(C) the marijuana testing facility shall determine an edible marijuana product to have failed potency testing if

(i) an individually packaged edible retail marijuana product contained within a test lot is determined to have more than [50] **60** milligrams of THC within it; or

(ii) the THC content of an edible marijuana product is not homogenous;

(2) microbial testing for the listed substances on the listed marijuana products is required as follows:

Substance	Acceptable Limits Per Gram	Product to be Tested
- <i>Shiga</i> -toxin producing <i>Escherichia coli</i> (STEC)-	less than 1 colony forming unit (CFU/g)	flower; retail marijuana Products; water- and food-based

Bacteria		concentrates
<i>Salmonella</i> species – bacteria	less than 1 colony forming unit (CFU/g)	
<i>Aspergillus fumigatus</i> , <i>Aspergillus flavus</i> , <i>Aspergillus niger</i> - fungus	less than 1 colony forming unit (CFU/g)	

(3) testing for the listed residual solvents and metals on the listed marijuana products is required as follows:

Substance	Acceptable Limits Per Gram	Product to be Tested
Butanes	less than 800 parts per million (PPM)	solvent-based concentrates
Heptanes	less than 500 parts per million (PPM)	
Benzene	less than [.025] <u>1</u> parts per million (PPM)	
Toluene	less than 1 parts per million (PPM)	
Hexane	less than 10 parts per million (PPM)	
Total Xylenes (meta-xylenes, para-xylenes, or ortho-xylenes)	less than 1 parts per million (PPM)	

(Eff. 2/21/2016, Register 217; am __/__/____, Register__)

Authority: AS17.38.010 AS 17.38.150 AS 17.38.200
AS17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.660 is amended to read:

3 AAC 306.660. Failed materials, retests. (a) If a sample tested by a marijuana testing facility does not pass the required tests based on the standards set out in 3 AAC 306.645, including a visual foreign matter inspection, the marijuana establishment that

provided the sample shall

(1) dispose of the entire harvest batch or production lot from which the sample was taken; and

(2) document the disposal of the sample using the marijuana establishment's marijuana inventory tracking system.

(b) If a sample of marijuana fails a required test, any marijuana plant trim, leaf, and other usable material from the same plants automatically fail the required test. The board **or director** may approve a request to allow a batch of marijuana that fails a required test to be used to make a carbon dioxide or solvent-based extract. After processing, the carbon dioxide or solvent-based extract must pass all required tests.

(c) If a marijuana cultivation facility or a marijuana product manufacturing facility petitions for a retest of marijuana or a marijuana product that failed a required test, the board **or director** may authorize a retest to validate the test results. The marijuana cultivation facility or a marijuana product manufacturing facility shall pay all costs of a retest. (Eff. 2/21/2016, Register 217; am __/__/____, Register__)

Authority:	AS17.38.010	AS 17.38.150	AS 17.38.200
	AS17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.700 is amended by adding new subsections to read:

(f) The board may not issue a marijuana handler permit to a person that

(1) has been convicted of a felony and either

(A) less than five years have elapsed from the time of the person's

conviction; or

(B) the person is currently on probation or parole for that felony.

(2) has within five years, before submitting an application, been convicted of a

class A misdemeanor crime involving a controlled substance other than a Schedule VI controlled substance.

(3) has within two years, before submitting an application, been convicted of a

class A misdemeanor relating to selling, furnishing, or distributing marijuana; or,

(4) is currently under indictment for an offense listed in this section that would

prevent qualification for a permit.

(g) When filing an application for a marijuana handler permit, the applicant, must submit the person's Criminal Justice Information Report obtained from the Alaska Department of Public Safety under AS 12.62.160(b)(10) for criminal justice information to the director. In this section, "criminal justice information" has the meaning given in AS 12.62.900. (Eff.)__/__/____, Register__)

Authority: AS 17.38.010 AS 17.38.070 AS 17.38.121
AS 17.38.200 AS 17.38.900

3 AAC 306 is amended by adding a new section to read:

3 AAC 306.8xx Suspension or revocation of marijuana handler permit. (a) The board may suspend or revoke a marijuana handler permit issued under this chapter

(1) if any marijuana handler permit holder is convicted of or under indictment for a felony listed in 3 AAC 306.700 (f)(1)(A) or is currently on probation or parole under 3 AAC 306.700(f)(1)(B) or of a conviction listed in 3AAC 306.700(f)(2) and(3) or;

(2) if the board becomes aware that a permit applicant did not disclose a conviction under the conditions of 3 AAC 306.700(f)(1)(A) or did not disclose that the person is currently on probation or parole in violation 3 AAC 306.700(f)(1)(B) or of a conviction listed in 3 AAC 306.700(f)(2) and(3).

(b) The board may suspend or revoke a permit issued under this chapter, refuse to renew a permit, or impose a civil fine if the board finds that a permit applicant misrepresented a material fact on an application for a marijuana handler permit, or an affidavit, report, or signed statement under AS 17.38 or this chapter. (Eff. __/__/__, Register__)

Authority: AS 17.38.010 AS 17.38.070 AS 17.38.121
AS 17.38.200 AS 17.38.900

3 AAC 306.750(a) is repealed and readopted to read:

3 AAC 306.750. Transportation (a) Marijuana or marijuana product may only be transported to a licensed marijuana establishment by a licensee or an agent or employee of a licensee. (Eff 2/21/2006, Register 217; am __/__/__, Register__)

Authority: AS 17.38.010 AS 17.38.070 AS 17.38.121
AS 17.38.200 AS 17.38.900

3 AAC 306.990(a)(10) is repealed:

(10) Repealed __/__/____. (Eff. 2/21/2016, Register 271; am __/__/____, Register____)

Authority: AS 17.38.010 AS 17.38.070 AS 17.38.121
AS 17.38.200 AS 17.38.900



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Revocation of
Handler's Permits; Transportation

Summary: This project includes two topics: standards for handler's permits and their revocation, and marijuana transportation.

The first page, amending 3 AAC 306.700, adds a subsection that sets conditions under which a marijuana handler's permit may not be issued, and under which a handler's permit may be suspended or revoked.

Staff is proposing some edits to the language (additions in red, deletions struck through), to clarify that any disqualifying conviction is within Alaska, as the Board does not have statutory authority to perform national criminal history background checks on handler permit applicants. Staff additionally proposes edits to the new section at 3 AAC 306.8xx for readability. These edits are not considered to be substantial changes according to Assistant Attorney General Milks, and the language does not need to be put out for additional public comment.

The third page amends 3 AAC 306.750 by repealing the existing transportation regulations and readopting a much less complicated regulation, which simply states that marijuana must be transported by a licensee or a licensee's employee or agent. One comment was received on this proposal.

The board has voted to open this regulations project on February 2, 2017, and voted to put the language out for public comment on March 7, 2017. The public comment period ended May 5, 2017. One public comment was received regarding transportation and is attached here.

Recommendation: Adopt the regulations changes.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.700 is amended by adding new subsections to read:

(f) The board may not issue a marijuana handler permit to a person that

(1) has been convicted of a felony **in the state** and either

(A) less than five years have elapsed from the time of the person's conviction; or

(B) the person is currently on probation or parole for that felony.

(2) has within five years, before submitting an application, been convicted of a class A misdemeanor crime **in the state** involving a controlled substance other than a Schedule VI controlled substance.

(3) has within two years~~;~~ before submitting an application, been convicted of a class A misdemeanor **in the state** relating to selling, furnishing, or distributing marijuana; or,

(4) is currently under indictment for an offense listed in this section that would prevent qualification for a permit.

(g) When filing an application for a marijuana handler permit, the applicant must submit the person's Criminal Justice Information Report obtained from the Alaska Department of Public Safety under AS 12.62.160(b)(10) for criminal justice information to the director. In this section, "criminal justice information" has the meaning given in AS 12.62.900. (Eff.)__/__/____, Register__)

Authority:	AS 17.38.010	AS 17.38.070	AS 17.38.121
	AS 17.38.200	AS 17.38.900	

3 AAC 306 is amended by adding a new section to read:

3 AAC 306.8xx Suspension or revocation of marijuana handler permit. (a) The board may suspend or revoke a marijuana handler permit issued under this chapter

(1) if any marijuana handler permit holder **does not meet the requirements of 3 AAC 306.700(f)(1) or (2) or (3);** ~~is convicted of or under indictment for a felony listed in 3 AAC 306.700(f)(1)(A) or is currently on probation or parole under 3 AAC 306.700(f)(1)(B) or of a conviction listed in 3 AAC 306.700(f)(2) and (3) or;~~

(2) if the board becomes aware that a permit applicant did not disclose a **disqualification under 3 AAC 306.700(f)(1) or (2) or (3).** ~~conviction under the conditions of 3 AAC 306.700(f)(1)(A) or did not disclose that the person is currently on probation or parole in violation 3 AAC 306.700(f)(1)(B) or of a conviction listed in 3 AAC 306.700(f)(2) and (3).~~

(b) The board may suspend or revoke a permit issued under this chapter, refuse to renew a permit, or impose a civil fine if the board finds that a permit applicant misrepresented a material fact on an application for a marijuana handler permit, or an affidavit, report, or signed statement under AS 17.38 or this chapter. (Eff. __/__/__, Register __)

Authority: AS 17.38.010 AS 17.38.070 AS 17.38.121
AS 17.38.200 AS 17.38.900

3 AAC 306.750(a) is repealed and readopted to read:

3 AAC 306.750. Transportation (a) Marijuana or marijuana product may only be transported to a licensed marijuana establishment by a licensee or an agent or employee of a licensee. (Eff 2/21/2016, Register 217; am __/__/____, Register____)

Authority: AS 17.38.010 AS 17.38.070 AS 17.38.121
AS 17.38.200 AS 17.38.900

3 AAC 306.990(a)(10) is repealed:

(10) Repealed __/__/____. (Eff. 2/21/2016, Register 271; am __/__/____, Register____)

Authority: AS 17.38.010 AS 17.38.070 AS 17.38.121
AS 17.38.200 AS 17.38.900

From: [CED AMCO REGS \(CED sponsored\)](#)
To: [Oates, Sarah D \(CED\)](#)
Subject: FW: Marijuana Regulations Comment 3 AAC 306.750
Date: Monday, May 08, 2017 1:03:27 PM
Attachments: [2015-03-05 AGO to Feds re AMHS Marijuana Policy.pdf](#)

See attached comment re: transportation regulation

Jedediah R. Smith
Local Government Specialist
Alcohol and Marijuana Control Office
(907) 334-2195

<https://www.commerce.alaska.gov/web/amco/>

From: Neussl, Michael A (DOT)
Sent: Monday, April 03, 2017 2:02 PM
To: CED AMCO REGS (CED sponsored) <amco.regs@alaska.gov>
Subject: Marijuana Regulations Comment 3 AAC 306.750

Mr. Jedediah Smith: I write regarding the transportation of marijuana and marijuana product regulations contained in 3 AAC 306.750. The Alaska Marine Highway System (AMHS) must comply with federal laws since we are regulated by a federal agency, the U.S. Coast Guard, and receive funding from federal agencies (the Federal Highway Administration and Federal Transit Authority). The regulations in 3 AAC 306.750 talk about transporting marijuana by vehicle between various authorized licensed businesses. What they do not convey is that such a vehicle carrying marijuana or marijuana products is not authorized aboard an AMHS ferry. I note that AS 17.38.010(d) provides for AMHS to comply with federal law, and the statute takes precedence over a regulation, but I am concerned that the regulations in 3 AAC 306.750 imply that any vehicular transportation of marijuana is authorized when in fact it is not if traveling on an AMHS ferry. There is a conflict between federal and state laws on the topic of marijuana. The attached letter was developed by AMHS and the State Attorney General's office regarding this conflict and how it would be handled aboard AMHS ferries.

Thank you for the opportunity to comment and to reiterate that AMHS complies with federal laws regarding the transportation of marijuana.

Michael

Michael A. Neussl
Deputy Commissioner, DOT&PF
907-465-6977

From: "Alaska Online Public Notices" <noreply@state.ak.us>
Date: March 30, 2017 at 17:50:05 AKDT

Subject: Alaska Online Public Notices for 3/30/2017

Thank you for your interest in Alaska Online Public Notices

New Notices Published on 3/30/2017:

- [**Regulations \(Commerce, Community and Economic Development\)**](#)
[Proposed regulation of transportation of marijuana and marijuana handler permits](#)

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THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Law

CIVIL DIVISION
P.O. Box 110300
Juneau, Alaska 99811
Main: 907-465-3600
Fax: 907-465-2520

March 5, 2015

BY U.S. MAIL & ELECTRONIC MAIL

Sandra Garcia-Aline, Division Administrator
Alaska Division
Federal Highway Administration
P.O. Box 21648
709 West 9th Street, Room 851
Juneau, AK 99802-1648

Richard F. Krochalis, Regional Administrator
FTA Region 10 Office
915 Second Avenue, Ste. 3142
Seattle, WA 98174-1002

Rear Adm. Daniel Abel, 17th District Cmdr.
U.S. Coast Guard
P.O. Box 25517
Juneau, Alaska 99802-5517

Alan Wilson, Group Supervisor
Drug Enforcement Administration
Anchorage District Office
1630 East Tudor Road
Anchorage, AK 99507

Re: AMHS Policy Following Alaska's Legalization of Marijuana

Dear Ms. Garcia-Aline and Messrs. Krochalis, Abel, and Wilson:

We write on behalf of our client agency, the Alaska Marine Highway System (AMHS). AMHS is a division of the Alaska Department of Transportation & Public Facilities and operates passenger ferries in state, federal, and Canadian waters. Given its operations – as well as its grant commitments to the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) – AMHS is obligated to observe applicable federal law, including federal drug laws.

No doubt, you are aware that voters in Alaska approved a referendum making possession of one ounce or less of marijuana legal under state law. Undoubtedly, you are similarly aware that possession of any quantity of marijuana remains illegal under federal law. In short, state and federal law are in direct conflict insofar as they concern possession and transportation of $\leq$ one ounce of marijuana by an AMHS customer.

Posed with this conflict, AMHS has worked on formulating a policy that conforms to state law, yet does not undermine the core concerns of federal law and policy. This effort has included conferences between AMHS management and Alaska Attorney General's Office, discussions with U.S. Coast Guard and DEA personnel,

and review of the U.S. Department of Justice's memorandum entitled "Guidance Regarding Marijuana Enforcement", dated August 29, 2013.

Having devoted considerable effort to this task, AMHS has adopted the following policy regarding marijuana aboard AMHS vessels:

- Possession and Transportation:
 - If AMHS determines a passenger possesses or is transporting:
 - ≤ 1 ounce of marijuana, AMHS will take no action;
 - > 1 ounce of marijuana, AMHS will report the matter to U.S. Coast Guard and local law enforcement.
- Public Consumption:
 - Passenger:
 - AMHS will inform passenger that any consumption aboard AMHS vessel is illegal and passenger must immediately cease;
 - If passenger refuses to obey, AMHS will report the matter to U.S. Coast Guard and local law enforcement.
- Crewmembers
 - All vessel personnel remain subject to AMHS' Drug & Alcohol Policy regardless of state legalization of marijuana. (We'll be happy to furnish a copy of the employee Drug & Alcohol Policy, upon request.)

In our view, the foregoing policy reflects a reasonable accommodation of conflicting state/federal laws and policies. If you have any questions or concerns, please do not hesitate to contact us.

Sincerely,

CRAIG W. RICHARDS
ATTORNEY GENERAL

By:



Richard E. Welsh
Assistant Attorney General

CC: Captain Shannan D. Greene – Captain of the Port – Sector Juneau
Captain Paul Mehler III – Captain of the Port – Sector Anchorage
Commander Benjamin J. Hawkins – Commanding Officer - MSU Valdez
Captain Michael Neussl – Deputy Commissioner, DOT&PF
Captain John Falvey – Division Director, DOT&PF

REW/jrc



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Onsite
Consumption

Summary: At the March 7, 2017, MCB meeting, the board voted to open a regulations project on onsite consumption. The board agreed to send language proposals to staff no later than March 20. The direction given to staff was to combine the language from various board members into a single proposal for board consideration at the April meeting.

The director received three proposals. The first proposal was received before the deadline, from Board Member Jones. Staff formatted Mr. Jones' proposal into regulations format. His proposal eliminates all references to onsite consumption in the regulations. In his email explaining his proposal, Mr. Jones indicated he supported a two-year moratorium on onsite consumption, due to uncertainty at the federal level, the health hazards of secondhand smoke exposure, and the desire to learn from the experience of other states that are grappling with this issue.

The second proposal, from Board Member Emmett, was received after the March 20 deadline and is identical to the previous regulations project on this issue. Mr. Emmett expressed the desire to use this language as a starting point for discussion.

The third proposal, from Board Chair Mlynarik, was received after the March 20 deadline, and while based on the language of the previous regulations project, contains changes that would limit onsite consumption to marijuana products only (no smoking or vaping).

My recommendation is to move and discuss Mr. Jones' proposal first, as his proposal was provided within the timeframe set by the board. If the board votes to send Mr. Jones' proposal out for public comment (with or without amendment), then neither of the other two proposals need be discussed.

If the board votes not to send Mr. Jones' proposal out for public comment, the board should discuss whether to work from Mr. Emmett's draft or Chair Mlynarik's draft.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.305 (a)(4) is repealed:

(4) repealed ___/___/___ (Eff. 2/21/2016, Register 217, am. ___/___/___, Register___).

Authority	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900

3 AAC 306.310 (b)(2) is amended to read:

(2) allow a person to consume marijuana or a marijuana product on the retail marijuana store's licensed premises, [EXCEPT AS PROVIDED IN 3 AAC 306.305(A)(4)] (Eff. 2/21/2016, Register 217, am ___/___/___, Register___)

Authority	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900

3 AAC 306.810 (b)(6) is amended to read:

(6) used the licensed premises for an illegal purpose including gambling, possession or use of narcotics [OTHER THAN MARIJUANA], prostitution, or sex trafficking. (Eff. 2/21/2016, Register 217, am ___/___/___, Register___)

Authority	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900

3 AAC 306.990(a)(6) is amended to read:

(6) "in public" (A) means in a place to which the public or a substantial group of people has access;

(B) [EXCEPT AS PROVIDED IN (C) OF THIS PARAGRAPH,] includes highways, transportation facilities, schools, places of amusement or business, parks, playgrounds, prisons, and hallways, lobbies and other portions of apartment houses and hotels not constituting rooms or apartments designed for actual residence;

[(C) DOES NOT INCLUDE AN AREA ON THE PREMISES OF A LICENSED RETAIL MARIJUANA STORE DESIGNATED FOR ONSITE CONSUMPTION UNDER 3 AAC 306.305]. (Eff. 2/21/2016, Register 217, am __/__/__, Register__)

Authority	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900

From: [Loren Jones](#)
To: [Chambers, Sara C \(CED\)](#); [Dinegar, Harriet C \(LAW\)](#)
Cc: [Oates, Sarah D \(CED\)](#)
Subject: Onsite Consumption
Date: Friday, March 17, 2017 8:52:22 AM

As I understood the result of last meeting we had until March 20 to provide our comments or ideas related to opening a regulation project related to onsite consumption. To that end I will detail my comments and suggestions below. I am also assuming that these will be passed on to the new Director when she starts. I am doing this on my iPad so hope the formatting comes thru.

Step 1:

On March 1, 2017 a letter was sent to Peter Mlynarik from Emily Nenon and was included in our March 7 packet. That letter requested that the Board set a two year moratorium on dealing with and approving on-site consumption. The letter does a good job at justifying why this would be a good step.

I would recommend that language be drafted to institute such a moratorium by regulation and presented to the Board.

Step 2:

If a moratorium is not acceptable to the Board then I would recommend that language be drafted to do the following:

Repeal 3 AAC 306.305 (4).

Amend 3 AAC 306.310 (b)(2) so it would read: "(2) allow a person to consume marijuana or a marijuana product on the retail marijuana store's licensed premises." Deleting : EXCEPT AS PROVIDED IN 3 AAC 306.305 (a)(4)

Amend 3 AAC 810 (b)(6) by deleting the words "other than marijuana" from this section.

Amend 3 AAC 306.990 (a)(6)(B) as follows:

Delete all caps. (B) EXCEPT AS PROVIDED IN (C) OF THIS PARAGRAPH,

Delete 3 AAC 306.990 (a)(6)(C) in it's entirety.

The above (Step 1 and Step 2) constitutes my recommendations and what I would like to see presented to the Board when this topic is part of the agenda. If neither of these suggestions pass the Boards scrutiny then I would suggest that any regulations presented to the public for comment clarify onsite consumption along these issues.

A. Consumption can only occur in a retail marijuana establishment if they are in a stand alone building. Similar to what is in legislation before the Legislature on smoke free work and public places. Couple this with proper ventilation rules and requirements.

B. Restrict a retail store that is approved for onsite consumption from allowing consumption of tobacco and alcohol. This needs to be very clear. Signs about this prohibition need to be required.

C. There needs to be some restriction so that consumption is a minor part of the business. This could be done (like alcohol) by requiring a percentage of sales must be from retail sales other than for consumption? 80% or 90%? An addition and/alternate would be to restrict the floor space for onsite consumption to 25% or less.

D. No onsite entertainment may be provided such as TV's, pool tables, dart games, etc. This space is to try marijuana or a marijuana product and then to leave.

E. Consumption hours should be limited to only a portion of the hours the retail marijuana establishment is open. Something like so sales for consumption before 1 PM or after 9PM.

F. All signage required in the retail marijuana establishment be required to be posted in the on-site consumption area. (3 AAC 306.360 (e) covers most of these.

G. Continue the prohibition about bringing in product not sold at that retail location. Not allowed to bring their own.

H. Be certain we are clear about penalties and/or fines for any violations. Since this is an endorsement needs to be clear what violation threaten the endorsement and what might also threaten the retail establishment license.

I. Make certain that any restriction established by a local government are acceptable and are valid reasons a local government can protest the issuance of the endorsement for on-site consumption.

Again I am doing this on my iPad so hope format is clear. I have proof read this twice so hope I did not misspell or missed being clear on some comment.

Loren

Sent from my iPad

Brandon Emmett Draft

Chapter 306. Marijuana Control Board

3 AAC 306.365. Onsite consumption endorsement for retail marijuana stores. (a) An applicant for an onsite consumption endorsement must file an application on a form the board prescribes, including the documents and endorsement fee set out in this section.

(b) An application for a new or renewal onsite consumption endorsement must include

(1) the name of the applicant and DBA and license number of the retail marijuana store requesting the endorsement, along with the applicant's state business license number issued under AS 43.70;

(2) the applicant's operating plan, in a format the board prescribes, describing to the board's satisfaction the marijuana retail store's plans for

(A) security;

(B) ventilation. Ventilation plans for consumption that includes inhaling must be signed and approved by a licensed mechanical engineer;

(C) isolation of the marijuana consumption area from other areas of the retail marijuana store;

(D) disposal or child resistant packaging of unconsumed marijuana; and

(E) preventing introduction into the consumption area of marijuana or marijuana products not sold by the retail marijuana store.

(3) a detailed premises diagram showing the location of

(A) serving area or areas;

(B) ventilation exhaust points if applicable;

(C) doors, windows or other exits;

(D) access control points; and

(E) adequate separation from non-consumption area(s) of the marijuana retail store.

(4) An application for a new on-site consumption endorsement must meet the requirements of 3 AAC 306.025(b) and include in that notice the license number of the retail marijuana establishment requesting the endorsement.

(c) The non-refundable fee for a new or renewal onsite consumption endorsement is \$1000.

(d) A retail marijuana store that is issued an onsite consumption endorsement under this section is authorized to sell marijuana and marijuana product to patrons for consumption on the licensed premises in an area separated from the remainder of the premises by a secure door and containing a separate ventilation system. The holder of a marijuana retail store onsite consumption endorsement may sell for consumption on the premises

- (1) marijuana bud or flower in quantities not to exceed one gram to any one person in a single transaction;
- (2) edible marijuana products in quantities not to exceed 10mg of THC to any one person in a single transaction;
- (3) marijuana concentrates intended for inhalation in quantities not to exceed .25 grams to any one person in a single transaction;
- (4) food or beverages not containing marijuana; 3

(e) The retail marijuana store holding an onsite consumption endorsement under this chapter must

- (1) destroy all unconsumed marijuana left abandoned or unclaimed in the marijuana consumption area in accordance with their operating plan and 3 AAC 306.740;
- (2) maintain a ventilation system that directs air from the onsite consumption area to the outside of the building through a filtration system adequate to reduce odor;
- (3) restrict access to the onsite consumption area to persons not less than 21 years of age;
- (4) monitor patrons for overconsumption;
- (5) provide written materials containing marijuana dosage and safety information for each type of marijuana or marijuana product sold for consumption in the onsite consumption area at no cost to patrons ; and
- (6) assure that consumers purchasing marijuana or marijuana product sold for consumption in the marijuana consumption area have access to the label for that marijuana or marijuana product as required in 3 AAC 306.345.

(f) The holder of a marijuana retail store onsite consumption endorsement may not

- (1) allow any employee or agent to consume marijuana or marijuana product during the course of a work shift;
 - (2) allow intoxicated or drunken persons to enter or to remain on premises;
 - (3) sell, give or barter marijuana or marijuana product to an intoxicated or drunken person;
 - (4) allow a person to consume marijuana or marijuana product not purchased for consumption in the consumption endorsement area licensed retail facility; 4
- (5) allow a person to introduce marijuana or marijuana products onto the premises of a retail marijuana store which was obtained off of the licensed premises
- (6) offer or deliver, as a marketing device to the general public, free marijuana or marijuana product to a patron;

- (7) deliver marijuana or marijuana product to a person already possessing marijuana or marijuana product that was purchased for consumption on the premises;
 - (8) sell, offer to sell, or deliver marijuana or marijuana product at a price less than the price regularly charged for the marijuana or marijuana product during the same calendar week;
 - (9) sell, offer to sell, or deliver an unlimited amount of marijuana or marijuana product during a set period of time for a fixed price;
 - (10) sell, offer to sell, or deliver marijuana or marijuana product on any one day at prices less than those charged the general public on that day;
 - (11) encourage or permit an organized game or contest on the licensed premises that involves consuming marijuana or marijuana product or the awarding of marijuana or marijuana product as prizes; or
 - (12) advertise or promote in any way, either on or off the premises, a practice prohibited under 3 AAC 306.365(f)(5) – 3 AAC 306.365(f)(10) of this section.
- (g) A person may remove from the licensed premises marijuana or marijuana product that has been purchased on the licensed premises for consumption under this section, provided packaging is resealed for removal from the premises by the consumer.
- (h) Local governments retain a right to protest the issuance or renewal of individual retail marijuana store onsite consumption endorsements that is separate from the right to protest the 5

issuance of retail marijuana store licenses. Not later than 60 days after the director sends notice of an application for a new or renewal onsite consumption endorsement, a local government may protest the application by sending the director and the applicant a written protest and the reasons for the protest. The director may not accept a protest received after the 60-day period. If a local government protests an application for a new or renewal onsite consumption endorsement, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

(i) A local government may recommend that the board approve an application with a condition or conditions for a new or renewal onsite consumption endorsement. The board will impose a condition or conditions recommended by a local government unless the board finds any of the recommended conditions to be arbitrary, capricious, and unreasonable. If the board imposes a condition recommended by a local government, the local government will assume responsibility for monitoring compliance with the condition unless the board provides otherwise.

(j) The holder of an onsite consumption endorsement must apply for renewal annually at the time of renewal of the underlying retail marijuana store license.

3 AAC 306.990 (b)

(27) “marijuana consumption area” means an area within a retail marijuana store premises, where marijuana and marijuana products may be consumed.

(37) “retail marijuana store premises” means an area encompassing both the retail marijuana store and the marijuana consumption area. 6

Peter Mlynarik Draft

3 AAC 306.365. Onsite consumption endorsement for retail marijuana stores. (a) An applicant for an onsite consumption endorsement must file an application on a form the board prescribes, including the documents and endorsement fee set out in this section.

(b) An application for a new or renewal onsite consumption endorsement must include

(1) the name of the applicant and DBA and license number of the retail marijuana store requesting the endorsement, along with the applicant's state business license number issued under AS 43.70;

(2) the applicant's operating plan, in a format the board prescribes, describing to the board's satisfaction the marijuana retail store's plans for

(A) security;

(B) isolation of the marijuana consumption area from other areas of the retail marijuana store;

(C) disposal or child resistant packaging of unconsumed marijuana; and

(D) preventing introduction into the consumption area of marijuana products not sold by the retail marijuana store.

(3) a detailed premises diagram showing the location of

(A) serving area or areas;

(B) doors, windows or other exits;

(C) access control points; and

(D) adequate separation from non-consumption area(s) of the marijuana retail store.

(4) An application for a new on-site consumption endorsement must meet the requirements of 3 AAC 306.025(b) and include in that notice the license number of the retail marijuana establishment requesting the endorsement.

(a) The non-refundable fee for a new or renewal onsite consumption endorsement is \$1000.

(b) A retail marijuana store that is issued an onsite consumption endorsement under this section is authorized to sell marijuana products to patrons for consumption on the licensed premises in an area separated from the remainder of the premises by a secure door. The holder of a marijuana retail store onsite consumption endorsement may sell for consumption on the premises

(1) edible marijuana products in quantities not to exceed 10mg of THC to any one person in a single transaction;

- (2) food or beverages not containing marijuana;
- (c) The retail marijuana store holding an onsite consumption endorsement under this chapter must
 - (1) destroy all unconsumed marijuana products left abandoned or unclaimed in the marijuana consumption area in accordance with their operating plan and 3 AAC 306.740;
 - (2) restrict access to the onsite consumption area to persons not less than 21 years of age;
 - (3) monitor patrons for overconsumption;
 - (4) provide written materials containing marijuana dosage and safety information for each type of a marijuana product sold for consumption in the onsite consumption area at no cost to patrons ; and
 - (5) assure that consumers purchasing a marijuana product sold for consumption in the marijuana consumption area have access to the label for that marijuana or marijuana product as required in 3 AAC 306.345.
- (d) The holder of a marijuana retail store onsite consumption endorsement may not
 - (1) allow marijuana to be smoked or inhaled on the premises or offer to sell marijuana that can be smoked or inhaled.
 - (2) allow any employee or agent to consume marijuana or marijuana product during the course of a work shift;
 - (3) allow intoxicated or drunken persons to enter or to remain on premises;
 - (4) sell, give or barter a marijuana product to an intoxicated or drunken person;
 - (5) allow a person to consume a marijuana product not purchased for consumption in the consumption endorsement area licensed retail facility;
 - (6) allow a person to introduce marijuana onto the premises of a retail marijuana store or marijuana products onto the premises of a retail marijuana store which was obtained off of the licensed premises
 - (7) offer or deliver, as a marketing device to the general public, free or marijuana products to a patron;
 - (8) deliver a marijuana product to a person already possessing a marijuana product that was purchased for consumption on the premises;
 - (9) sell, offer to sell, or deliver a marijuana product at a price less than the price regularly charged for the marijuana product during the same calendar week;
 - (10) sell, offer to sell, or deliver an unlimited amount of a marijuana product during a set period of time for a fixed price;

(11) sell, offer to sell, or deliver a marijuana product on any one day at prices less than those charged the general public on that day;

(12) encourage or permit an organized game or contest on the licensed premises that involves consuming a marijuana product or the awarding of a marijuana product as prizes; or

(13) advertise or promote in any way, either on or off the premises, a practice prohibited under 3 AAC 306.365(d)(6) – 3 AAC 306.365(d)(12) of this section.

(e) A person may remove from the licensed premises a marijuana product that has been purchased on the licensed premises for consumption under this section, provided packaging is resealed for removal from the premises by the consumer.

(f) Local governments retain a right to protest the issuance or renewal of individual retail marijuana store onsite consumption endorsements that is separate from the right to protest the issuance of retail marijuana store licenses. Not later than 60 days after the director sends notice of an application for a new or renewal onsite consumption endorsement, a local government may protest the application by sending the director and the applicant a written protest and the reasons for the protest. The director may not accept a protest received after the 60-day period. If a local government protests an application for a new or renewal onsite consumption endorsement, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

(g) A local government may recommend that the board approve an application with a condition or conditions for a new or renewal onsite consumption endorsement. The board will impose a condition or conditions recommended by a local government unless the board finds any of the recommended conditions to be arbitrary, capricious, and unreasonable. If the board imposes a condition recommended by a local government, the local government will assume responsibility for monitoring compliance with the condition unless the board provides otherwise.

(h) The holder of an onsite consumption endorsement must apply for renewal annually at the time of renewal of the underlying retail marijuana store license.

3 AAC 306.990 (b)

(27) “marijuana consumption area” means an area within a retail marijuana store premises, where marijuana products may be consumed.

(37) “retail marijuana store premises” means an area encompassing both the retail marijuana store and the marijuana consumption area.

Words [BRACKETED] indicate language being deleted

3 AAC 306.305 (a) (4) is amended to read:

with prior approval of the board, permit consumption of [marijuana or] a marijuana product purchased on the licensed premises, in a designated area on the licensed premises.



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Advertising
Requirements; Space Planning and
Layout; Labeling and Packaging

Summary: These three regulations were proposed by former board member Bruce Schulte, were opened on June 9, 2016, and sent out for public comment on July 8, 2016. However, the proposals were not publicly noticed for public comment in 2016. This was brought to the Board's attention at the May, 2017, meeting and the Board voted at that time to send them out for public comment again.

Advertising Requirements: This proposal eliminates three of the five warning statements and revises the remaining two.

Space Planning and Layout: This proposal sets some standards for marijuana facilities sharing buildings with other types of businesses.

Labeling and Packaging: This proposal indicates that the expiration date of a marijuana product only applies to a perishable product.

Recommendation:

As no evidence has been presented that the warning labels adopted by the Board and currently in use are either untrue or inappropriate, what is the need for a change? I recommend not moving forward with the advertising requirement proposal.

The Board has approved marijuana facilities in buildings shared with other businesses without this regulation, so the Board must determine whether or not this regulation is necessary.

Not having been privy to the discussion regarding the labeling and packaging regulation, I am unsure of the intent and thus do not have a recommendation at this time.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.360 is amended to read:

(e) All advertising for marijuana or any marijuana product must contain each of the following warnings:

(1) “For adult use only, 21 and older”; [MARIJUANA HAS INTOXICATING EFFECTS AND MA BE HABIT FORMING AND ADDICTIVE.]

(2) “Do not operate a vehicle or machinery after consuming marijuana”
[“MARIJUANA IMPAIRS CONCENTRATION, COORDINATION, AND JUDGMENT. DO NOT OPERATE A VEHICLE OR MACHINERY UNDER ITS INFLUENCE.”]

[(3) “THERE ARE HEALTH RISKS ASSOCIATED WITH CONSUMPTION OF MARIJUANA.”;

(4) “FOR USE ONLY BE ADULTS TWENTY-ONE AND OLDER. KEEP OUT OF THE REACH OF CHILDREN.”;

(5) “MARIJUANA SHOULD NOT BE USED BY WOMEN WHO ARE PREGNANT OR BREAST FEEDING.”.] (Eff. 2/21/2016, Register 217; am__/__/____, Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306 is amended by adding a new section to read:

3 AAC 306.925 **Shared use spaces in marijuana establishments** (a) A licensed marijuana establishment may share support spaces with other non-licensee tenants of the same building provided that;

(1) No marijuana or marijuana products may be cultivated, processed, stored, or sold in areas not under the direct and exclusive control of the licensee and;

(2) Non-licensed tenants are not able to access the licensed premises via the shared-use space.

(b) Multiple marijuana establishments may share support spaces provided that;

(1) No marijuana or marijuana products may be cultivated, processed, stored, or sold in areas not under the direct and exclusive control of each licensee and;

(2) Employees of one licensee may not have access to an adjacent licensed premises via the shared space unless that employee is authorized to access both premises. (Eff. __/__/____, Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS17.38.070	AS 17.38.190	AS 17.38.900
	AS17.38.121		

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.310 is amended to read:

3 AAC 306.310. **Acts prohibited at retail marijuana store.** (a) A licensed retail marijuana store may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver, marijuana or a marijuana product

- (1) To a person under 21 years of age;
- (2) To a person that is under the influence of an alcoholic beverage, inhalant, or controlled substance;
- (3) That is not labeled and packaged as required in 3 AAC 306.345 and
 - (A) 3 AAC 306.470 and 3 AAC 306.475; or
 - (B) 3 AAC 306.565 and 3 AAC 306.570;
- (4) In a quantity exceeding the limit set out in 3 AAC 306.355;
- (5) Over the Internet; a licensed retail marijuana store may only sell marijuana or marijuana product to a consumer who is physically present on the licensed premises;
- (6) After the expiration date shown on the label of **a perishable** [THE MARIJUANA OR] product (Eff. 2/21/2016, Register 217; am __/__/____, Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS17.38.070	AS 17.38.190	AS 17.38.900
	AS17.38.121		



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June 29, 2017

Marijuana Control Board
Director McConnell
Sent via Email

Re: Public Testimony for July 12-14, 2017 MCB Meeting

Dear Esteemed MCB Members & Director McConnell:

Please consider the following issues and concerns during your MCB July 12-14 meeting. Thank you for your service to the state and Industry.

Issue #1 - Change to a Licensed Premise:

Many licensees have a space that they would like to “grow into,” meaning that these start-up businesses simply have a hard time funding the entire buildout of their space at the beginning of operations due to a myriad of reasons (lack of allowance for outside of the state investment; refusal by banks to provide ordinary business loans, etc.). This issue usually only applies to cultivation licenses as the cost of lights, necessary upgrades to power supply, buildout of separate grow rooms, office area, curing and drying rooms, etc., cost large sums of funds. Licensees would often prefer, a business sense often dictates, the need to start smaller, building out just a portion of their licensed space and then “grow into” the space as the business starts to generate money.

Up until now the process for this phasing approach has been relatively simple – the licensee files an MJ14 showing the reduced area to be licensed, Enforcement receives the new MJ14 and inspects the reduced licensed area and then as the business gets more funds from the operation of the reduced cultivation area, it builds out the premises and then submits another MJ14 showing the new buildout, and then Enforcement comes back and inspects the new area to ensure cameras are not obstructed by hoods/lights and verifies other regulatory requirements. Up until this month of June 2017, the licensees could request “Temporary Approval” where Director McConnell and Chief Hoelscher would have the final sign off on approving on a temporary basis the change in premises or denying it until the MCB has had a chance to review the change. The Temporary Approval is then brought to this Board at the next regularly scheduled meeting for final approval or denial.

However, it is the recent position of AMCO administration that there are conflicting regulations that delegate approval to the Director in one regulator provision and then in a different regulation section, the same authority to approve is vested in the MCB.

Our request is that this Board delegate the authority to the Director and Chief of Enforcement for temporary approval and then final approval and denial rests with this Board at the next MCB meeting. The two conflicting regulatory provisions at issue are as follows:

- 3AAC 306.015(c) states, in relevant part, “[i]f a marijuana establishment wishes to reduce or expand the area of the licensed premises used for a marijuana establishment, the marijuana establishment must submit a new line drawing showing the proposed changes to the premises, and **must obtain the board’s written approval.**” Emphasis added.
- 3AAC 306.705(c) – states, “a holder of a marijuana establishment license may not alter the functional floor plan or reduce or expand the area of the licensed premises **without first obtaining the director’s written approval.** A marijuana establishment license holder seeking to change or modify the licensed premises must submit a request for approval of change on a form prescribed by the board along with (1) the fee prescribed in 3AAC 306.100; (2) a drawing showing the proposed change; (3) evidence that the proposed change conforms to any local restrictions; and (4) evidence that the licensee has obtained any applicable building permits.” Emphasis added.

Again, our request is that you clarify the intent to allow for the Director to approve MJ14s on a temporary basis and then to have final approval be done by the MCB at the following MCB meeting after submission of a MJ14 Premises Change.

Issue # 2 Residency verification issue for current licensees:

- The deadline to submit a PFD application is March 30th and it takes the PFD office time to get through all of those and make an eligibility determination and unfortunately the timing of when AMCO checks PFD residency for renewals and when the PFD Department completes their review process does not often align.
 - Licensees who have applied for their PFD for the current year are being asked to complete MJ-18 even though they have received PFD’s every year and/or completed the form and/or went through the residency investigation with enforcement on the last application submitted – the requirement of a lengthy MJ18 due to the review process of the PFD office and AMCO renewals not lining up creates more work and is inefficient for the licensee, Enforcement, PFD office, and AMCO staff. Simply put – the current processing of this issue is not efficiently using state resources – unfortunately, I am not educated in the government processing system of PFD’s to articulate a educated suggestion, therefore our request is limited to requesting the Board direct AMCO staff and Enforcement to

start a dialog with PFD office on their timeline for processing and come up with a solution where the redundant need for a lengthy time consuming MJ18 for renewals is not necessary. Even if the response is for licensees to apply earlier for their PFD (*again, not knowing the internal PFD review process I am unsure if this would help resolve the issue*) that would help licensees understand what they can do to minimize processing time and need for additional documentation requested by AMCO.

Issue #3 – Renewals and request for licensees to submit fingerprints 7 days prior to deadline
AS 17.38.200(a) requires the following for applications & renewal applications:

(a) Each **application or renewal application** for a registration to operate a marijuana establishment shall be submitted to the board. A renewal application may be submitted up to 90 days before the expiration of the marijuana establishment's registration. **When filing an application under this subsection, the applicant shall submit the applicant's fingerprints and the fees required by the Department of Public Safety under AS 12.62.160 for criminal justice information and a national criminal history record check.** The board shall forward the fingerprints and fees to the Department of Public Safety to obtain a report of criminal justice information under AS 12.62 and a national criminal history record check under AS 12.62.400.

Alaska Stat. Ann. § 17.38.200 (Emphasis added). The renewal fingerprint requirement was not included in any of the renewal instructions because this requirement was not included in the MCB's regulation provision that addresses renewal applications. It is our understanding that the liquor statute for renewals and criminal justice information and records AS 04.11.295(a) states that the board may require finger prints for renewal liquor licenses, but that it has been general practice for the board only to require finger prints for renewals if it has been five years or so since the last submission of licensee fingerprints.

It is reasonable for this Board to interpret AS 17.38.200(a) as requiring finger prints for only new applicants (note how the statute in the first sentence refers to the term "applications" to indicate reference to new applications and uses the specific term of "renewal applications" to refer to applications to renew the licenses) the reference to the requirement for fingerprints is only indicated when there is a filing of an "application" – the statute does not specify a requirement for a renewal application. It is requested that the Board draft regulation for public comment to give the Board discretion of when renewal applications require new fingerprint sets and to not require new finger prints be submitted every single year as this is not the same standard used for liquor licenses nor was this requirement included in the MCB renewal application regulations.

Issue #4 – Change of Ownership

There is still no actual transfer of ownership application, just the MJ-17a: Temporary Report of Change in Ownership. All the transfer requests this Board has seen have not actually been dealt

with – AMCO staff is, to the best of our understanding, compiling a list of persons who have requested a transfer, but the actual transfer hasn't been handled because the transfer form has yet to be finalized. Many persons who were licensees that transferred their interest are concerned about the possibility of the continuing liability that stems from the operation of the license to the licensee. Additionally, there is concern for new investors who have purchased a piece of an entity that owns a license, and technically are not considered legal licensees.

Our request is for the Board to direct AMCO staff to finalize the transfer of ownership mechanism and complete the transfer requests in final form for the Board's review and approval.

Issue #5 – Meeting Minutes of MCB Meetings

Meeting minutes for MCB meetings have not been made public, or approved by the MCB, or made available on the AMCO website since the meeting minutes from the February 2017 MCB meeting, which was reviewed and approved by this Board at the March 2017 meeting. No meeting minutes from any MCB meeting since March 2017 has been approved by the Board and made public to the industry. Without meeting minutes and no access to recordings of the meetings, the record of what occurs at these licensing and regulation creation meetings is unavailable. This is a new industry – it is critical that these meetings and their contents be properly document, and make available to the public.

Issue #6 – Lack of Clarity in Advertising Regulations

Lack of clarity as to whom the advertising regulations apply to, what the terms mean as there are limited definitions provided in the regulations and clarity as to what types of mediums are allowed for advertisement has had a chilling effect on the industry's commercial speech. I propose creating a set of regulations in Article 7 – Operating Requirements for All Marijuana Establishments – and address advisement holistically for all license types as follows:

Proposed Advertisement Regulations

Advertising - Purpose and Application of Rules

(1) Marijuana Control Board serves the interests of the citizens of Alaska by regulating and prohibiting advertising marijuana items in a manner:

- (a) That is attractive to minors;
- (b) That promotes excessive use;
- (c) That promotes activity that is illegal under Alaska law; or
- (d) That otherwise presents a significant risk to public health and safety.

(2) The Control Board also serves the interests of Alaskans by allowing advertising for the purpose of informing the public of the availability and characteristics of marijuana.

(3) All marijuana advertising by a licensee must conform to these rules.

Advertising Restrictions

(1) Marijuana advertising may not:

- (a) Contain statements that are deceptive, false, or misleading;
- (b) Contain any content that can reasonably be considered to target individuals under the age of 21, including but not limited to images of minors, cartoon characters, toys, or similar images and

items typically marketed towards minors, or references to products that are commonly associated with minors or marketed by minors;

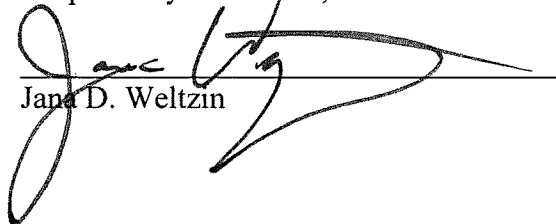
- (c) Specifically encourages the transportation of marijuana items across state lines;
 - (d) Assert that marijuana items are safe because they are regulated by the Control Board or otherwise make claims that any government agency endorses or supports marijuana;
 - (e) Make claims that recreational marijuana has curative or therapeutic effects;
 - (f) Display consumption of marijuana items;
 - (g) Contain material that encourages the use of marijuana because of its intoxicating effect; or
 - (h) Contain material that encourages excessive or rapid consumption.
- (2) A licensee may not make any deceptive, false, or misleading assertions or statements on any informational material, any sign, or any document provided to a consumer.
- (3) A licensee must include the following statement on all print, billboard, television, radio and internet advertising in font size legible to the viewer:
- (a) "Do not operate a vehicle or machinery under the influence of this drug".
 - (b) "For use only by adults twenty-one years of age and older."
 - (c) "Keep out of the reach of children."
- (4) A licensee may not engage in advertising via marketing directed towards location-based devices, including but not limited to cellular phones, unless the marketing is a mobile device application installed on the device by the owner of the device who is 21 years of age or older and includes a permanent and easy opt-out feature.

Advertising - Definitions

- (1) "Advertising" is publicizing the trade name of a licensee together with words or symbols referring to marijuana or publicizing the brand name of marijuana or a marijuana product.
- (2) "Billboard" means a large outdoor advertising structure.
- (3) "Handbill" is a flyer, leaflet, or sheet that advertises marijuana.
- (4) "Radio" means a system for transmitting sound without visual images, and includes broadcast, cable, on-demand, satellite, or internet programming. Radio includes any audio programming downloaded or streamed via the internet.
- (5) "Television" means a system for transmitting visual images and sound that are reproduced on screens, and includes broadcast, cable, on-demand, satellite, or internet programming. Television includes any video programming downloaded or streamed via the internet.
- (6) "Internet" means an electronic communications network that connects computer networks and organizational computer facilities around the world.

Thank you for your service and consideration,

Respectfully Submitted,


Jana D. Weltzin



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

DIVISION OF PUBLIC HEALTH
Director's Office

3601 C Street, Suite 756
Anchorage, Alaska 99503-5924
Main: 907.269-8126
Fax: 907.269-2048

June 30, 2017

Erika McConnell, Director
Alcoholic Beverage Control Board
550 W 7th Ave, Suite 1600
Anchorage, AK 99501

Dear Ms. McConnell:

On behalf of the Alaska Division of Public Health, we respectfully submit comments on proposed changes to regulations 3 AAC 306.360(e) regarding marijuana advertising language requirements and 3 AAC 306.925 regarding shared space with non-licensee tenants. **These proposed changes to existing regulation raise concern for Alaskans' health and safety; therefore, we oppose the changes to (1) the removal of existing advertising language requirements (3 AAC 306.360[e]) and (2) allowing marijuana establishments to share space with non-licensee tenants (3 AAC 306.925).**

The proposed change to 3 AAC 306.360(e) is to repeal and readopt to read:

(e) All advertising for marijuana or any marijuana product must contain each of the following warnings:

- (1) "For adult use only, 21 and older";**
- (2) "Do not operate a vehicle or machinery after consuming marijuana"**

Public Health Concern: While the shorter message may increase the chance that it will be read and understood, we are concerned that this warning does not address the increase in childhood poisonings from cannabis products or the potential risks to pregnant women. Additionally, in light of the concerns of fetal exposure to cannabinoids, the American Medical Association advocates requiring such warnings for pregnant and lactating women be written on medical and recreational marijuana products and posted wherever they are sold. Therefore the Division supports the following language:

(e) All advertising for marijuana or any marijuana product must contain each of the following warnings:

- (1) "For adult use only, 21 and older. Keep out of the reach of children."**
- (2) "Do not operate a vehicle or machinery after consuming marijuana."**
- (3) "Marijuana should not be used by women who are pregnant or breastfeeding."**

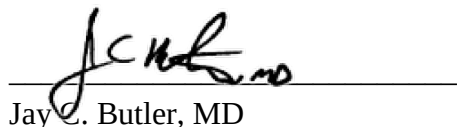
The proposed change to 3 AAC 306.925 adds a new section to allow marijuana establishments to share space with non-licensee tenants under certain conditions.

Public Health Concern: This change may lead to an increase in marijuana exposure to vulnerable populations (e.g. youth) patronizing businesses which share space with a marijuana vendor and thus may reduce the perceived harm of marijuana use and increase the perception of availability of marijuana. Research has shown that certain attitudes and beliefs youth have may increase the likelihood of marijuana use, such as the perception that marijuana is not harmful/somewhat harmful and the perception of greater availability of marijuana. (Source: Substance Abuse and Mental Health Services Administration's Center for the Application of Prevention Technologies, *Risk and Protective Factors Associated with Youth Marijuana Use*, 2014)

Additionally, the recent proposal of onsite public consumption of marijuana may pose additional risks to vulnerable populations patronizing businesses in the proposed shared spaces, exposing them to harmful secondhand marijuana smoke.

Based on these concerns for the health and safety of Alaskans, we recommend the Board not approve the proposed changes to regulations 3 AAC 306.360(e) regarding advertising language requirements and 3 AAC 306.925 regarding shared space with non-licensee tenants. Thank you for your time and consideration in supporting the health and safety of all Alaskans.

Sincerely,

A handwritten signature in black ink, appearing to read "JC Butler", is written over a horizontal line.

Jay C. Butler, MD

Chief Medical Officer and Director of the Division of Public Health



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Quality Control

Summary: This regulation allows licensed cultivators and product manufacturers to provide employees small samples for the purpose of quality control testing. Inventory of the provided samples must be documented and retained by the licensee, as must documentation from the employee on a form prescribed by the board.

This regulations project was opened on February 2, 2017.

Recommendation: Put out for public comment.

3 AAC 306.460 is amended by adding a new subsection to read:

(d) A licensed marijuana cultivation facility may provide a sample of marijuana to an employee of the facility that is in possession of a valid marijuana handler card, for the purpose of quality control only if:

- (1) samples provided to employees for quality control does not exceed a cumulative total of one ounce per 30-day period;
- (2) each sample is registered and tracked using the marijuana inventory tracking system in accordance with 3 AAC 306.730;
- (3) consumption of marijuana does not occur on the licensed premises;
- (4) no sample is sold to another licensee, employee, or consumer;
- (5) each employee who receives a marijuana sample for the purpose of quality control completes a quality control form prescribed by the board for each sample; and
- (6) the licensee maintains copies of completed forms required under (5) of this subsection in accordance with 3 AAC 306.755. (Eff. __/__/____. Register__)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900

3 AAC 306 is amended by adding a new section to read:

3 AAC 306.557. Quality control sampling

(a) A licensed marijuana product manufacturing facility may provide a sample of marijuana concentrate or other marijuana product to an employee of the facility that is in possession of a valid marijuana handler card, for the purpose of quality control only if:

- (1) samples provided to employees for quality control do not exceed a cumulative total set out in 3 AAC 306.355 in a 30-day period:

(2) each sample is registered and tracked using the marijuana inventory tracking system in accordance with 3 AAC 306.730;

(3) consumption of marijuana does not occur on the licensed premises;

(4) no sample is sold to another licensee, employee, or consumer;

(5) each employee who receives a marijuana sample for the purpose of quality control completes a quality control form prescribed by the board for each sample; and

(6) the licensee maintains copies of completed forms required under (5) of this subsection in accordance with 3 AAC 306.755. (Eff. __/__/____. Register__)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Waste Disposal

The Board opened a regulations project on waste disposal on June 9, 2016. The minutes of that meeting state

Mark Springer motions to propose a regulations project regarding a potential expansion of the current definition of disposal of both marijuana and marijuana waste, to include incineration.

Brandon Emmett seconds the motion.

Peter Mlynarik requests that as many methods get addressed in this project as possible so that the board does not have to revisit this.

Motion carries unanimously.

As many regulations projects were proposed at that meeting, Director Franklin requested that the board choose two to concentrate on, and this project was never started.

On February 2, 2017, Chief Investigator Hoelscher requested some changes to the waste disposal section in his enforcement report, and a regulations project was opened.

Summary: This regulation requires a written request for a retest or reuse of a failed sample, adds marijuana and marijuana product that is either unfit for sale/consumption or expired to the list of what is marijuana waste, and requires notification of upcoming waste disposal to be in writing rather than through the tracking system. This regulation does not address the issue of incineration, as I am unsure of the board's direction with regard to that topic.

Recommendation: Revise to address incineration if desired, and put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.660. Failed materials; retests

(a) If a sample tested by a marijuana testing facility does not pass the required tests based on the standards set out in 3 AAC 306.645, including a visual foreign matter inspection, the marijuana establishment that provided the sample shall

(1) dispose of the entire harvest batch or production lot from which the sample was taken **in accordance with 3 AAC 306.740**; and

(2) document the disposal of the sample using the marijuana establishment's marijuana inventory tracking system.

(b) If a sample of marijuana fails a required test, any marijuana plant trim, leaf, and other usable material from the same plants automatically fail the required test. The board or director may approve a **written request, on a form prescribed by the board**, to allow a batch of marijuana that fails a required test to be used to make a carbon dioxide- or solvent-based extract. After processing, the carbon dioxide- or solvent-based extract must pass all required tests.

(c) If a marijuana cultivation facility or a marijuana product manufacturing facility **submits a written request on a form prescribed by the board** [PETITIONS] for a retest of marijuana or a marijuana product that failed a required test, the board or director may authorize a retest to validate the test results. The marijuana cultivation facility or a marijuana product manufacturing facility shall pay all costs of a retest.

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

3 AAC 306.740. Waste disposal

(a) A marijuana establishment shall store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation production, processing, testing, or retail sales, in compliance with applicable federal, state, and local statutes, ordinances, regulations, and other law.

(b) Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves a marijuana establishment. Marijuana waste includes

(1) marijuana plant waste, including roots, stalks, leaves, and stems that have not been processed with solvent;

(2) solid marijuana sample plant waste in the possession of a marijuana testing facility;

(3) marijuana or marijuana product that has been deemed by the board or the director in accordance with these regulations, or by licensee, as unfit for sale or consumption;

(4) expired marijuana products; and

(5) other waste as determined by the board.

(c) A marijuana establishment shall

(1) [IN THE MARIJUANA INVENTORY TRACKING SYSTEM REQUIRED UNDER 3 AAC 306.730,] give the board notice **in writing** not later than three days before making the waste unusable and disposing of it; however, the director may authorize immediate disposal on an emergency basis; and

(2) keep a record of the final destination of marijuana waste made unusable.

(d) Marijuana plant waste must be made unusable by grinding the marijuana plant waste and mixing it with at least an equal amount of other compostable or non-compostable materials. A marijuana establishment may use another method to make marijuana waste unusable if the board approves the method in advance. Material that may be mixed with the marijuana waste includes

(1) compostable materials including food waste, yard waste, vegetable based grease or oils, or other wastes approved by the board when the mixed material can be used as compost feedstock or in another organic waste method such as an anaerobic digester with approval of any applicable local government entity; or

(2) non-compostable materials including paper waste, cardboard waste, plastic waste, oil, or other wastes approved by the board when the mixed material may be delivered to a permitted solid waste facility, incinerator, or other facility with approval of any applicable local government entity.

(e) If marijuana or a marijuana product is found by, or surrendered to, a law enforcement officer including a peace officer or an airport security officer, the officer may dispose of the marijuana or marijuana product as provided in this section or by any method that is allowed under any applicable local ordinance. (Eff. __/__/____. Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Plant Count for
New Cultivators

Summary: This regulation puts into 3 AAC 306.405 the board's direction on what types and number of plants new cultivation facilities may have on their premises at the time of initiation of operations. It also modifies the definition of "immature" to add a maximum height, and adds a definition of "mature" as both terms are used this proposed regulation in 3 AAC 306.405.

Recommendation: Put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.405 is amended to read:

3 AAC 306.405. Standard marijuana cultivation facility: privileges and prohibited acts

(a) A licensed standard marijuana cultivation facility is authorized to

- (1) propagate, cultivate, harvest, prepare, cure, package, store, and label marijuana;
- (2) sell marijuana only to a licensed retail marijuana store, to another licensed marijuana cultivation facility, or to a licensed marijuana product manufacturing facility;
- (3) provide samples to a licensed marijuana testing facility for testing;
- (4) store inventory on the licensed premises; any stored inventory must be secured in a restricted access area and accounted for in the marijuana cultivation facility's marijuana inventory tracking system as required under 3 AAC 306.730;
- (5) transport marijuana in compliance with 3 AAC 306.750;
- (6) conduct in-house testing for the marijuana cultivation facility's own use;
- (7) provide marijuana samples to a licensed retail marijuana store or marijuana product manufacturing facility for the purpose of negotiating a sale;[.]

(8) begin initial operations at the time of preliminary inspection with up to 12 mature, non-flowering plants, designated and used as mother plants; any number of immature plants; and any number of seeds.

(b) A licensed standard marijuana cultivation facility may also apply for a marijuana product manufacturing facility license and a retail marijuana store license. A standard marijuana cultivation facility that obtains any other marijuana establishment license shall

(1) conduct any product manufacturing or retail marijuana store operation in a room completely separated from the marijuana cultivation facility by a secure door when co-located; and

(2) comply with each provision of this chapter that applies to any other type of marijuana establishment license that the standard marijuana cultivation facility licensee obtains.

(c) A licensed standard marijuana cultivation facility may not

(1) sell, distribute, or transfer marijuana or a marijuana product to a consumer, with or without compensation;

(2) allow any person, including a licensee, employee, or agent, to consume marijuana or a marijuana product on the licensed premises or within 20 feet of the exterior of any building or outdoor cultivation facility on the licensed premises;

(3) treat or otherwise adulterate marijuana with any organic or nonorganic chemical or other compound to alter the color, appearance, weight, or odor of the marijuana;

(4) except as permitted under a marijuana product manufacturing facility license, extract marijuana concentrate, using any process described in 3 AAC 306.555, at the licensed premises;

(5) sell marijuana that is not packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475;[.]

(6) introduce marijuana or marijuana product, including plants and seeds, onto the licensed premises from any outside source after the initial preliminary inspection, except as acquired from another licensed cultivation facility and accounted for in the marijuana cultivation facility's marijuana inventory tracking system as required under 3 AAC 306.730.

3 AAC 306.990 is amended to read:

3 AAC 306.990(a). Definitions

(a) In AS 17.38 and this chapter,

(1) "affiliate" means a person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, a partnership, limited liability company, or corporation subject to this chapter;

(2) "assisting" does not include

(A) using, displaying, purchasing, or transporting marijuana in excess of the amount allowed in AS 17.38.020; AS 17.38.020;

(B) possessing, growing, processing, or transporting marijuana plants in excess of the number allowed in

(C) growing marijuana plants for another person in a place other than

(i) that other person's primary residence; or

(ii) a garage, shed, or similar place under the other person's control;

(3) "delivering"

(A) means handing to a person who purchases the product on licensed premises only;

(B) does not include transferring or transporting to a consumer off licensed premises;

(4) "flowering" means a marijuana plant that has visible crystals, buds, or flowers, or for which the exposure to light is scheduled with the intent to produce crystals, buds, or flowers;

(5) "immature" means a marijuana plant **18 inches or less in height**, with no visible crystals, buds, or flowers, and in which the exposure to light is scheduled with the intent to prevent formation of crystals, buds, or flowers;

(6) "in public"

(A) means in a place to which the public or a substantial group of people has access;

(B) except as provided in (C) of this paragraph, includes highways, transportation facilities, schools, places of amusement or business, parks, playgrounds, prisons, and hallways, lobbies and other portions of apartment houses and hotels not constituting rooms or apartments designed for actual residence;

(C) does not include an area on the premises of a licensed retail marijuana store designated for onsite consumption under 3 AAC 306.305;

(7) **"mature" means a marijuana plant over 18 inches in height;**

(8) "personal cultivation" does not include

(A) using, displaying, purchasing, or transporting marijuana in excess of the amount allowed in AS 17.38.020; AS 17.38.020;

(B) possessing, growing, processing, or transporting marijuana plants in excess of the number allowed in

(C) growing marijuana plants for another person in a place other than

(i) that other person's primary residence; or

(ii) a garage, shed, or similar place under the other person's control;

(9)[(8)] "possess" means having physical possession or control over property;

(10)[(9)] "registration" means licensure or license;

(11)[(10)] "transport" or "transfer" means to deliver between licensed marijuana establishments as provided in 3 AAC 306.750.



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Definition of
“Direct or Indirect Financial Interest”

Summary: As noted in discussion at the May 15, 2017, meeting, the definition of “direct or indirect financial interest” (3 AAC 306.015(e)(1) excludes a person’s right to receive rental charges on a percentage lease-rent agreement for real estate leased to a licensee, meaning that a rental or lease agreement can be set up allowing the landlord to receive a percentage of the marijuana facility’s earnings when the landlord is not a licensee. This exemption has the potential to allow a landlord, who is not a licensee, to be in a position to exert influence on the facility’s operations in a manner that is expected to be limited to licensees.

I have proposed two alternatives for the Board’s consideration. The first version proposes to eliminate percentage lease or rent agreements from the exemption of direct or indirect financial interest. Under this scenario, any percentage lease or rent agreement could be created but the landlord would have to be a licensee.

The second version limits percentage lease or rent agreements to 5 percent or less. Any greater percentage and the landlord would have to be a licensee.

Recommendation: Choose a version and put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.015 is amended to read:

3 AAC 306.015. License conditions. (a) The board will issue each marijuana establishment license to a specific individual, to a partnership, including a limited partnership, to a limited liability company, to a corporation, or to a local government. A person other than a licensee may not have a direct or indirect financial interest in the business for which a marijuana establishment license is issued.

(b) The board will not issue a marijuana establishment license to

(1) an individual or a sole proprietorship unless the individual or proprietor is a resident of the state;

(2) a partnership unless each partner is a resident of the state;

(3) a limited liability company unless the limited liability company is qualified to do business in the state and each member of the limited liability company is a resident of the state; or

(4) a corporation unless the corporation is incorporated or qualified to do business in the state and each shareholder is a resident of the state.

(c) The board will issue each license for a specific location identified on the license as the licensed premises. A marijuana establishment must have a right to possession of its licensed premises at all times, and may not lease its licensed premises to another person for any reason. If a marijuana establishment wishes to reduce or expand the area of the licensed premises used for a marijuana establishment, the marijuana establishment must submit a new line drawing showing the proposed changes to the premises, and must obtain the board's written approval. A marijuana

establishment may not relocate its licensed premises to a different place without obtaining a license for the new premises as required under 3 AAC 306.050.

(d) The board will impose other conditions or restrictions on a license issued under this chapter when it finds that it is in the interests of the public to do so.

(e) In this section,

(1) "direct or indirect financial interest" means

(A) a legal or equitable interest in the operation of a business licensed under this chapter;

(B)) does not include a person's right to receive

(i) rental charges on a graduated [OR PERCENTAGE] lease-rent agreement for real estate leased to a licensee; or

(ii) consulting fee from a licensee for services that are allowed under this chapter;

(2) "resident of the state" means a person who meets the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which that person applies for a marijuana establishment license under this chapter.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.015 is amended to read:

3 AAC 306.015. License conditions. (a) The board will issue each marijuana establishment license to a specific individual, to a partnership, including a limited partnership, to a limited liability company, to a corporation, or to a local government. A person other than a licensee may not have a direct or indirect financial interest in the business for which a marijuana establishment license is issued.

(b) The board will not issue a marijuana establishment license to

(1) an individual or a sole proprietorship unless the individual or proprietor is a resident of the state;

(2) a partnership unless each partner is a resident of the state;

(3) a limited liability company unless the limited liability company is qualified to do business in the state and each member of the limited liability company is a resident of the state; or

(4) a corporation unless the corporation is incorporated or qualified to do business in the state and each shareholder is a resident of the state.

(c) The board will issue each license for a specific location identified on the license as the licensed premises. A marijuana establishment must have a right to possession of its licensed premises at all times, and may not lease its licensed premises to another person for any reason. If a marijuana establishment wishes to reduce or expand the area of the licensed premises used for a marijuana establishment, the marijuana establishment must submit a new line drawing showing the proposed changes to the premises, and must obtain the board's written approval. A marijuana

establishment may not relocate its licensed premises to a different place without obtaining a license for the new premises as required under 3 AAC 306.050.

(d) The board will impose other conditions or restrictions on a license issued under this chapter when it finds that it is in the interests of the public to do so.

(e) In this section,

(1) "direct or indirect financial interest" means

(A) a legal or equitable interest in the operation of a business licensed under this chapter;

(B)) does not include a person's right to receive

(i) rental charges on a graduated or percentage lease-rent agreement for real estate leased to a licensee, as long as the percentage of a percentage lease-rent agreement is 5 percent or less; or

(ii) consulting fee from a licensee for services that are allowed under this chapter;

(2) "resident of the state" means a person who meets the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which that person applies for a marijuana establishment license under this chapter.



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Local
Government Jurisdiction

Summary: Local government jurisdiction is not straightforward. 3 AAC 306.025(d)(2) requires the director to give written notice of complete applications to “the local government with jurisdiction over the applicant’s proposed license.” This has been interpreted to be the most local form of government: the city. However, Title 29 of Alaska Statute grants planning and platting powers to the borough government, and with a few exceptions, that power is not delegated to city governments. The intention of the proposed draft is to allow the local government, whether it be city or borough, that has jurisdiction over a particular issue to be able to protest regarding that issue. For instance, a borough government may protest based on a land use issue but the city inside the borough may protest based on a tax issue.

The regulations changes require notification to all applicable local governments (will be no more than two) when notification to a local government is required.

Recommendation: Put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.025(d) is amended to read:

(d) When the director receives an application for a marijuana establishment license, the director shall determine if the application is complete. Any application for a marijuana establishment license that the director receives without the application fee is incomplete. If the director determines the application is complete, the director shall immediately give written notice to[;]

(1) the applicant;

(2) **each local government** [THE LOCAL GOVERNMENT] with jurisdiction over the applicant's proposed licensed premises.

(3) the community council if the proposed licensed premises are located within the boundary of a community council established by municipal charter or ordinance; and

(4) any nonprofit community organization that has requested notification in writing.

3 AAC 306.035(c)(2) is amended to read:

3 AAC 306.035 (c) If the director determines that the renewal application is complete, the director shall give written notice of a renewal application to

(1) the applicant;

(2) **each local government with jurisdiction over the applicant's proposed licensed premises** [IN THE AREA IN WHICH THE APPLICANT'S PROPOSED LICENSED PREMISES ARE LOCATED].

(3) the community council if the proposed licensed premises are located within the boundary of a community council established by municipal charter or ordinance; and

(4) any nonprofit community organization that has requested notification in writing.

3 AAC 306.045(c) is amended to read:

(c) When the board receives a complete application for transfer of a license to another person, the director shall immediately send written notice of the proposed transfer to

(1) each listed creditor of the current holder of the marijuana establishment license, along with the amount shown as owed to that creditor;

(2) **each local government with jurisdiction over the applicant's proposed licensed premises** [IN THE AREA IN WHICH THE LICENSED PREMISES ARE LOCATED];

(3) the community council if the licensed premises are located within the boundary of a community council established by municipal charter or ordinance; and

(4) any nonprofit community organization that has requested notification in writing.

3 AAC 306.060 is amended by adding a new subsection to read:

(d) **For the purpose of this section, "local government" means each government with jurisdiction over the licensed premises.**



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Timing of Public
Objections

Summary: The application procedure and the public participation regulations are in conflict and staff recommends the Marijuana Control Board clarify regulation intent regarding public objections to marijuana license applications.

Under the current regulations and license application process, a licensee is required to post notice as soon as the marijuana license application is initiated. That notice gives the public 30 days to object to the license. However, completed applications are not easily available to the public for review until much closer to a Marijuana Control Board meeting. In an analysis of 118 applications, the average time between when the notice was posted and when the application was completed was 115 days, and the longest was 333 days. If a member of the public wishes to object to a license application, that objection must come in during the very early stages of initiation of an application, before the license application is complete or a detailed operations plan has been formalized, or perhaps even conceptualized by the applicant. This creates an objection that the board will almost certainly view as arbitrary, capricious, and unreasonable, as it can contain no specifics or details of the proposed facility. The Board is then forced into the position of rarely or never responding to public objections, and the public is not given a meaningful opportunity to comment.

Staff is providing two options to the Board for your consideration.

Option 1 would move the objection period to be 30 days after an application is deemed complete and submitted to the local government. This would mean that the Board would not be able to consider applications for 30 days after being deemed complete, as the Board will need to review the public objection. Resolution of objections are not something that can be resolved by the director through delegation.

Option 2 changes the regulations to mirror the alcohol licensing regulations, which allow the public to submit an objection without a deadline. The Board would have the discretion to hold a public hearing if the Board felt one was warranted due to the objection(s).

Recommendation: Choose a version and put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.065 is amended to read:

A person may object to an application for a new license, renewal of a license, or transfer of a license to another person by submitting a written statement of reasons for the objection to the board and the applicant **not later than 30 days after the director has determined the application is complete and has given written notice to the local government according to 3 AAC 306.025.** [NOT LATER THAN 30 DAYS AFTER NOTICE OF THE APPLICATION, BUT NOT LATER THAN THE DEADLINE FOR OBJECTIONS STATED IN A POSTED OR PUBLISHED NOTICE OF THE APPLICATION]. The objection must be sent to the applicant at the mailing address or electronic mail address provided in the notice of application **and also to the Alcohol and Marijuana Control Office.** If the board determines to conduct a public hearing under this section, an interested person may give oral testimony at the public hearing.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.065 is amended to read:

A person may object to an application for a new license, renewal of a license, or transfer of a license to another person by submitting a written statement of reasons for the objection to the board and the applicant [NOT LATER THAN 30 DAYS AFTER NOTICE OF THE APPLICATION, BUT NOT LATER THAN THE DEADLINE FOR OBJECTIONS STATED IN A POSTED OR PUBLISHED NOTICE OF THE APPLICATION]. The objection must be sent to the applicant at the mailing address or electronic mail address provided in the notice of application **and also to the Alcohol and Marijuana Control Office**. If the board determines to conduct a public hearing under this section, an interested person may give oral testimony at the public hearing.

3 AAC 306.075 (a) (2) is repealed:

(2) Repealed __/__/____.



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Timing of Public
Objections

Summary: This regulation requires all licensees to report to the director any unauthorized access to the licensed premises, including the reporting of theft of money or marijuana or marijuana products.

Recommendation: Put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.715 is amended by adding a new subsection to read:

(e) A marijuana establishment will notify the Alcohol and Marijuana Control Office as soon as reasonably practical and in no case more than 24 hours after

(1) any unauthorized access to the premises; or

(2) the licensee becomes aware of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises.



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Promotional
Activities and Advertisement

Summary: This regulation proposes the following:

- Advertising regulations are moved from applying to just retail stores (in Article 3 of the regulations) to applying to all licensees (in Article 7).
- The regulations are divided to separately address restrictions on advertising marijuana and marijuana products from restrictions on advertising a marijuana business.
- The restrictions on advertising marijuana and marijuana products are similar to current regulations but reduce the warnings from five to two. The warnings are required to be plainly visible, in at least half the font size of the advertisement if on a sign, in a font size no smaller than size 9 if in print, and played at the same speed as the advertisement if in audio format.
- Promotional events must be held on the licensed premises (not outside in the parking lot), even if they are held or sponsored by others, and give-away items may not be tied to purchasing marijuana or a marijuana product.
- A marijuana business may have no more than three signs (whether or not the business name is on the sign) that are either in the business's window or attached to the outside of the licensed premises.
- An advertisement for a marijuana business is no longer required to include the warning statements.

Recommendation: Unless there is evidence to show that the current warning statements adopted by the Board are no longer true or accurate or are in some other way problematic, I recommend that the existing five warning statements be retained. Otherwise, I recommend this regulation be put out for public comment.

3 AAC 306.360 is repealed:

3 AAC 306.360. Restriction on advertising of marijuana and marijuana products

Repealed. (Eff. 2/21/2016, Register 217; repealed __/__/____, Register____)

3 AAC 306 is amended by adding a new subsection in Article 7 to read:

3 AAC 306.7xx. Restriction on advertising of marijuana and marijuana products

(a) An advertisement for marijuana or a marijuana product must include the business name and license number.

(b) An advertisement for marijuana or a marijuana product may not contain a statement or illustration that

(1) is false or misleading;

(2) promotes excessive consumption;

(3) represents that the use of marijuana has curative or therapeutic effects;

(4) depicts a person under 21 years of age consuming marijuana; or

(5) includes any object or character, including a toy, a cartoon character, or any other depiction that appeals to a person under 21 years of age.

(c) A licensed marijuana business may not place an advertisement for marijuana or a marijuana product

(1) within 1,000 feet of the perimeter of any child-centered facility, including a school, a child care facility or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under 21 years of age;

(2) on or in a public transit vehicle or public transit shelter;

- (3) on or in a publicly owned or operated property;
- (4) within 1,000 feet of a substance abuse or treatment facility; or
- (5) on a campus for postsecondary education.

(d) A licensed marijuana business may not encourage the sale of marijuana or marijuana products

- (1) by using giveaway coupons as promotional materials;
- (2) by conducting games or competitions;
- (3) by holding, sponsoring, or allowing events or activities held or sponsored by others, to be conducted outside of the licensed premises; or
- (4) by tying give-away items to the purchase of marijuana or marijuana products.

(e) All advertising for marijuana or any marijuana product must contain each of the following warnings, which must be plainly visible and at least half the font size of an advertisement on a sign, and no smaller than size 9 font when the advertisement is in printed form. Audio advertisements warnings must be understandable and played at the same speed as the advertisement.

- (1) "For adult use only."
- (2) "Do not operate a vehicle or machinery after consuming marijuana."

3 AAC 306 is amended by adding a new subsection in Article 7 to read:

3 AAC 306.7xx. Restriction on advertising of a marijuana business

(a) A licensed marijuana business may have not more than three signs, visible to the general public from the public right-of-way. A sign may only be placed in the marijuana business' window or attached to the outside of the licensed premises. The size of each sign may not exceed 4,800 square inches.

(b) A licensed marijuana business may place advertisements that include its name, logo, business type, contact information, location, and hours of operation.

(c) A licensed marijuana business may not place a business advertisement, except as provided in (a) of this section,

(1) within 1,000 feet of the perimeter of any child-centered facility, including a school, a child care facility or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under 21 years of age;

(2) on or in a public transit vehicle or public transit shelter;

(3) on or in a publicly owned or operated property;

(4) within 1,000 feet of a substance abuse or treatment facility; or

(5) on a campus for postsecondary education.

(Eff. __/__/____. Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Kief and Testing
Trim

Summary: The Board opened two separate regulations projects to address issues surrounding kief and to address the separate testing of trim under some circumstances. Staff has combined these two topics into one regulations project as the two topics are related and require amending the same sections of regulations.

Current regulations do not require leaf and trim, which may be of a lower potency, or kief, which may be of a higher potency, to be tested independently from flower or bud. This regulation also clarifies that kief is a derivative of the marijuana plant and may be produced by the cultivator, and would not have to be packaged by a product manufacturer.

Recommendation: Put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.645 (b)(1) is amended to read:

(1) Potency testing is required on marijuana bud [AND FLOWER], **flower, kief, and leaf and trim intended for sale.**

3 AAC 306.645 (b)(1) is amended by adding a new subparagraph:

(D) Marijuana leaf, trim, kief and other parts of the marijuana plant must be tested for potency separately from marijuana flower.

3 AAC 306.435 is amended to read:

(a) A marijuana cultivation facility shall use a marijuana inventory tracking system in compliance with 3 AAC 306.730 to ensure all marijuana propagated, grown or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is propagated through transfer to another licensed marijuana establishment or destruction. The marijuana cultivation facility shall assign a tracking number to each plant over eight inches tall. When harvested, bud and flowers, **kief**, clones or cuttings, or leaves and trim may be combined in harvest batches of distinct strains, not exceeding five pounds. Each harvest batch must be given an inventory tracking number. Clones or cuttings must be limited to 50 or fewer plants and identified by a batch tracking number.

3 AAC 306.455 (b) (1) is amended to read:

(1) collect a random, homogenous sample for testing by segregating harvest marijuana into batches of individual strains of bud, flower, **leaf, trim, and kief**, then selecting a random sample from each batch in an amount required by the marijuana testing facility.

3 AAC 306.470 (a) is amended to add a new subsection and renumber subsequent sections:

(a) a marijuana cultivation facility that repackages for sale leaf, trim, or any other usable part of the marijuana plant that is not flower or bud must have the product independently tested for THC potency in accordance with 3 AAC 306.345.

3 AAC 306.810 (b)(2) is amended to add a new paragraph:

(C) A marijuana licensee shall not misrepresent the potency of a marijuana item or any other requirements under 3 AAC 306.645.

3 AAC 306.555 (d)(1) is repealed and sub section renumbered:

(d) A marijuana product manufacturing facility may use heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create

[(1) KIEF;]

(1)[(2)] hashish;

(2)[(3)] bubble hash;

(3)[(4)] infused dairy butter, oils or fats derived from natural sources; or

(4)[(5)] other extracts.



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Recreation or
Youth Center Definition

Summary: This proposed regulation excludes a child care home from the definition of recreation or youth center. Child care home is defined in 7 AAC 57.990 as “a child care facility, usually in an occupied residence, for no more than eight children.”

Additionally, it clarifies that the recreation or youth center may be operated by a public or private organization which has the “primary purpose” of providing shelter, training, or guidance to children and removes the word “licensed” as very few organizations are licensed with anything other than a business license. This will help clarify the type of organization that is intended to meet the definition.

Recommendation: Put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.990(b)(35) is amended to read:

(35) “recreation or youth center” means a building, structure, athletic playing field, or playground

(A) run or created by a local government or the state to provide athletic, recreational, or leisure activities for persons under 21 years of age; or

(B) operated by a public or private organization **whose primary purpose** is [LICENSED] to provide shelter, training, or guidance for persons under 21 years of age;

(C) but excludes a child care home as defined in 7 AAC 57.990;



MEMORANDUM

TO: Peter Mlynarik, Chair, and
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director
Marijuana Control Board

RE: Regulations Project – Testing
Equipment Failure Notification

Summary: This draft regulation requires any licensed testing facility that experiences a significant equipment malfunction or failure to report within 24 hours to the Alcohol and Marijuana Control Office director. Reporting requirements also include contingency plans for completing suite of tests and destruction of test sample.

Recommendation: Put out for public comment.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.670 is amended to add a new subsection to read:

(d) A marijuana testing facility shall notify the director in writing not later than 24 hours after a significant equipment malfunction or failure that prevents the completion of required marijuana or marijuana product testing. The licensee shall notify the director of any action the licensee intends to take to provide for re-testing or destruction of the marijuana or marijuana product.

Alaska Dispatch News

Alaska Marijuana News

Alaska marijuana tax revenue jumps to over \$500,000 in June

✍ Author: **Laurel Andrews** 🕒 Updated: August 1 📅 Published August 1



Forty cannabis growers paid taxes to the state of Alaska in June. (Bill Roth / Alaska Dispatch News)

The marijuana industry brought \$512,500 in state tax revenue in June, the most in a single month so far, according to the Alaska Department of Revenue.

"This is really incredible," wrote Kelly Mazzei, excise tax supervisor for the tax division. "We knew it would happen; we just didn't know when."

Forty growers paid taxes to the state in June. Fairbanks, with 10 cultivators, still had the most cannabis growers of all

Alaska communities. In Anchorage, five growers paid taxes. The rest were scattered around Southcentral and Southeast Alaska.

The first marijuana sales started in late October. Since then, revenue has climbed slowly, but dipped in January and February as supply slumped. In May, the state brought in \$272,100 in tax revenue from cannabis.

[Why is legal marijuana so expensive in Alaska?]

Total state revenue projections for the fiscal year ending June 30 were slashed twice, eventually downgraded to \$2 million.

Now, with June's marijuana revenue numbers in, total revenue for the fiscal year has landed at \$1,748,500.

Mazzei said July's numbers would likely be close to or exceed \$500,000.

"We also anticipate much larger quantities being sold or transferred by outdoor cultivators as those crops are harvested," Mazzei said.

Under Alaska law, growers pay the state's tax. Bud is taxed at \$50 per ounce, and other parts of the plant, like the stems and leaves, are taxed at \$15 per ounce.

Some 547 pounds of bud and 313 pounds of trim were sold in June, according to Mazzei.

Half of the tax revenue will go to the state's general fund. The other half has been appropriated to programs aimed at reducing repeat criminal offenders.

About this Author

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Alaska Dispatch News

Alaska Marijuana News

Is the marijuana industry actually making money for Alaska?

✍ Author: Laurel Andrews ⓘ Updated: 3 days ago 📅 Published 3 days ago



A customer pays for a purchase at Herbal Outfitters in Valdez on opening day, Oct. 29, 2016. (Marc Lester / Alaska Dispatch News)

The potential for government revenue is one argument people make in favor of commercializing marijuana. But in Alaska, is it true? Or do the resources spent on regulating marijuana outweigh the money coming in?

Let's take a walk through the numbers.

The state's first marijuana growers got up and running last summer. By late September, the first harvests were underway.

From October through the end of June, 1,857 pounds of marijuana and 1,099 pounds of trim were sold wholesale, according to the Alaska Department of Revenue's tax division.

Together, those pounds of pot generated \$1.75 million through the state's excise tax for fiscal year 2017, which ended June 30.

Monthly revenue is expected to continue to climb — especially at the end of the summer, when outdoor growers chop down their harvests.

But in terms of balancing budgets, the state's excise tax is only part of the story.

[Alaska's marijuana shops, mapped]

Millions in and millions out

The Alcohol and Marijuana Control Office regulates Alaska's cannabis industry, and its budget for this new fiscal year is around \$1.9 million for marijuana regulation.

The intent is that, eventually, marijuana business fees will fully fund the agency — the same as alcohol.

In the meantime, general fund money is being used to make up the rest as the cannabis industry slowly moves forward.

For fiscal year 2018, marijuana regulation was budgeted \$1.1 million from the state's general fund. The remaining \$800,000 will come from money collected on fees, according to Erika McConnell, the agency's director.

Total fees were actually higher — \$1.3 million collected for fiscal year 2017 — but some money goes back to local governments, and any money not spent will roll over into later years, McConnell said.

All told, from 2015 to June 2018, \$4.57 million has been budgeted from the state's general fund to regulate marijuana.

McConnell estimated that the agency will be self-supported by 2020.

Also, the office is expanding; McConnell hopes to add three staff members this year.

That leads us to the question of resources: How much time is going into this?

Tick tock

The question of resources is more difficult to quantify. Not all agencies keep track of time spent specifically on marijuana-related tasks.

McConnell said about half her office's time is spent on marijuana. But in September, staff at the Alcohol and Marijuana Control Office said the new industry was "a ton of work" and that the agency was short-handed.

"It is not every day that a community or a state brings an entirely new industry into being, so there are challenges that relate to that simple issue," McConnell said this month.

The Alaska Department of Revenue's Tax Division is the agency that handles the money coming in through the state excise tax.

"Roughly speaking, we've got the equivalent of one full-time person on marijuana," said director Ken Alper. That's roughly \$100,000 in annual salary and benefits, he said.

Many people in both state and local government echo the same sentiment: Those first months spent figuring out how to regulate the new industry were tough. But now, systems are in place and the workload is lessening.

[Weed on a plane: How marijuana businesses get pounds of pot on board with police blessing]

In September, Anchorage's Planning Department also said it was inundated with work relating to the new industry.

"When marijuana regulations were just beginning and we were still feeling out the process ... certainly we were spending much more time helping applicants through the process than we were making on (Anchorage's) \$1,700 application fee," Dave Whitfield, acting current planning manager, said on Wednesday.

But that work has dropped off, Whitfield said.

"It's going really well," Whitfield said: One planner in the office has taken the lead on marijuana regulations and spends 15 to 20 hours a week on industry issues.

"Startup was a learning curve for everyone. I know the industry was frustrated with the process, but in our defense, we were learning right along with them," Whitfield said.

All told, Anchorage has received \$100,300 in application fees from cannabis businesses, according to Hal Hart, planning director.

Money to local governments

Some local governments have also put additional taxes on all marijuana sales.

In Anchorage, voters approved a 5 percent sales tax. Between December 2016, when marijuana sales began in Alaska's largest city, and the end of June, those stores collected just less than \$373,000 for the city's general fund.

The Matanuska-Susitna Borough collected \$57,430 for fiscal year 2017 with its tax of 5 percent, said Patty Sullivan, borough spokesperson.

The city of Fairbanks, also with a 5 percent tax, collected \$162,412 from October 2016 through the end of July, said Teal Soden, communications director and executive assistant for the mayor's office.

Soden called the tax a "positive boost" for the city, which had "definitely exceeded original expectations."

[Chasing thunder: Searching for Alaska's most legendary cannabis strain]

But the Fairbanks North Star Borough only brought in \$26,755 for that same time frame — not a huge amount, noted Peggy MacDonald, treasurer and budget manager for the borough.

Some local governments — Ketchikan Gateway Borough, Kenai Peninsula Borough and the City and Borough of Juneau — declined to release information about how much money local taxes have brought in, citing a low number of businesses.

Juneau finance director Bob Bartholomew did say that the sales tax collected on marijuana was "in the ballpark" of \$50,000 for fiscal year 2017. Juneau levies an 8 percent sales tax on cannabis, the same as on alcohol.

'It won't be a question'

Dollynda Fleck-Phelps has been doing some of her own research. Fleck-Phelps is the co-owner of Peace Frog Botanicals, a cannabis growing operation on the Kenai Peninsula.

For the past few years, Fleck-Phelps has been surveying marijuana businesses in the borough. In June, 34 businesses weighed in on various questions. All the numbers are self-reported estimates and have not been verified.

The businesses say they've spent \$5.6 million on development of property — things like renovations, plumbing and security equipment. Ope expenses for all the businesses come to \$3.4 million a year.

Eighty-six jobs have been created on the peninsula, Fleck-Phelps said. And she estimates that once all the stores in the queue are up and run \$300,000 in sales tax will be brought in each year.

[Why is legal marijuana so expensive in Alaska?]

With the information, Fleck-Phelps has created a presentation that she gives to various organizations, like city councils, that she hopes will show the industry's effect on the local economy.

"I think we could have a really good industry here," Fleck-Phelps said.

Some in the marijuana industry say that the state has moved too slowly and more money could be coming in if the process were faster.

"When the industry matures and is operating at full speed, then it will be dynamic," said Cary Carrigan, executive director of the Alaska Marijuana Industry Association. "It will be enough money coming in that it won't be a question whether we should have a marijuana industry or not."

McConnell, of the Alcohol and Marijuana Control Office, points to the fact that Alaska is the only state to truly build an industry from scratch. Other states had existing medical markets. The agency hit all its deadlines for writing regulations, she wrote.

"Once the regulatory system was established, could we have been faster if we had had more staff? Probably, but remember that a brand-new system was created that everybody had to learn," McConnell said.

About this Author

Laurel Andrews

Laurel was born in Bethel and grew up in Fairbanks. She covers cannabis and general assignments. Reach her at laurel@alaskadispatch.com or 907-257-4382.





National Conference of State Legislatures Urges De-Scheduling Marijuana

 Aug 07, 2017

Resolution approved by state lawmakers from around the nation expresses support for amending the Controlled Substances Act to enable financial institutions to provide banking services to state-legal marijuana businesses; would give states control of their own marijuana policies without federal interference

BOSTON, Mass. — The National Conference of State Legislatures (NCSL) approved a resolution Monday urging that the Controlled Substances Act should be amended to remove marijuana from scheduling in order to give federally approved banks the ability to work with marijuana businesses. This would also allow states to determine their own marijuana policies without the threat of federal interference. For a resolution to pass, it must be supported by a majority of participating legislators in each of 75% of the states represented at the conference's general business meeting.

Due to the Schedule I status of marijuana under federal law, federally insured banks risk penalties if they offer financial services to marijuana-related businesses. For that reason, many of these businesses are forced to operate on a cash-only basis, making them a target for criminals. While limited guidance has been issued, which intended to encourage financial institutions to serve marijuana businesses, access to banking remains a problem.

The resolution states:

NOW, THEREFORE, BE IT RESOLVED, that the National Conference of State Legislatures believes that the Controlled Substances Act should be amended to remove cannabis from scheduling thus enabling financial institutions the ability to provide banking services to cannabis related businesses; and

BE IT FURTHER RESOLVED, that the National Conference of State Legislatures acknowledges that each of its members will have differing and sometimes conflicting views of cannabis and how to regulate it, but in allowing each state to craft its own regulations we may increase transparency, public safety, and economic development where it is wanted.

The full resolution can be found online at http://comm.ncsl.org/productfiles/92221867/Debate_Calendar.pdf (http://comm.ncsl.org/productfiles/92221867/Debate_Calendar.pdf).

A different version of this resolution, which called for rescheduling marijuana to a lower schedule, was approved by NCSL last year. In 2015, the conference passed a resolution expressing that “federal laws, including the Controlled Substances Act, should be amended to explicitly allow states to set their own marijuana and hemp policies without federal interference.”

Twenty-nine states, the District of Columbia, and the U.S. territories of Guam and Puerto Rico have enacted effective medical marijuana laws. Marijuana is legal and regulated for adults in eight states — all of which also have medical marijuana laws — and adult possession and limited home cultivation is also legal in the District of Columbia.

There are currently several bills introduced in Congress that would allow states to determine their own marijuana policies, fix the banking issue, and address tax codes related to state-legal marijuana businesses.

“State legislators and the vast majority of voters agree that marijuana policy should be left to the states,” said Karen O’Keefe, director of state policies for the Marijuana Policy Project, which tracks marijuana policy in all 50 states and lobbies in state legislatures throughout the country.

“Legitimate, taxpaying marijuana businesses should not have to face the difficulties of operating on a cash-only basis. Allowing banks to offer them financial services will be good for the industry and benefit public safety,” O’Keefe continues. “Even more so, states should not have to worry about the federal government interfering with their marijuana policy choices.”

###

**COMMITTEE: COMMUNICATIONS, FINANCIAL SERVICES, &
INTERSTATE COMMERCE**

**POLICY: BANKING AND FINANCIAL REGULATIONS OF
MARIJUANA**

TYPE: RESOLUTION

WHEREAS, twenty-nine states, Washington, D.C., Guam, and Puerto Rico have
legalized certain forms of cannabis usage; and

WHEREAS, Arkansas, North Dakota, and Florida most recently passed measures
permitting the use of medical marijuana; and

WHEREAS, Alaska, California, Colorado, Maine, Massachusetts, Nevada, Oregon, and
Washington are creating substantial regulatory regimes with respect to the cannabis
industry to ensure compliance with laws related to the growth, sale and usage of
cannabis; and

WHEREAS, these new regulatory schemes relating to cannabis have created a
significant expansion of the cannabis industry authorized under state law; and

WHEREAS, business enterprises need access to financial institutions that provide
capital, security, efficiency, and record keeping; and

WHEREAS, cannabis remains illegal at the federal level as a Schedule I drug under the
federal Controlled Substances Act; and

WHEREAS, the federal Bank Secrecy Act and its implementing regulations impose
substantial administrative and operational burdens, compliance risk and regulatory risk
that serve as a barrier to banks and credit unions providing banking services to
businesses and individuals involved in the cannabis industry; and

WHEREAS, providing banking services to cannabis related businesses entails
additional risk to banks and credit unions arising from the fact that cannabis is a
Schedule I drug under the Controlled Substances Act, substantially increasing risk of

27 civil or criminal liability; and

28 **WHEREAS**, the majority of financial institutions have determined that there has been
29 insufficient federal guidance for providing banking services to cannabis related
30 businesses; and

31 **WHEREAS**, federal guidance for the banking industry in working with cannabis related
32 businesses is inadequate to create a regulatory environment as it does not change
33 applicable federal laws, imposes significant compliance burdens and is subject to
34 change at any time; and

35 **WHEREAS**, without banking options, cannabis related businesses are forced to operate
36 exclusively in cash; and

37 **WHEREAS**, a large and growing cash-only industry attracts criminal activity and creates
38 substantial public safety risks; and

39 **WHEREAS**, a cash-only industry reduces transparency in accounting and makes it
40 difficult for the state to implement an effective regulatory regime that ensures
41 compliance; and

42 **WHEREAS**, the inability of cannabis related businesses to pay taxes in a form other
43 than cash, which may only be remitted in person, creates a large burden on state to
44 develop new infrastructure to handle the influx of cash, and on the business owners
45 who may have to travel long distances with large sums of cash; and

46 **WHEREAS**, states have been forced to take expensive security measures to mitigate
47 public safety risks to taxpayers utilizing the system, state employees and the public at
48 large; and

49 **WHEREAS**, states do not have any control over the enforcement of federal laws and
50 cannot enact legislation that provides banks and credit unions with protections
51 necessary to overcome federal law; and

52 **NOW, THEREFORE, BE IT RESOLVED**, that the National Conference of State
53 Legislatures believes that the Controlled Substances Act should be amended to remove
54 cannabis from scheduling thus enabling financial institutions the ability to provide

55 banking services to cannabis related businesses; and

56 **BE IT FURTHER RESOLVED**, that the National Conference of State Legislatures
57 acknowledges that each of its members will have differing and sometimes conflicting
58 views of cannabis and how to regulate it, but in allowing each state to craft its own
59 regulations we may increase transparency, public safety, and economic development
60 where it is wanted.

NEWS APR 28 2017, 9:06 AM ET

Georgia Lawmaker Delivers Cannabis Oil While Dodging Felony Charges

by ASSOCIATED PRESS

MACON, Ga. — Once a month, a cardboard box from Colorado appears at the office of a conservative Christian lawmaker in central Georgia, filled with derivatives of marijuana, to be distributed around the state in the shadows of the law.

Operating in ways he hopes will avoid felony charges of drug trafficking, state Rep. Allen Peake is taking matters into his own hands. He's shepherding cannabis oil to hundreds of sick people who are now allowed by the state to possess marijuana, but have no legal way of obtaining it.

"We're going to do whatever it takes to be able to help get product to these families, these citizens who have debilitating illnesses," Peake said. He spoke with The Associated Press in his Macon office, where he runs his business, his campaign operation and his underground medical marijuana network.

Peake has successfully championed the creation and expansion of Georgia's medical marijuana program, which now provides low-THC cannabis oil to more than a thousand patients. Enrollees can have it, but they can't cultivate, import or purchase the drug.



Georgia State Rep. Allen Peake displays a bottle of cannabis oil in his office in Macon, Ga. David Goldman / AP

This straight-laced Republican is about the last person many would expect to take up such a cause.

He's the CEO of one of the nation's largest franchise restaurant businesses, with more than 100 locations including Cheddar's and Fazoli's. He says he runs this business on Biblical principles and donates to Christian charities, a practice that led him into the world of cannabis when he began helping families with the costs of moving to Colorado for the legal access to treatments they couldn't get in Georgia.

Those connections led to the arrival each month of boxes on his office doorstep, filled with bottles of cannabis oil of varying concentrations within Georgia's now-legal THC limit.

Peake says he doesn't know who brings it into the state, and doesn't ask.

Marijuana remains a federally outlawed Schedule 1 narcotic, even though 29 states now have comprehensive medical marijuana programs. Seventeen others, including Georgia, allow the use of marijuana products for medical reasons in limited situations or as a legal defense, according to the National Conference of State Legislatures.

In 2009, President Barack Obama instructed the Department of Justice not to prosecute people for possessing or distributing medical marijuana, a policy President Donald Trump has not changed.

But transporting marijuana across state lines? That remains a felony.

"Quite frankly, I don't know how the product gets here," Peake said.

He's a certified public accountant who went to theology school, but has an adventurous side — running competitively, scuba diving and recently splurging on a Tesla Model S, which can zoom from 0 to 60 mph in 2.5 seconds.

Thrill-seeking has cost him at times: In 2015, he publicly acknowledged having had an account on the adultery dating site Ashley Madison. After apologizing to his constituents and thanking his wife for her "powerful and merciful gift of forgiveness," he went right back to legislating.



Each time one of the nondescript boxes arrives, Peake makes a significant donation to a foundation in Colorado that supports research of medical cannabis. He can't make a direct payment, because that would be illegal. But with his donations of about \$100,000 a year, he and his wife are able to supply the oil to hundreds of patients across Georgia.

"I'll never recover that money," but the satisfaction of helping people makes it all worthwhile, he said.

If Peake did try to recoup the money, say by selling

Various cannabis oil products are displayed for a photo in the office of 139

Peake in Macon, Ga. David Goldman / AP

the oil, he could face charges of drug trafficking. By paying for it himself and giving it away for free, he

narrowly skirts the law, which does not prohibit the gifting of cannabis oil.

It was Peake's bill in 2015 that established Georgia's medical cannabis program, which allows people with qualifying diagnoses to possess cannabis oil with less than 5 percent THC, the chemical that gets users high. It was a first step, acknowledging Gov. Nathan Deal's refusal to legalize the cultivation of marijuana within Georgia.

Peake also was instrumental in passing another step, now awaiting Deal's signature that would expand the list of qualifying conditions. Persuading state lawmakers to legalize cultivation, production and sale of cannabis oil in Georgia remains a distant goal, but Peake thinks enabling more patients to get the drug meanwhile can only help.

About 1,300 patients are currently enrolled, and other lawmakers have joined his quasi-legal enterprise: At least 20 state senators and representatives have referred their constituents to him, Peake says. Even some who voted against his marijuana bills have had a change of heart when someone close to them got sick, he said.

When it comes time for deliveries, Peake is vigilant, making sure everyone he works with is registered with the state and enrolled in the medical cannabis program so they can legally handle the product.

Though Peake isn't a qualified patient, he obtained a medical cannabis card from the Georgia Department of Public Health, so that he can show it to constituents as he promotes the program, he said.

But a card is a card, enabling Peake to legally possess the cannabis at his office.

Shannon Cloud is one of the parents helping Peake move the oils to Atlanta. She initially got involved because daughter Alaina has Dravet syndrome — a rare, serious seizure disorder — and has benefited from cannabis.

Even though her daughter is off the drug because she's part of a clinical trial, Cloud remains one of the most active members of the informal distribution network.

She's passionate about this work, but frustrated that she's needed at all.

"It shouldn't be this way," she said. "You shouldn't be meeting at a gas station or a Target parking lot to get medicine to somebody. You should be going to the place where it is produced and tested to get it dispensed to you in a regulated manner, but this is what we're forced to do."



Recreational Cannabis — Minimizing the Health Risks from Legalization

Beau Kilmer, Ph.D.

The cannabis-policy landscape is undergoing dramatic change. Although many jurisdictions have removed criminal penalties for possessing small amounts of cannabis and more

than half of U.S. states allow physicians to recommend it to patients, legalizing the supply and possession of cannabis for non-medical purposes is a very different public policy. Since the November 2016 election, 20% of the U.S. population lives in states that have passed ballot initiatives to allow companies to sell cannabis for any reason and adults 21 or older to purchase it. Although other states may move toward legalization, uncertainty abounds because of the federal prohibition on cannabis. The Obama administration tolerated these state laws; it's unclear what the Trump administration will do.

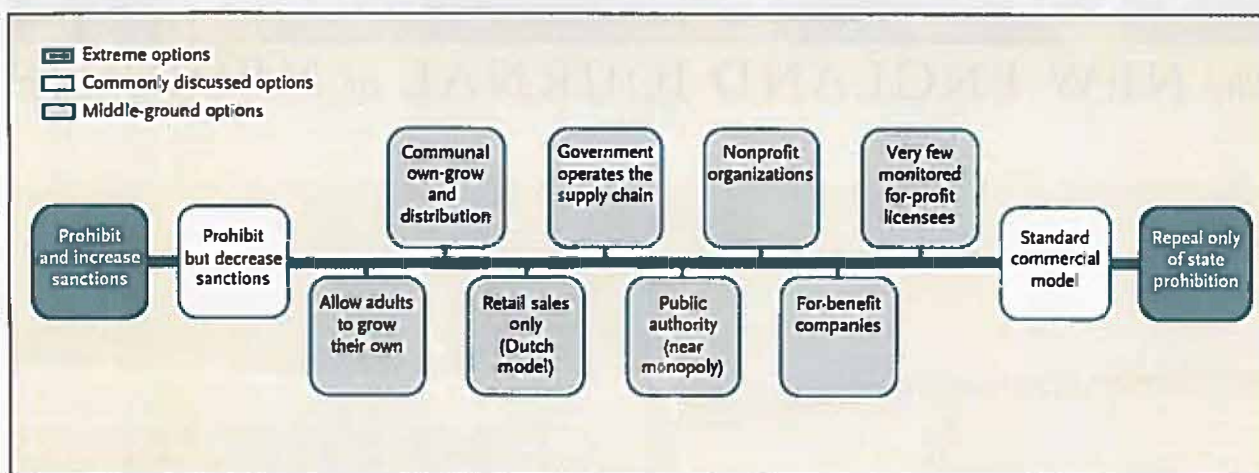
There is also tremendous un-

certainty about the net effect of cannabis legalization on public health.¹ Most adults who occasionally use cannabis find it pleasurable and don't experience substantial problems. There is a growing body of research on the medical benefits of consuming cannabis flowers or extracts,^{1,2} and legalization should make it easier to study the therapeutic potential and allow access for patients who could benefit.

But cannabis use comes with important risks.^{1,4} For example, cannabis intoxication impairs cognitive and psychomotor function, and there's strong evidence that delta-9-tetrahydrocannabinol (THC), the main psychoactive

chemical in cannabis, increases the risk of psychotic symptoms or panic attacks. Approximately 9% of people who try cannabis meet criteria for cannabis dependence at some point. The rate roughly doubles for those who initiate use before 17 years of age and is much higher for adolescents who use cannabis weekly or more often.³

Adolescents and young adults are central to many cannabis-policy discussions since there are questions about how frequent cannabis use may affect their brain development and other outcomes.^{2,3} Authors from the National Institute on Drug Abuse recently wrote that regular cannabis use by adolescents is particularly worrisome because it's "associated with an increased likelihood of deleterious consequences."² Policy debates are often infused with heated disagree-



Continuum of Recreational Cannabis Supply Options.
Adapted from Caulkins et al.⁴

ments about the extent to which these associations are causal. Supporters of legalization are quick to note that police contact or a criminal conviction for a cannabis-related offense can be deleterious as well. Having a criminal record can make it harder to get a job or obtain an occupational license, and there can be additional consequences associated with a drug conviction (e.g., barriers to receiving federal financial aid for college or obtaining public housing).

Whether cannabis legalization leads to notable increases in consumption by young people or in the incidence of cannabis-use disorders will probably depend on how such laws are implemented. But even if such increases occur, legalization won't necessarily have a net negative effect on public health. The overall health effect will also depend on how new laws influence the use of other substances, such as alcohol, tobacco, and prescription opioids.⁴ For example, will people who use other substances switch to legalized cannabis? Or use cannabis in addition to them?

Such questions are especially important in the context of impaired driving. Most studies suggest that driving under the influence of alcohol is more dangerous than driving under the influence of cannabis, but it is important to remember that most studies indicate that the latter is more dangerous than driving sober. The bulk of the research also suggests that drivers who are under the influence of both cannabis and alcohol are more likely to crash than drivers using only one of them.

Further complicating predictions about legalization's health implications is the fact that much of our current knowledge about the consequences of cannabis use is based on studies involving people who smoked low-potency cannabis. Whereas in 2000, the average THC content of a joint was roughly 5%, today most cannabis flower sold in states permitting cannabis sales has a THC content above 15%. Consumers can also choose from a growing list of high-potency products, such as oils and waxes with a THC content sometimes above 75%.

We know very little about the health consequences of these more potent products and whether people who use them titrate their THC consumption. A Dutch study showed that users of more potent cannabis are generally exposed to more THC,⁵ but it's unclear whether that finding applies to other countries as well.

Jurisdictions considering legalizing cannabis for nonmedical purposes will have to make several decisions that could have profound consequences for public health. For example, decision makers will have to determine how cannabis will be supplied (see diagram). Allowing sales by for-profit companies is only one option. Since daily and near-daily cannabis users account for the vast majority of cannabis expenditures, many businesses will target and attempt to expand the number of heavy users. Experiences with alcohol and tobacco suggest that profit-maximizing firms and their lobbyists will eventually fight to weaken regulations intended to protect health.

Even if states allow for-profit companies to produce cannabis,

local governments could limit retail sales to nonprofit organizations or sell the drug through a government monopoly. Jurisdictions less focused on generating tax revenue could simply permit home production and gifting (as Washington, D.C., does) or allow user cooperatives (an option offered in Uruguay).

Second, jurisdictions will have to decide how cannabis should be priced. The post-legalization retail price of cannabis will not only influence revenues and the size of the illicit market, it will also affect consumption. Legalizing cannabis can dramatically reduce production and distribution costs for at least three reasons: suppliers no longer have to be compensated for the risk of seizure and arrest; it allows producers to take advantage of economies of scale; and it makes it easier to incorporate new technologies into the production process.^{1,4} Jurisdictions seeking to ensure that cannabis retail prices don't drop precipitously have many options. For example, they could limit production, impose costly regulations on suppliers, require a minimum price, or levy an excise tax.

Third, jurisdictions will need to decide whether to update their prevention messaging — and whether prevention campaigns will start before legal cannabis is available. They could target young people with such messages to counter commercial promotion where it's allowed and encourage adults to talk to them about the effects of cannabis, especially on driving. Prevention also includes efforts to limit access and exposure to cannabis products. Policymak-

ers can learn important lessons about prevention from research on alcohol and tobacco.⁴

Fourth, given the dearth of information about the consequences associated with high-potency cannabis products and our inability to measure cannabis impairment, risk-averse policymakers may consider initially limiting access to

costs of enforcing prohibition, racial and ethnic disparities in cannabis arrests, the size of the illicit market, impact on public budgets, and nonmedical benefits of using cannabis (e.g., pleasure, stress relief) are just a few of the other issues that warrant discussion.¹ In addition, we should be skeptical of people who claim to

Jurisdictions considering legalizing cannabis for nonmedical purposes will have to make several decisions that could have profound consequences for public health.

certain types of products or imposing a cap on products' THC content. Another option, offered by Stanford social psychologist Robert MacCoun and others, is to tax cannabis according to THC content, thereby giving jurisdictions a lever to nudge users toward lower-potency products.

Finally, since each supply option has trade-offs, some jurisdictions may want to start with a middle-ground option before embracing a for-profit model (see diagram). One strategy is to implement a sunset clause allowing policymakers to decide after a predetermined period whether to maintain the status quo or switch approaches. Since no one knows the best way to tax or regulate cannabis, creating flexible rules would make it easier to make midcourse corrections and incorporate new research and other insights into policies.

Although public health outcomes are clearly important, they aren't the only considerations when setting cannabis policy. The

know what the net effect of cannabis legalization on public health will be. Much will depend on implementation decisions, but jurisdictions' ability to minimize health risks will also depend on how they respond to new information and other sources of uncertainty.

Disclosure forms provided by the author are available at NEJM.org.

From the RAND Drug Policy Research Center, Santa Monica, CA.

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An audio interview with Dr. Kilmer is available at NEJM.org

Meet the senators and congressmen who support marijuana legalization

By **Christopher Ingraham** September 29, 2016

The National Organization for the Reform of Marijuana Laws (NORML) this week released [its 2016 congressional scorecard](#) on marijuana policy. Twenty U.S. representatives and two senators received an 'A' grade, indicating that "this member has publicly declared his/her support for the legalization and regulation of marijuana for adults," according to NORML (see the full list at the bottom of this article).

But as the organization notes, Congress lags far behind the public when it comes to support for marijuana reform. Four states plus D.C. have already legalized the recreational use of marijuana, and this fall [voters in five more will decide whether to follow suit](#). Polls taken this year have pegged support for marijuana legalization nationally at between [54](#) and [61 percent](#).

"It is apparent that voters' views regarding marijuana policy have evolved significantly over the past decades," said Paul Armentano, deputy director of NORML, in an email. "Yet, the positions of their federally elected officials have not progressed in a similar manner."

Looking beyond legalization, the scorecard does find significant congressional support for a number of other marijuana-related policy changes. In addition to the members supporting legalization, 254 congressmen and senators support policies related to the decriminalization of marijuana, or to allowing marijuana for medical use. An additional 32 representatives and 22 senators have publicly declared support for states to set their own marijuana policies without federal interference.

At the other end of the spectrum, 16 representatives and 16 senators received an 'F' grade from NORML, indicating "significant and vocal opposition to marijuana law reform."

But overall, the scorecard shows strong majorities in Congress [who](#) have voiced support for at least some form of change to the

nation's marijuana laws. 270 representatives and 60 senators received a "passing" grade of 'C' or higher, indicating they at least support the right of states set their own marijuana policies.

While many marijuana reform measures have attracted bipartisan support in Congress, the scorecard does show a significant partisan split on marijuana policy: 92 percent of Democrats received a grade of 'C' or higher, compared to only 37 percent of Republicans.

Among the 22 congressmen supporting full marijuana legalization only one, Rep. Dana Rohrabacher (R.-Calif.) is a Republican. Conversely, among the 32 most vocal opponents of marijuana reform only one, Sen. Tom Carper (D.-Del.) is a Democrat.

One reason Congress has been slow to move on marijuana reform is that for most voters, drug policy isn't as big a priority as traditional hot-button issues, like jobs, terrorism or healthcare. Still, the past few years have shown that voters do care enough about the issue to change marijuana laws via ballot initiatives.

That can create problems when federal law doesn't keep pace with changes at the state level. The legal marijuana industry is already dealing with these problems: marijuana businesses still can't use the federal banking system. They're not able to apply for the same tax breaks available to other businesses, meaning many are paying effective tax rates of 70 percent or more. Since marijuana remains illegal at the federal level, some businesses are still dealing with the threat of DEA raids.

If current trends continue, at some point enough states will have legalized marijuana that Congress would likely be forced to act to reconcile differences between state and federal policy. Many observers point to California -- the world's 6th-largest economy and home to 12 percent of the U.S. population -- as the potential tipping point.

Voters there will decide whether to legalize the recreational use of marijuana in November. Recent polling suggests they're likely to do so.

Representatives and senators supporting marijuana legalization

- Mike Honda (D.-Calif.)
- Jared Huffman (D.-Calif.)
- Barbara Lee (D.-Calif.)
- Ted Lieu (D.-Calif.)
- Zoe Lofgren (D.-Calif.)
- Alan Lowenthal (D.-Calif.)
- Dana Rohrabacher (R.-Calif.)
- Eric Swalwell (D.-Calif.)
- Ed Perlmutter (D.-Co.)
- Jared Polis (D.-Co.)
- Eleanor Holmes Norton (D.-D.C.)

Ruben Gallego (D.-Ill.)
Jan Schakowsky (D.-Ill.)
Chellie Pingree (D.-Maine)
Mike Capuano (D.-Mass.)
Jerrold Nadler (D.-N.Y.)
Earl Blumenauer (D.-Ore.)
Jeff Merkley (D.-Ore.)
Steve Cohen (D.-Tenn.)
Don Beyer (D.-Va.)
Bernie Sanders (I.-Vt.)
Mark Pocan (D.-Wis.)

Christopher Ingraham writes about politics, drug policy and all things data. He previously worked at the Brookings Institution and the Pew Research Center. 🐦 Follow @_cingraham

Jamaican Study Of Pregnant Mothers Shows That Marijuana Doesn't Harm Newborns

95

BY JAY SMOKER ON JUNE 2, 2011

ENDING MARIJUANA PROHIBITION, MEDICAL MARIJUANA POLICY



By Janelle Stone

It's almost too taboo to discuss: pregnant women smoking marijuana. It's a dirty little secret for women, particularly during the harrowing first trimester, who turn to cannabis for relief from nausea and stress.

If you were to inquire about pot and pregnancy on the Web, Baby Center offers a strongly worded warning from Gerald Briggs, pharmacist clinical specialist.

Briggs says that pot affects the baby's growth and development and—gasp!—may even cause childhood leukemia. But there are no facts or studies attributed to back up the claims.

...

More than 50 pages of comments were posted to the site about Briggs' statements. Some proclaimed the virtues of smoking marijuana while pregnant, offering proof of healthy children and stories of functioning during pregnancy thanks to cannabis. Other comments viciously showed disdain for pregnant patients, resorting to name-calling.

...

Pregnant women in Jamaica use marijuana regularly to relieve nausea, as well as to relieve stress and depression, often in the form of a tea or tonic. In the late 1960s, grad student Melanie Dreher was chosen by her professors to perform an ethnographic study on marijuana use in Jamaica to observe and document its usage and its consequences among pregnant women.

Dreher studied 24 Jamaican infants exposed to marijuana prenatally and 20 infants that were not exposed. Her work evolved into the book *Women and Cannabis: Medicine*



prenatally and 20 infants that were not exposed. Her work evolved into the book *Women and Cannabis: Medicine, Science and Sociology*, part of which included her field studies.



Most North American studies have shown marijuana use can cause birth defects and developmental problems.

Those studies did not isolate marijuana use, however, lumping cannabis with more destructive substances ranging from alcohol and tobacco to meth and heroin.

In Jamaica, Dreher found a culture that policed its own ganja intake and considers its use spiritual. For the herb's impact when used during pregnancy, she handed over reports utilizing the Brazelton Scale, the highly recognized neonatal behavioral assessment that evaluates behavior.

The profile identifies the baby's strengths, adaptive responses and possible vulnerabilities. The researchers continued to evaluate the children from the study up to 5 years old. The results showed no negative impact on the children, on the contrary they seemed to excel.



Plenty of people did not like that answer, particularly her funders, the National Institute on Drug Abuse. They did not continue to flip the bill for the study and did not readily release its results.

"March of Dimes was supportive," Dreher says. "But it was clear that NIDA was not interested in continuing to fund a study that didn't produce negative results. I was told not to resubmit. We missed an opportunity to follow the study through adolescence and through adulthood."

Now dean of nursing at Rush University with degrees in nursing, anthropology and philosophy, plus a Ph.D. in anthropology from Columbia University, Dreher did not have experience with marijuana before she shipped off for Jamaica.

The now-marijuana advocate says that Raphael Mechoulam, the first person to isolate THC, should win a Pulitzer. Still, she understands that medical professionals shy from doing anything that might damage any support of their professionalism, despite marijuana's proven medicinal effects, particularly for pregnant women.

CASE CLOSED

Dr. Melanie Dreher's study isn't the first time Jamaican ganja smoking was subjected to scientific study. One of the most exhausting studies is *Ganja in Jamaica—A Medical Anthropological Study of Chronic Marijuana Use* by Vera Rubin and Lambros Comitas, published in 1975. Unfortunately for the National Institute of Mental Health's Center for Studies of Narcotic and Drug Abuse, the medical anthropological study concluded: "Despite its illegality, ganja use is pervasive, and duration and frequency are very high; it is smoked over a longer period in heavier quantities with greater THC potency than in the U.S. without deleterious social or psychological consequences [our emphasis]."

Article From [Culture Magazine](#)

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY REQUESTING THE STATE OF ALASKA MARIJUANA CONTROL BOARD TO ADOPT REGULATIONS ALLOWING ON-SITE CONSUMPTION OF MARIJUANA OR APPROVE DESIGNATED AREAS FOR ON-SITE CONSUMPTION IN LICENSED RETAIL MARIJUANA ESTABLISHMENTS.

WHEREAS, the Alaska Marijuana Control Board (AMCB) is meeting July 12-14, 2017, in Fairbanks to consider, among other things, updates on implementation of marijuana establishment licensing, ongoing and proposed regulations projects, and other matters that may come before it; and

WHEREAS, media outlets report at this meeting the AMCB will potentially consider up to three different proposals from different board members for standards and conditions to authorize on-site marijuana or marijuana product consumption; and

WHEREAS, currently consumption of marijuana on, in or upon any public place is prohibited by Alaska Statute 17.38.040 and Anchorage Municipal Code section 8.35.300; and

WHEREAS, under state law, consumption of marijuana or a marijuana product on the premises of a licensed retail marijuana store may not be allowed, except in a designated area on the licensed premises as authorized with prior approval of the AMCB and when purchased on the licensed premises (3 AAC 306.305(a)(4) and 3 AAC 306.310(b)(2))-yet the AMCB has not authorized on-site consumption anywhere in the state to date; and

WHEREAS, Anchorage Municipal Code subsection 10.80.310B.2. does not allow consumption of marijuana on the premises of a licensed retail marijuana store, but the Anchorage Assembly reserved AMC subsection 10.80.305A.4. in the Code for potential future amendment to allow on-site consumption consistent with any action by the AMCO authorizing it; and

WHEREAS, on-site marijuana consumption has been an issue and concern among stakeholders, particularly in the downtown area where visiting tourists interested in Anchorage's new marijuana industry may purchase marijuana, but currently have no place designated for lawful consumption, other than private property closed to the public which is unlikely to be available to most visitors; and

WHEREAS, the Anchorage Assembly recently approved a second municipal retail marijuana establishment license located in the downtown core area, and has more applications currently proposed and anticipated to come before the body in the near future; and

WHEREAS, businesses, community leaders and stakeholders in the downtown area have expressed concern with the imminent proliferation of multiple retail marijuana stores

downtown and the adverse effects they could potentially create, including worries about illegal public consumption, given the high concentration of tourists in the vicinity who may seek to purchase legal marijuana in Alaska without the inclusion of designated areas for lawful marijuana consumption; and

WHEREAS, some citizens and business owners of the downtown Anchorage area are seeking additional regulation related to the number of licensees allowed to operate in the area, separation distances from protected uses or other licensees, and a resolution to the on-site consumption issue; and this Assembly Resolution is in response to those downtown businesses who are asking for time to develop a plan specifically for downtown Anchorage addressing those issues; and

WHEREAS, the sponsors of Proposition 2, which the voters approved at the November 4, 2014 statewide general election, intended to set up a system where marijuana would be regulated and taxed like alcohol, yet while on-site consumption of alcohol is common under a beverage dispensary or restaurant or eating place liquor license, there are no comparable marijuana retail establishment licenses allowing consumption on-site only of products purchased on the premises; and

WHEREAS, if authorization for on-site consumption at designated areas on licensed premises is provided, particularly in areas focused on tourism, it would mitigate the foreseeable risk and potential for illegal consumption of marijuana in public or on licensed retail premises where it is not authorized; now, therefore,

THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. The Assembly strongly supports adoption of regulations or approval of designated areas for on-site consumption on the licensed premises of retail marijuana stores located in Anchorage to legitimize such use for tourists, visitors and patrons to the area as soon as possible.

Section 2. Upon passage and approval, the Municipal Clerk is directed to send signed copies of this resolution as soon as practicable to the Alaska Marijuana Control Board.

Section 3. This resolution shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 11th day of July, 2017.


Chair

ATTEST:


Municipal Clerk



Public Notice

Application for Marijuana Establishment License

License Number: 12833

License Status: Initiated

License Type: Standard Marijuana Cultivation Facility

Doing Business As: ALASKA LOVEN IT, LLC

Business License Number: 1052906

Email Address: alaskacitysupply@gmail.com

Latitude, Longitude: 59.645021, -151.461600

Physical Address: 2908 Kachemak Drive
Homer, AK 99603
UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10056827

Alaska Entity Name: Alaska Loven It, LLC

Phone Number: 907-942-5899

Email Address: alaskacitysupply@gmail.com

Mailing Address: PO Box 1571
Homer, AK 99603
UNITED STATES

Entity Official #1

Type: Individual

Name: Dan Coglianese

Date of Birth: 06/19/1966

Phone Number: 907-942-5899

Email Address: alaskacitysupply@gmail.com

Mailing Address: PO Box 1571
Homer, AK 99603
UNITED STATES

Note: No affiliates entered for this license.

Interested persons should submit written comment or objection to their local government, the applicant, and to the Alcohol & Marijuana Control Office at 550 W 7th Ave, Suite 1600, Anchorage, AK 99501 or to marijuana.licensing@alaska.gov not later than 30 days after this notice of application.

POSTING DATE _____



Public Notice

Application for Marijuana Establishment License

License Number: 13615

License Status: Initiated

License Type: Limited Marijuana Cultivation Facility

Doing Business As: VOLCANO FLOWER

Business License Number: 1056096

Email Address: volcano@alaska.net

Latitude, Longitude: 59.675814, -151.655955

Physical Address: 41253 Volcano View Ct.
Homer, AK 99603
UNITED STATES

Licensee #1

Type: Individual

Name: TIMOTHY E HAMILTON

Phone Number: 907-399-3276

Email Address: volcano@alaska.net

Mailing Address: PO Box 2118
Homer, AK 99603
UNITED STATES

Note: No entity officials entered for this license.

Affiliate #1

Type: Individual

Name: Anne Hamilton

Phone Number: 907-299-0058

Email Address: volcano@alaska.net

Mailing Address: PO Box 2118
Homer, AK 99603
UNITED STATES

Interested persons should submit written comment or objection to their local government, the applicant, and to the Alcohol & Marijuana Control Office at 550 W 7th Ave, Suite 1600, Anchorage, AK 99501 or to marijuana.licensing@alaska.gov not later than 30 days after this notice of application.

POSTING DATE _____



Public Notice

Application for Marijuana Establishment License

License Number: 12866

License Status: Initiated

License Type: Retail Marijuana Store

Doing Business As: UNCLE HERB'S

Business License Number: 1038791

Email Address: stazz@msn.com

Latitude, Longitude: 59.381894, -151.303569

Physical Address: 1213 Ocean Drive
Homer, AK 99603
UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10039405

Alaska Entity Name: Eden Management Group, LLC

Phone Number: 907-230-6436

Email Address: stazz@msn.com

Mailing Address: PO Box 90171
Anchorage, AK 99509
UNITED STATES

Entity Official #1

Type: Individual

Name: Lloyd Stiassny

Date of Birth: 09/20/1956

Phone Number: 907-230-6436

Email Address: stazz@msn.com

Mailing Address: PO Box 90171
Anchorage, AK 99509
UNITED STATES

Note: No affiliates entered for this license.

Interested persons should submit written comment or objection to their local government, the applicant, and to the Alcohol & Marijuana Control Office at 550 W 7th Ave, Suite 1600, Anchorage, AK 99501 or to marijuana.licensing@alaska.gov not later than 30 days after this notice of application.

POSTING DATE _____

Marijuana Shared Revenue Tracking

** Shared Revenued disbursed to local governments immediately upon receipt of a complete application per AS 17.38.200(c)**

Local Government	Monthly Payments
Anchorage (Municipality of)	\$37,000.00
10/28/2016	\$18,000.00
11/15/2016	\$4,000.00
12/20/2016	\$3,000.00
2/6/2017	\$1,500.00
3/7/2017	\$2,000.00
3/31/2017	\$2,500.00
5/15/2017	\$3,000.00
6/16/2017	\$2,000.00
7/13/2017	\$1,000.00
Denali Borough	\$500.00
3/31/2017	\$500.00
Fairbanks (City of)	\$6,000.00
10/5/2016	\$2,000.00
11/15/2016	\$500.00
2/6/2017	\$500.00
3/7/2017	\$500.00
3/31/2017	\$1,000.00
6/16/2017	\$1,500.00
Fairbanks North Star Borough	\$16,500.00
10/28/2016	\$7,000.00
11/15/2016	\$2,500.00
12/20/2016	\$1,000.00
3/31/2017	\$2,000.00
5/15/2017	\$1,000.00
6/16/2017	\$2,000.00
7/13/2017	\$1,000.00
Houston	\$3,000.00
10/28/2016	\$1,000.00
11/15/2016	\$500.00
2/6/2017	\$500.00
3/7/2017	\$500.00
6/16/2017	\$500.00
Juneau (City and Borough of)	\$5,000.00
10/28/2016	\$3,000.00
11/15/2016	\$500.00
2/6/2017	\$1,000.00
5/15/2017	\$500.00
Kenai (City of)	\$1,500.00
10/28/2016	\$1,000.00
6/16/2017	\$500.00
Kenai Peninsula Borough	\$16,500.00
10/28/2016	\$6,500.00
11/15/2016	\$1,500.00
3/7/2017	\$2,500.00
3/31/2017	\$2,000.00

Marijuana Shared Revenue Tracking

** Shared Revenued disbursed to local governments immediately upon receipt of a complete application per AS 17.38.200(c)**

5/15/2017	\$1,000.00
6/16/2017	\$1,000.00
7/13/2017	\$2,000.00
Ketchikan (City of)	\$1,500.00
10/28/2016	\$500.00
11/15/2016	\$1,000.00
Ketchikan Gateway Borough	\$2,000.00
11/15/2016	\$1,000.00
3/31/2017	\$500.00
6/16/2017	\$500.00
Kodiak (City of)	\$500.00
10/28/2016	\$500.00
Matanuska-Susitna Borough	\$15,000.00
10/28/2016	\$1,500.00
11/15/2016	\$2,000.00
2/6/2017	\$500.00
3/7/2017	\$2,000.00
3/31/2017	\$1,000.00
5/15/2017	\$4,000.00
6/16/2017	\$4,000.00
Nome	\$500.00
2/6/2017	\$500.00
Petersburg Borough	\$1,000.00
12/20/2016	\$500.00
3/31/2017	\$500.00
Sitka (City and Borough of)	\$3,000.00
10/28/2016	\$2,000.00
11/15/2016	\$500.00
3/7/2017	\$500.00
Skagway (Municipality of)	\$1,000.00
10/28/2016	\$1,000.00
Valdez	\$1,500.00
10/28/2016	\$1,000.00
5/15/2017	\$500.00
Wrangell (City and Borough of)	\$1,000.00
3/7/2017	\$1,000.00
Grand Total	\$113,000.00

License#	Marijuana License Type	DBA/License Name	AG#	Payment Date	Local Government	GAX#/#Check#	GAX Date/Check Date	Fund Amount
10112	Standard Marijuana Cultivation Facility	GREAT ALASKAN BUD COMPANY	10578238	6/3/2016	Fairbanks (City of)	17-79971	10/5/2016	\$500.00
10131	Retail Marijuana Store	PAKALOLO SUPPLY COMPANY, INC.	10586027	7/20/2016	Fairbanks (City of)	17-79971	10/5/2016	\$500.00
10230	Standard Marijuana Cultivation Facility	PAKALOLO SUPPLY COMPANY, INC.	10564603	4/12/2016	Fairbanks (City of)	17-79971	10/5/2016	\$500.00
10279	Standard Marijuana Cultivation Facility	GOODSINSE LLC	10579082	6/8/2016	Fairbanks (City of)	17-79971	10/5/2016	\$500.00
10009	Marijuana Testing Facility	CANNTEST, LLC	10568909	4/22/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10021	Retail Marijuana Store	ENLIGHTEN ALASKA, LLC	10584704	7/7/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10035	Standard Marijuana Cultivation Facility	ARCTIC HERBRY	10554320	3/14/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10037	Retail Marijuana Store	ARCTIC HERBRY	10583587	6/29/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10074	Standard Marijuana Cultivation Facility	88 DOUBLE HAPPINESS LLC	10568841	4/22/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10080	Standard Marijuana Cultivation Facility	DREAM GREEN FARMS	10561360	3/31/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10082	Marijuana Product Manufacturing Facility	EINSTEIN LABS	10587881	8/9/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10094	Retail Marijuana Store	ALASKABUDD, LLC	10584288	7/4/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10097	Retail Marijuana Store	RASPBERRY ROOTS	10586637	7/26/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10098	Standard Marijuana Cultivation Facility	RASPBERRY ROOTS	10573415	5/9/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10126	Retail Marijuana Store	THE HERBAL CACHE	10585511	7/14/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10142	Standard Marijuana Cultivation Facility	FARMER JACK'S LLC	10572637	5/5/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10161	Standard Marijuana Cultivation Facility	THE FROST FRONTIER	10569304	4/25/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10162	Retail Marijuana Store	THE FROST FARMS	10584510	7/6/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10174	Standard Marijuana Cultivation Facility	PARALLEL 64 LLC	5594148	4/6/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10186	Marijuana Testing Facility	AK GREEN LABS LLC	10575198	5/18/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10237	Standard Marijuana Cultivation Facility	ALASKASENSE, LLC	5592764	7/11/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10239	Limited Marijuana Cultivation Facility	ALASKA RUSTIC LLC	10573945	5/10/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10248	Standard Marijuana Cultivation Facility	ISIDORE	10576903	5/26/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10272	Limited Marijuana Cultivation Facility	LIGHTENING STRIKE ORGANICS	10582030	6/20/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10284	Standard Marijuana Cultivation Facility	CATALYST CANNABIS COMPANY	10575905	5/21/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10293	Standard Marijuana Cultivation Facility	AK FUZZY BUDZ	5592750	5/27/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10299	Standard Marijuana Cultivation Facility	R.C. TINDERBOX, LLC	10580545	6/16/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10301	Marijuana Concentrate Manufacturing Facility	R.C. TINDERBOX, LLC	10588339	8/12/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10302	Retail Marijuana Store	THE HOUSE OF GREEN	10638310	8/16/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10303	Standard Marijuana Cultivation Facility	BAM ALASKA	10585881	7/19/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10306	Retail Marijuana Store	DANKORAGE, LLC	10585430	7/14/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10307	Retail Marijuana Store	ALASKA FIREWEED	10586118	7/20/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10310	Standard Marijuana Cultivation Facility	DANISH GARDENS, LLC	10578095	6/3/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10322	Marijuana Concentrate Manufacturing Facility	BABYLON COMPANY, LLC	10586155	7/21/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10577	Retail Marijuana Store	ALASKAN LEAF, LLC	10586692	7/26/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10578	Standard Marijuana Cultivation Facility	ALASKAN LEAF, LLC	10586691	7/26/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10647	Standard Marijuana Cultivation Facility	ALASKA HERB GARDEN	10586929	7/28/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10648	Retail Marijuana Store	UNCLE HERB'S	5594156	8/18/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10671	Standard Marijuana Cultivation Facility	ALASKA CANNABIS EXCHANGE, LLC	10587975	8/9/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10747	Standard Marijuana Cultivation Facility	GREAT NORTHERN CANNABIS, INC.	5594153	7/29/2016	Anchorage (Municipality of)	17-97120	10/28/2016	\$500.00
10005	Standard Marijuana Cultivation Facility	ROSIE CREEK FARM	10560146	3/23/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10006	Retail Marijuana Store	FROZEN BUDZ	10583882	6/30/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10012	Marijuana Product Manufacturing Facility	FROZEN BUDZ	10584146	7/1/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10022	Standard Marijuana Cultivation Facility	SUNRISE GARDENS	10560582	3/26/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10027	Standard Marijuana Cultivation Facility	BLACK RAPIDS LLC	10573661	5/10/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10073	Standard Marijuana Cultivation Facility	ALASKAN BLOOMS, LLC	10578205	6/3/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10156	Standard Marijuana Cultivation Facility	ELEVATED INNOVATIONS, LLC	5592736	4/1/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10166	Standard Marijuana Cultivation Facility	GOOD LLC	10577710	6/1/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10180	Standard Marijuana Cultivation Facility	AK SHADOWS	10577154	5/28/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10189	Limited Marijuana Cultivation Facility	SUBSISTENCE PRODUCTS	10576211	5/23/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10207	Standard Marijuana Cultivation Facility	TANANA HERB COMPANY, LLC	10564634	4/12/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10288	Standard Marijuana Cultivation Facility	FOXY ENTERPRISES	10575813	5/20/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10500	Limited Marijuana Cultivation Facility	FROZEN NORTH FARMS	10586157	7/21/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10592	Standard Marijuana Cultivation Facility	ALASKA CANNABIS CULTIVATORS	10584678	7/7/2016	Fairbanks North Star Borough	17-97221	10/28/2016	\$500.00
10316	Retail Marijuana Store	DENALI 420 RECREATIONALS	10584707	7/7/2016	Houston	17-97305	10/28/2016	\$500.00
10799	Standard Marijuana Cultivation Facility	CALM N COLLECTIVE	5592766	7/12/2016	Houston	17-97305	10/28/2016	\$500.00
10026	Standard Marijuana Cultivation Facility	RAINFOREST FARMS, LLC	10562614	4/4/2016	Juneau (City and Borough of)	17-97330	10/28/2016	\$500.00
10050	Retail Marijuana Store	RAINFOREST FARMS, LLC	10587391	8/3/2016	Juneau (City and Borough of)	17-97330	10/28/2016	\$500.00
10266	Standard Marijuana Cultivation Facility	THE FIREWEED FACTORY LLC	10576946	5/26/2016	Juneau (City and Borough of)	17-97330	10/28/2016	\$500.00
10270	Standard Marijuana Cultivation Facility	TOP HAT, LLC	10580224	6/15/2016	Juneau (City and Borough of)	17-97330	10/28/2016	\$500.00
10271	Marijuana Product Manufacturing Facility	TOP HAT CONCENTRATES, LLC	10587238	8/1/2016	Juneau (City and Borough of)	17-97330	10/28/2016	\$500.00
10800	Retail Marijuana Store	THE FIREWEED FACTORY LLC	10588207	8/11/2016	Juneau (City and Borough of)	17-97330	10/28/2016	\$500.00
10052	Standard Marijuana Cultivation Facility	RED RUN CANNABIS CULTIVATORS, LLC	10580126	6/14/2016	Kenai (City of)	17-97351	10/28/2016	\$500.00
10056	Retail Marijuana Store	RED RUN CANNABIS COMPANY, LLC	10586882	7/28/2016	Kenai (City of)	17-97351	10/28/2016	\$500.00
10011	Limited Marijuana Cultivation Facility	GREEN RUSH GARDENS LLC	10571420	4/28/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10015	Standard Marijuana Cultivation Facility	GREATLAND GANJA, LLC	10563594	4/7/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10025	Standard Marijuana Cultivation Facility	BUDDING ALASKA, LLC	10562766	4/5/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10034	Standard Marijuana Cultivation Facility	ODIN'S WAGON, LLC	10583418	6/28/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10041	Limited Marijuana Cultivation Facility	PEACE FROG BOTANICALS LLC	5592742	4/13/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10086	Limited Marijuana Cultivation Facility	TERRA HOUSE, LLC	10588136	8/11/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10122	Limited Marijuana Cultivation Facility	STONEY CREEK GROWERS, LLC	5592745	5/3/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10137	Standard Marijuana Cultivation Facility	CROY'S ENTERPRISES LLC	10560258	3/24/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10147	Limited Marijuana Cultivation Facility	PERMAFROST DISTRIBUTORS	10563503	4/6/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10148	Limited Marijuana Cultivation Facility	TALISMAN FARMS	10564287	4/11/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10176	Limited Marijuana Cultivation Facility	ALPHA KILO LLC	10587841	8/8/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10210	Limited Marijuana Cultivation Facility	CANNABOYD	10574075	5/11/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10650	Limited Marijuana Cultivation Facility	ALASKA BUD BROTHERS AEROGARDENS I	10586022	7/20/2016	Kenai Peninsula Borough	17-97414	10/28/2016	\$500.00
10095	Standard Marijuana Cultivation Facility	RAINFOREST CANNABIS CULTIVATION	10573376	5/9/2016	Ketchikan (City of)	17-97473	10/28/2016	\$500.00
10032	Standard Marijuana Cultivation Facility	THREE SISTERS CO-OP	10567269	4/18/2016	Kodiak (City of)	17-97481	10/28/2016	\$500.00
10004	Standard Marijuana Cultivation Facility	TALKEETNA HERB COMPANY	10554602	3/15/2016	Matanuska-Susitna Borough	17-97491	10/28/2016	\$500.00
10014	Limited Marijuana Cultivation Facility	THE NAKED HERBALIST	10560463	3/25/2016	Matanuska-Susitna Borough	17-97491	10/28/2016	\$500.00
10170	Limited Marijuana Cultivation Facility	GREEN DEGREE	10561078	3/30/2016	Matanuska-Susitna Borough	17-97491	10/28/2016	\$500.00
10066	Standard Marijuana Cultivation Facility	GREEN LEAF	10575510	5/19/2016	Sitka (City and Borough of)	17-97501	10/28/2016	\$500.00
10071	Standard Marijuana Cultivation Facility	VERN'S WICKED WEED	10564082	4/9/2016	Sitka (City and Borough of)	17-97501	10/28/2016	\$500.00
10136	Standard Marijuana Cultivation Facility	NORTHERN LIGHTS INDOOR GARDENS, L	10575818	5/20/2016	Sitka (City and Borough of)	17-97501	10/28/2016	\$500.00
10220	Retail Marijuana Store	WEED DUDES	10583522	6/29/2016	Sitka (City and Borough of)	17-97501	10/28/2016	\$500.00
10141	Limited Marijuana Cultivation Facility	COYOTE AND TOAD'S GARDEN, LLC	10568253	4/19/2016	Skagway (Municipality of)	17-97508	10/28/2016	\$500.00
10149	Retail Marijuana Store	REMEDY SHOPPE	10583445	6/28/2016	Skagway (Municipality of)	17-97508	10/28/2016	\$500.00
10043	Standard Marijuana Cultivation Facility	ALASKAN GREENERY	10561264	3/30/2016	Valdez	17-97518	10/28/2016	\$500.00
10173	Retail Marijuana Store	HERBAL OUTFITTERS, LLC	10584254	7/4/2016	Valdez	17-97518	10/28/2016	\$500.00
10245	Retail Marijuana Store	AK SLOW BURN CANNABIS OUTLET	5592767	8/24/2016	Anchorage (Municipality of)	17-109720	11/15/2016	\$500.00
10267	Retail Marijuana Store	AM DELIGHT	5594185	9/9/2016	Anchorage (Municipality of)	17-109720	11/15/2016	\$500.00
10509	Retail Marijuana Store	HOUSE OP, LLC	10586251	7/21/2016	Anchorage (Municipality of)	17-109720	11/15/2016	\$500.00
10605	Standard Marijuana Cultivation Facility	WILD FLOWERS HOLDINGS	10584173	7/1/2016	Anchorage (Municipality of)	17-109720	11/15/2016	\$500.00
10828	Marijuana Product Manufacturing Facility	GLACIER EXTRACTS	5592773	8/30/2016	Anchorage (Municipality of)	17-109720	11/15/2016	\$500.00
10837	Retail Marijuana Store	HILLSIDE NATURAL WELLNESS	5592774	8/30/2016	Anchorage (Municipality of)	17-109720	11/15/2016	\$500.00
10855	Standard Marijuana Cultivation Facility	SUINUA	5592772	8/30/2016	Anchorage (Municipality of)	17-109720	11/15/2016	\$500.00
10864	Retail Marijuana Store	AK FUZZY BUDZ	5592779	9/8/2016	Anchorage (Municipality of)	17-109720	11/15/2016	\$500.00

10278	Retail Marijuana Store	GOODSINSE LLC	5592769	8/26/2016	Fairbanks (City of)	17-109771	11/15/2016	\$500.00
10165	Marijuana Product Manufacturing Facility	GOOD LLC	5594158	8/23/2016	Fairbanks North Star Borough	17-109798	11/15/2016	\$500.00
10203	Standard Marijuana Cultivation Facility	ALASKA CANNABIS CULTIVATORS	10568768	4/21/2016	Fairbanks North Star Borough	17-109798	11/15/2016	\$500.00
10308	Limited Marijuana Cultivation Facility	GREENDREAMS CULTIVATION	5594173	9/1/2016	Fairbanks North Star Borough	17-109798	11/15/2016	\$500.00
10489	Limited Marijuana Cultivation Facility	ESTER HORTICULTURE AND RESEARCH	5594157	8/23/2016	Fairbanks North Star Borough	17-109798	11/15/2016	\$500.00
10514	Standard Marijuana Cultivation Facility	BOREAL INC.	5594201	9/21/2016	Fairbanks North Star Borough	17-109798	11/15/2016	\$500.00
10687	Standard Marijuana Cultivation Facility	DANK RESEARCH	15088204	8/11/2016	Houston	17-109832	11/15/2016	\$500.00
10512	Marijuana Testing Facility	SOUTHEAST ALASKA LABORATORIES LLC	5594159	8/24/2016	Juneau (City and Borough of)	17-109852	11/15/2016	\$500.00
10063	Limited Marijuana Cultivation Facility	BOB'S MORNING BEAR CULTIVATION	5594166	8/31/2016	Kenai Peninsula Borough	17-109864	11/15/2016	\$500.00
10216	Standard Marijuana Cultivation Facility	ALASKA BUD BROTHERS AEROGARDENS I	10572367	5/4/2016	Kenai Peninsula Borough	17-109864	11/15/2016	\$500.00
10831	Retail Marijuana Store	HIGH BUSH BUDS	5594199	9/16/2016	Kenai Peninsula Borough	17-109864	11/15/2016	\$500.00
10873	Retail Marijuana Store	THE STONEY MOOSE	5594179	9/9/2016	Ketchikan (City of)	17-109886	11/15/2016	\$500.00
10883	Retail Marijuana Store	RAINFORREST CANNABIS	5594171	8/31/2016	Ketchikan (City of)	17-109886	11/15/2016	\$500.00
10590	Retail Marijuana Store	CANNABIS CORNER	5594163	8/29/2016	Ketchikan Gateway Borough	17-109910	11/15/2016	\$500.00
10657	Standard Marijuana Cultivation Facility	JWS ENTERPRISES	10586648	7/26/2016	Ketchikan Gateway Borough	17-109910	11/15/2016	\$500.00
10024	Limited Marijuana Cultivation Facility	ART'S ALASKAN PLANTATION	10564324	4/11/2016	Matanuska-Susitna Borough	17-109919	11/15/2016	\$500.00
10040	Limited Marijuana Cultivation Facility	ALASKA PRECISION	10561578	3/31/2016	Matanuska-Susitna Borough	17-109919	11/15/2016	\$500.00
10061	Standard Marijuana Cultivation Facility	HIGH TIDE FARMS, LLC	10578874	6/7/2016	Matanuska-Susitna Borough	17-109919	11/15/2016	\$500.00
10092	Standard Marijuana Cultivation Facility	AMERICAN GROWERS COMPANY, LLC	10561384	3/31/2016	Matanuska-Susitna Borough	17-109919	11/15/2016	\$500.00
10138	Retail Marijuana Store	NORTHERN LIGHTS INDOOR GARDENS, L	5594219	9/27/2016	Sitka (City and Borough of)	17-109932	11/15/2016	\$500.00
10236	Retail Marijuana Store	ALASKASENSE, LLC	5594242	10/4/2016	Anchorage (Municipality of)	17-134791	12/20/2016	\$500.00
10265	Standard Marijuana Cultivation Facility	KUSH KINGDOM, LLC	5592782	9/13/2016	Anchorage (Municipality of)	17-134791	12/20/2016	\$500.00
10890	Retail Marijuana Store	TRUE NORTH CANNABIS	5594220	9/27/2016	Anchorage (Municipality of)	17-134791	12/20/2016	\$500.00
10903	Marijuana Product Manufacturing Facility	MOMO'S BAKERY	5594221	9/27/2016	Anchorage (Municipality of)	17-134791	12/20/2016	\$500.00
10933	Retail Marijuana Store	ALASKA'S GREEN LIGHT DISTRICT	5594265	10/11/2016	Anchorage (Municipality of)	17-134791	12/20/2016	\$500.00
10975	Retail Marijuana Store	SATORI	5592795	10/6/2016	Anchorage (Municipality of)	17-134791	12/20/2016	\$500.00
10135	Standard Marijuana Cultivation Facility	MUSKY OX	5594232	9/30/2016	Fairbanks North Star Borough	17-134821	12/20/2016	\$500.00
10886	Marijuana Product Manufacturing Facility	GOOD TITRATIONS	5594211	9/22/2016	Fairbanks North Star Borough	17-134821	12/20/2016	\$500.00
10814	Limited Marijuana Cultivation Facility	SE MOOG DROOG LLC	5594249	10/10/2016	Petersburg Borough	17-134835	12/20/2016	\$500.00
10010	Limited Marijuana Cultivation Facility	AK BEAN BRAINS	5592839	10/25/2016	Anchorage (Municipality of)	17-165281	2/6/2017	\$500.00
10959	Standard Marijuana Cultivation Facility	GREEN GO, LLC.	5594272	10/19/2016	Anchorage (Municipality of)	17-165281	2/6/2017	\$500.00
11091	Standard Marijuana Cultivation Facility	TEMPT, LLC	5594274	10/21/2016	Anchorage (Municipality of)	17-165281	2/6/2017	\$500.00
10958	Standard Marijuana Cultivation Facility	GREEN LIFE SUPPLY LLC	5594267	10/13/2016	Fairbanks (City of)	17-165312	2/6/2017	\$500.00
11050	Retail Marijuana Store	HOUSTON GRASS STATION LLC	5594270	10/19/2016	Houston	17-165325	2/6/2017	\$500.00
10315	Standard Marijuana Cultivation Facility	GREEN ELEPHANT, LLC	5594248	10/10/2016	Juneau (City and Borough of)	17-165339	2/6/2017	\$500.00
10844	Retail Marijuana Store	GREEN ELEPHANT, LLC	5594248	10/10/2016	Juneau (City and Borough of)	17-165339	2/6/2017	\$500.00
11121	Retail Marijuana Store	BAD GRAMM3R, LLC	5592821	10/20/2016	Matanuska-Susitna Borough	17-165352	2/6/2017	\$500.00
10979	Limited Marijuana Cultivation Facility	GUDLIEF ORGANIZATION	5592825	10/26/2016	Nome	17-165359	2/6/2017	\$500.00
10290	Marijuana Concentrate Manufacturing Facility	MIDNIGHT SUN MANUFACTURING, LLC	5592822	10/25/2016	Anchorage (Municipality of)	17-185451	3/7/2017	\$500.00
10865	Marijuana Product Manufacturing Facility	AK RIME	1107217	1/2/2017	Anchorage (Municipality of)	17-185451	3/7/2017	\$500.00
10866	Retail Marijuana Store	AK FROST	5592844	10/31/2016	Anchorage (Municipality of)	17-185451	3/7/2017	\$500.00
11118	Standard Marijuana Cultivation Facility	MERCY TREE OF ALASKA	1007243	1/11/2017	Anchorage (Municipality of)	17-185451	3/7/2017	\$500.00
11051	Standard Marijuana Cultivation Facility	NORTHLINK, LLC	5594332	11/8/2016	Fairbanks (City of)	17-185467	3/7/2017	\$500.00
10291	Standard Marijuana Cultivation Facility	LAZY MOUNTAIN HARVEST LLC	5594238	10/5/2016	Houston	17-185535	3/7/2017	\$500.00
10057	Retail Marijuana Store	ALASKAN CANNABIS OUTFITTERS	5594162	8/29/2016	Kenai Peninsula Borough	17-185546	3/7/2017	\$500.00
10273	Retail Marijuana Store	CROY'S ENTERPRISES LLC	5594326	11/8/2016	Kenai Peninsula Borough	17-185546	3/7/2017	\$500.00
11138	Standard Marijuana Cultivation Facility	FAT TOPS, LLC.	5504460	12/20/2016	Kenai Peninsula Borough	17-185546	3/7/2017	\$500.00
11617	Standard Marijuana Cultivation Facility	HUNTER GREENS AND PURPLES LLC	1007242	1/11/2017	Kenai Peninsula Borough	17-185546	3/7/2017	\$500.00
11649	Standard Marijuana Cultivation Facility	K BEACH REEF	1007240	1/11/2017	Kenai Peninsula Borough	17-185546	3/7/2017	\$500.00
10008	Retail Marijuana Store	GREEN JAR	5594247	10/7/2016	Matanuska-Susitna Borough	17-185575	3/7/2017	\$500.00
10188	Standard Marijuana Cultivation Facility	THE GREEN PEARL, LLC	5594266	10/13/2016	Matanuska-Susitna Borough	17-185575	3/7/2017	\$500.00
10901	Retail Marijuana Store	THE HIGH EXPEDITION COMPANY	5504447	12/16/2016	Matanuska-Susitna Borough	17-185575	3/7/2017	\$500.00
11031	Retail Marijuana Store	GREEN DEGREE	5594285	11/2/2016	Matanuska-Susitna Borough	17-185575	3/7/2017	\$500.00
10067	Retail Marijuana Store	GREEN LEAF	5504442	12/2/2016	Sitka (City and Borough of)	17-185595	3/7/2017	\$500.00
10200	Retail Marijuana Store	HAPPY CANNABIS	5594314	11/8/2016	Wrangell (City and Borough of)	17-185606	3/7/2017	\$500.00
10201	Standard Marijuana Cultivation Facility	HAPPY CANNABIS	5594312	11/8/2016	Wrangell (City and Borough of)	17-185606	3/7/2017	\$500.00
10107	Standard Marijuana Cultivation Facility	ARCTIC EARTH	1007292	1/17/2017	Anchorage (Municipality of)	17-202766	3/31/2017	\$500.00
10646	Retail Marijuana Store	THE GREEN ROOM AK	1007248	1/11/2017	Anchorage (Municipality of)	17-202766	3/31/2017	\$500.00
10856	Marijuana Product Manufacturing Facility	RASPBERRY ROOTS	1007294	1/20/2017	Anchorage (Municipality of)	17-202766	3/31/2017	\$500.00
11411	Retail Marijuana Store	DENALI DISPENSARIES, LLC	5504437	11/30/2016	Anchorage (Municipality of)	17-202766	3/31/2017	\$500.00
11547	Retail Marijuana Store	CLOUDBERRY PARTNERS	1007505	1/20/2017	Anchorage (Municipality of)	17-202766	3/31/2017	\$500.00
11382	Retail Marijuana Store	DENALI'S CANNABIS CACHE LLC	1007504	1/20/2017	Denali Borough	17-202784	3/31/2017	\$500.00
10869	Retail Marijuana Store	GRASS STATION 49	1007503	1/20/2017	Fairbanks (City of)	17-202796	3/31/2017	\$500.00
11053	Retail Marijuana Store	TRUE DANK	5594329	11/8/2016	Fairbanks (City of)	17-202796	3/31/2017	\$500.00
10286	Standard Marijuana Cultivation Facility	ARCTIC GREENERY, LLC	1007536	1/26/2017	Fairbanks North Star Borough	17-202806	3/31/2017	\$500.00
11000	Retail Marijuana Store	CHENA CANNABIS	5592867	11/16/2016	Fairbanks North Star Borough	17-202806	3/31/2017	\$500.00
11319	Standard Marijuana Cultivation Facility	FRONTIER GROW LABS, LLC	5504443	12/5/2016	Fairbanks North Star Borough	17-202806	3/31/2017	\$500.00
11424	Standard Marijuana Cultivation Facility	BLUE BEAR CANNAFARM	5504501	1/11/2017	Fairbanks North Star Borough	17-202806	3/31/2017	\$500.00
10876	Limited Marijuana Cultivation Facility	HALE HARVEST	5594271	10/19/2016	Kenai Peninsula Borough	17-202809	3/31/2017	\$500.00
11140	Retail Marijuana Store	FAT TOPS, LLC.	5504461	12/20/2016	Kenai Peninsula Borough	17-202809	3/31/2017	\$500.00
11509	Retail Marijuana Store	PERMAFROST DISTRIBUTORS	1007244	1/11/2017	Kenai Peninsula Borough	17-202809	3/31/2017	\$500.00
11519	Limited Marijuana Cultivation Facility	PERMAFROST DISTRIBUTORS	1007245	1/11/2017	Kenai Peninsula Borough	17-202809	3/31/2017	\$500.00
10922	Limited Marijuana Cultivation Facility	SPARKLE FARMS ALASKA	5504382	11/16/2016	Ketchikan Gateway Borough	17-202846	3/31/2017	\$500.00
11413	Standard Marijuana Cultivation Facility	DENALI DISPENSARIES, LLC	1007293	1/17/2017	Matanuska-Susitna Borough	17-202852	3/31/2017	\$500.00
11611	Standard Marijuana Cultivation Facility	KUSHTOPIA	1007508	1/20/2017	Matanuska-Susitna Borough	17-202852	3/31/2017	\$500.00
10163	Retail Marijuana Store	THE 420	1007291	1/16/2017	Petersburg Borough	17-202858	3/31/2017	\$500.00
11303	Retail Marijuana Store	HOLLYWEED 907	1007510	1/20/2017	Anchorage (Municipality of)	17-233752	5/15/2017	\$500.00
11304	Marijuana Product Manufacturing Facility	HOLLYWEED 907	1007511	1/20/2017	Anchorage (Municipality of)	17-233752	5/15/2017	\$500.00
11635	Standard Marijuana Cultivation Facility	CLOUDBERRY PARTNERS	1007629	2/15/2017	Anchorage (Municipality of)	17-233752	5/15/2017	\$500.00
11638	Retail Marijuana Store	CATALYST CANNABIS COMPANY	1007635	2/15/2017	Anchorage (Municipality of)	17-233752	5/15/2017	\$500.00
11778	Limited Marijuana Cultivation Facility	OLD SCHOOL & BUFFIE, LLC	1007737	3/8/2017	Anchorage (Municipality of)	17-233752	5/15/2017	\$500.00
11966	Retail Marijuana Store	GREAT NORTHERN CANNABIS	5504529	2/14/2017	Anchorage (Municipality of)	17-233752	5/15/2017	\$500.00
11092	Standard Marijuana Cultivation Facility	FAIRBANKS FIREWEED, LLC	5504527	2/13/2017	Fairbanks North Star Borough	17-233764	5/15/2017	\$500.00
11198	Retail Marijuana Store	ONE HIT WONDER	5504524	2/13/2017	Fairbanks North Star Borough	17-233764	5/15/2017	\$500.00
11384	Standard Marijuana Cultivation Facility	GREEN ELEPHANT, LLC	5504517	2/6/2017	Juneau (City and Borough of)	17-233771	5/15/2017	\$500.00
11794	Limited Marijuana Cultivation Facility	NORTH ROAD BUDS	5504513	2/2/2017	Kenai Peninsula Borough	17-233780	5/15/2017	\$500.00
12104	Standard Marijuana Cultivation Facility	COASTAL OUTFITTERS	1007711	3/3/2017	Kenai Peninsula Borough	17-233780	5/15/2017	\$500.00
10060	Retail Marijuana Store	THE GREEN SPOT LLC.	1007686	2/28/2017	Matanuska-Susitna Borough	17-233804	5/15/2017	\$500.00
11651	Limited Marijuana Cultivation Facility	ALASKA CANNABIS PROPAGATION	1007535	1/23/2017	Matanuska-Susitna Borough	17-233804	5/15/2017	\$500.00
11664	Standard Marijuana Cultivation Facility	SUILNUA	1007660	2/24/2017	Matanuska-Susitna Borough	17-233804	5/15/2017	\$500.00
11921	Limited Marijuana Cultivation Facility	AMERICAN GROWERS COMPANY, LLC	5504532	2/16/2017	Matanuska-Susitna Borough	17-233804	5/15/2017	\$500.00
12022	Limited Marijuana Cultivation Facility	ROSEBUDS CULTIVATION	1007713	3/3/2017	Matanuska-Susitna Borough	17-233804	5/15/2017	\$500.00
12023	Retail Marijuana Store	ROSEBUDS SHATTER HOUSE	1007715	3/3/2017	Matanuska-Susitna Borough	17-233804	5/15/2017	\$500.00
12037	Standard Marijuana Cultivation Facility	THE FARM	5504533	2/17/2017	Matanuska-Susitna Borough	17-233804	5/15/2017	\$500.00
12062	Limited Marijuana Cultivation Facility	MATANUSKA MEDICINE WOMAN LLC	1007775	3/10/2017	Matanuska-Susitna Borough	17-233804	5/15/2017	\$500.00
11234	Standard Marijuana Cultivation Facility	DKW FARMS LLC	1007783	3/14/2017	Valdez	17-233820	5/15/2017	\$500.00
11614	Retail Marijuana Store	AK JOINT	5504515	2/2/2017	Anchorage (Municipality of)	17-257993	6/16/2017	\$500.00
11920	Limited Marijuana Cultivation Facility	AK JOINT	1007777	3/13/2017	Anchorage (Municipality of)	17-257993	6/16/2017	\$500.00
12768	Retail Marijuana Store	SECRET GARDEN CANNABIS	1010300	5/19/2017	Anchorage (Municipality of)	17-257993	6/16/2017	\$500.00

Marijuana Shared Revenue Tracking

** Shared Revenue disbursed to local governments immediately upon receipt of a complete application per AS 17.38.200(c)**

12770	Standard Marijuana Cultivation Facility	SECRET GARDEN CANNABIS	1010290	5/16/2017	Anchorage (Municipality of)	17-257993	6/16/2017	\$500.00
10589	Retail Marijuana Store	NATURES RELEAF LLC	1010281	5/16/2017	Fairbanks (City of)	17-258033	6/16/2017	\$500.00
11986	Limited Marijuana Cultivation Facility	R.C.H. CULTIVATION	1007778	3/14/2017	Fairbanks (City of)	17-258033	6/16/2017	\$500.00
12283	Standard Marijuana Cultivation Facility	WASHBURN GOLD LLC	1007794	3/17/2017	Fairbanks (City of)	17-258033	6/16/2017	\$500.00
11488	Standard Marijuana Cultivation Facility	ALASKA TASTY CANNABIS, LLC.	1007802	3/24/2017	Fairbanks North Star Borough	17-258122	6/16/2017	\$500.00
12289	Limited Marijuana Cultivation Facility	RAVEN BUDS	1007804	3/28/2017	Fairbanks North Star Borough	17-258122	6/16/2017	\$500.00
12325	Retail Marijuana Store	GOOD LLC	1007769	3/9/2017	Fairbanks North Star Borough	17-258122	6/16/2017	\$500.00
12328	Standard Marijuana Cultivation Facility	AK AURORA BLOOMS LLC	1010217	4/5/2017	Fairbanks North Star Borough	17-258122	6/16/2017	\$500.00
12276	Standard Marijuana Cultivation Facility	PRIMO FARMS NORTH, LLC	1010221	4/14/2017	Houston	17-258146	6/16/2017	\$500.00
12303	Limited Marijuana Cultivation Facility	PENINSULA BOTANICALS	1010219	4/10/2017	Kenai (City of)	17-258163	6/16/2017	\$500.00
11556	Limited Marijuana Cultivation Facility	GREEN THUMB SOLUTIONS	1007659	2/24/2017	Kenai Peninsula Borough	17-258179	6/16/2017	\$500.00
12255	Limited Marijuana Cultivation Facility	LADY GRAY GROWING	1010291	5/16/2017	Kenai Peninsula Borough	17-258179	6/16/2017	\$500.00
11957	Standard Marijuana Cultivation Facility	LAST FRONTIER JOINT OPERATIONS LLC.	1007797	3/21/2017	Ketchikan Gateway Borough	17-258196	6/16/2017	\$500.00
12002	Limited Marijuana Cultivation Facility	VAN GEER ENTERPRISES, LLC	1010249	4/26/2017	Matanuska-Susitna Borough	17-258210	6/16/2017	\$500.00
12448	Limited Marijuana Cultivation Facility	WILL'S WORLD	1010272	5/10/2017	Matanuska-Susitna Borough	17-258210	6/16/2017	\$500.00
12550	Limited Marijuana Cultivation Facility	FRONTIER FARMERS	1010269	5/9/2017	Matanuska-Susitna Borough	17-258210	6/16/2017	\$500.00
12635	Retail Marijuana Store	HILLTOP PREMIUM GREEN LLC	1010261	5/8/2017	Matanuska-Susitna Borough	17-258210	6/16/2017	\$500.00
12637	Limited Marijuana Cultivation Facility	HILLTOP PREMIUM GREEN LLC	1010260	5/4/2017	Matanuska-Susitna Borough	17-258210	6/16/2017	\$500.00
12657	Marijuana Testing Facility	THE NEW FRONTIER RESEARCH	1010232	4/19/2017	Matanuska-Susitna Borough	17-258210	6/16/2017	\$500.00
12659	Standard Marijuana Cultivation Facility	ALASKA HORTICULTURAL ARTS, LLC	1010263	5/8/2017	Matanuska-Susitna Borough	17-258210	6/16/2017	\$500.00
12825	Limited Marijuana Cultivation Facility	FOLEY'S IRISH GREEN	1010274	5/10/2017	Matanuska-Susitna Borough	17-258210	6/16/2017	\$500.00
10898	Standard Marijuana Cultivation Facility	AK SLOW BURN CANNABIS OUTLET	1010289	5/16/2017	Anchorage (Municipality of)	18-7733	7/13/2017	\$500.00
12125	Standard Marijuana Cultivation Facility	ALASKA MEDICINAL GARDENS "AMG"	1007786	3/15/2017	Anchorage (Municipality of)	18-7733	7/13/2017	\$500.00
10481	Standard Marijuana Cultivation Facility	GOLDHILL GARDENS	5504506	2/1/2017	Fairbanks North Star Borough	18-7717	7/13/2017	\$500.00
12830	Limited Marijuana Cultivation Facility	ARCTICANNA	1010278	5/16/2017	Fairbanks North Star Borough	18-7717	7/13/2017	\$500.00
11214	Standard Marijuana Cultivation Facility	ALASKA HARVEST COMPANY LLC	1010212	3/31/2017	Kenai Peninsula Borough	18-7720	7/13/2017	\$500.00
11793	Retail Marijuana Store	ALASKA NATIVE CANNABIS COMPANY, LLC	1010262	5/8/2017	Kenai Peninsula Borough	18-7720	7/13/2017	\$500.00
12398	Limited Marijuana Cultivation Facility	HIGH TIDE DISTRIBUTORS	1010245	4/24/2017	Kenai Peninsula Borough	18-7720	7/13/2017	\$500.00
12872	Standard Marijuana Cultivation Facility	GREENSTAR, INC.	1010298	5/17/2017	Kenai Peninsula Borough	18-7720	7/13/2017	\$500.00



City of Homer

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Office of the City Clerk

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MEMORANDUM

TO: CANNABIS ADVISORY COMMISSION
FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK
DATE: AUGUST 24, 2017
SUBJECT: SUPPLEMENTAL PACKET

The Marijuana Control Board announced Public Comment Period for draft regulations on the following this week:

Changes to Marijuana Plant Count, Testing of Marijuana and Reporting of Testing Equipment Failure

Page 3

Changes to Financial Interest in Marijuana Business, Restrictions on Advertising of Marijuana, Marijuana Products, and Marijuana Businesses

Page 9

Onsite Marijuana Consumption Endorsement to the Retail Marijuana License

Page 16

Changes on Local Government Jurisdiction Notification and Public Objection Process

Page 24

Changes on the Disposal of Marijuana Waste, Quality Control of Marijuana and Reporting Unauthorized Access to a Licensed Marijuana Facility

Page 30

Marijuana Control Board proposed regulations -- changes to marijuana plant count, testing of marijuana, and reporting of testing equipment failure

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD TO MARIJUANA PLANT COUNT, TESTING OF MARIJUANA AND REPORTING OF TESTING EQUIPMENT FAILURE

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with the testing of marijuana, marijuana plant count, and the reporting of equipment failure at a marijuana testing facility, including the following:

- (1) 3 AAC 306.405 adds new subsections to address plant counts for marijuana cultivation facilities.
- (2) 3 AAC 306.435 adds "kief" to the list of marijuana that may be combined in harvest packages.
- (3) 3 AAC 306.455 adds leaf, trim, and kief to random harvest samples for required testing.
- (4) 3 AAC 306.470 adds a new subsection requiring leaf, trim and other non-flower part of the marijuana plant to be independently tested for THC potency.
- (5) 3 AAC 306.555(d)(1) is proposed to be repealed.
- (6) 3 AAC 306.645 is proposed to add requirements for potency testing.
- (7) 3 AAC 306.670 is proposed to change reporting requirements for marijuana testing facilities.
- (8) 3 AAC 306.990 is proposed to amend definitions of marijuana plant maturity.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Alcohol & Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at amco.regs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 4:30 pm on September 22, 2017.

You may submit written questions relevant to the proposed action to the Marijuana Control Board by email at amco.regs@alaska.gov or at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. The questions must be received at least 10 days before the end of the public comment period. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jedediah Smith at amco.regs@alaska.gov or (907) 269-0350 not later than September 12, 2017 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol & Marijuana Control Office at (907) 269-0350 or amco.regs@alaska.gov.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010; AS 17.38.070; AS 17.38.121; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.070; AS 17.38.200

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: August 14, 2017

Erika McConnell, director

 [Leave a Comment](#)

▼ [Attachments, History, Details](#)

Attachments

- [MCB Additional Public Notice LEAF AND KIEF.pdf](#)
- [MCB Public Notice LEAF AND KIEF.pdf](#)
- [MCB Regulation DRAFT LANGUAGE \(leaf and kief\).pdf](#)

Revision History

Created 8/15/2017 12:41:19 PM by jrsmith

Details

Department:	Commerce, Community and Economic Development
Category:	Regulations
Sub-Category:	Notice of Proposed Regulations
Location(s):	Statewide
Project/Regulation #:	JU2017200536
Publish Date:	8/15/2017
Archive Date:	9/23/2017
Events/Deadlines:	

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.405(a) is amended by adding a new subsection to read:

(8) begin initial operations at the time of preliminary inspection with up to 12 mature, non-flowering plants, designated and used as mother plants; any number of immature plants; and any number of seeds. (Eff. 2/21/2016, Register 217; am __ / __ / __)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.405(b) is amended by adding a new subsection to read:

(6) introduce marijuana or marijuana product, including plants and seeds, onto the licensed premises from any outside source after the initial preliminary inspection, except as acquired from another licensed cultivation facility and accounted for in the marijuana cultivation facility's marijuana inventory tracking system as required under 3 AAC 306.730. (Eff. 2/21/2016, Register 217; am__ / _ / ____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.435 is amended to read:

(a) A marijuana cultivation facility shall use a marijuana inventory tracking system in compliance with 3 AAC 306.730 to ensure all marijuana propagated, grown or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is

propagated through transfer to another licensed marijuana establishment or destruction. The marijuana cultivation facility shall assign a tracking number to each plant over eight inches tall. When harvested, bud and flowers, **kief**, clones or cuttings, or leaves and trim may be combined in harvest batches of distinct strains, not exceeding five pounds. Each harvest batch must be given an inventory tracking number. Clones or cuttings must be limited to 50 or fewer plants and identified by a batch tracking number. (Eff. 2/21/2016, Register 217; am __/__/____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.455 (b) (1) is amended to read:

(1) collect a random, homogenous sample for testing by segregating harvest marijuana into batches of individual strains of bud, flower, **leaf, trim, and kief**, then selecting a random sample from each batch in an amount required by the marijuana testing facility. (Eff. 2/21/2016, Register 217; am __/__/____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.470 (a) is amended to add a new subsection and renumber subsequent sections:

(a) a marijuana cultivation facility that repackages for sale leaf, trim, or any other usable part of the marijuana plant that is not flower or bud must have the product independently tested for THC potency in accordance with 3 AAC 306.345. (Eff. 2/21/2016, Register 217; am __/__/____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.555(d)(1) is repealed:

(1) repealed__ /__ /____;

(Eff. 2/21/2016, Register 217; am__ /__ /____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.645 (b)(1) is amended by adding a new subparagraph:

(D) Marijuana leaf, trim, kief and other parts of the marijuana plant

must be tested for potency separately from marijuana flower. (Eff. 2/21/2016, Register 217; am
__ /__ /____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.670 is amended to add a new subsection to read:

(d) A marijuana testing facility shall notify the director in writing not later than 24
hours after a significant equipment malfunction or failure that prevents the completion of
required marijuana or marijuana product testing. The licensee shall notify the director of
any action the licensee intends to take to provide for re-testing or destruction of the
marijuana or marijuana product. (Eff. 2/21/2016, Register 217; am__ /__ /____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.990(a) is amended to read:

(5) "immature" means a marijuana plant **18 inches or less in height**, with no visible crystals, buds, or flowers, and in which the exposure to light is scheduled with the intent to prevent formation of crystals, buds, or flowers; (Eff. 2/21/2016, Register 217; am___/___/___)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.990(a) is amended by adding a new subsection (11)

(11) "mature" means a marijuana plant over 18 inches in height. (Eff. 2/21/2016, Register 217; am___ /___ /___)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

Marijuana Control Board proposed regulations -- changes to financial interest in marijuana business and restrictions on advertising

NOTICE OF PROPOSED CHANGES ON FINANCIAL INTEREST IN MARIJUANA BUSINESSES AND RESTRICTIONS ON ADVERTISING OF MARIJUANA, MARIJUANA PRODUCTS AND MARIJUANA BUSINESSES IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with direct and indirect financial interest in marijuana businesses, and restrictions on advertising of marijuana, marijuana products and marijuana businesses, including the following:

- (1) 3 AAC 306.015(e), related to direct or indirect financial interest in a marijuana business
- (2) 3 AAC 306.360 would be repealed.
- (3) 3 AAC 306.700 would add a new subsection regarding restrictions on advertising of marijuana and marijuana products.
- (4) 3 AAC 306.700 would add a new subsection regarding restrictions on advertising of marijuana businesses.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Alcohol & Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at amco.regs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 4:30 pm on September 29, 2017.

You may submit written questions relevant to the proposed action to the Marijuana Control Board by email at amco.regs@alaska.gov or at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. The questions must be received at least 10 days before the end of the public comment period. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jedediah Smith at amco.regs@alaska.gov or (907) 269-0350 not later than September 19, 2017 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol & Marijuana Control Office at (907) 269-0350 or amco.regs@alaska.gov.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010; AS 17.38.070; AS 17.38.121; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.070; AS 17.38.190; AS 17.38.900.

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: August 10, 2017

Erika McConnell, director

 [Leave a Comment](#)

▼ **Attachments, History, Details**

Attachments

[DRAFT REGULATION ADVERTISING & PROMOTIONS.pdf](#)

[MCB Additional Public NoticeADVERTISING.pdf](#)

[MCB Public Notice advertising.pdf](#)

Revision History

Created 8/14/2017 3:26:57 PM by jrsmith

Details

Department:	Commerce, Community and Economic Development
Category:	Regulations
Sub-Category:	Notice of Proposed Regulations
Location(s):	Statewide
Project/Regulation #:	JU2017200533
Publish Date:	8/14/2017
Archive Date:	9/30/2017
Events/Deadlines:	

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.015(e)(1) is amended to read:

(e) In this section,

(1) "direct or indirect financial interest" means

(A) a legal or equitable interest in the operation of a business licensed under this chapter;

(B)) does not include a person's right to receive

(i) rental charges on a graduated [OR PERCENTAGE] lease-rent agreement for real estate leased to a licensee; or

(ii) consulting fee from a licensee for services that are allowed under this chapter;

(Eff. 2/21/2016, Register 217, am___/___/____, Register____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200

3 AAC 306.360 is repealed:

3 AAC 306.360. Restriction on advertising of marijuana and marijuana products

Repealed. (Eff. 2/21/2016, Register 217; repealed__/_/____, Register____)

3 AAC 306 is amended by adding a new subsection in Article 7 to read:

3 AAC 306.7xx. Restriction on advertising of marijuana and marijuana products

(a) An advertisement for marijuana or a marijuana product must include the business name and license number.

(b) An advertisement for marijuana or a marijuana product may not contain a statement or illustration that

(1) is false or misleading;

(2) promotes excessive consumption;

(3) represents that the use of marijuana has curative or therapeutic effects;

(4) depicts a person under 21 years of age consuming marijuana; or

(5) includes any object or character, including a toy, a cartoon character, or any other depiction that appeals to a person under 21 years of age.

(c) A licensed marijuana business may not place an advertisement for marijuana or a marijuana product;

(1) within 1,000 feet of the perimeter of any child-centered facility, including a school, a child care facility or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under 21 years of age;

(2) on or in a public transit vehicle or public transit shelter;

(3) on or in a publicly owned or operated property;

(4) within 1,000 feet of a substance abuse or treatment facility; or

(5) on a campus for postsecondary education.

(d) A licensed marijuana business may not encourage the sale of marijuana or marijuana products

(1) by using giveaway coupons as promotional materials;

(2) by conducting games or competitions; or

(3) by tying give-away items to the purchase of marijuana or marijuana products.

(e) All advertising for marijuana or any marijuana product must contain each of the following warnings, which must be plainly visible and at least half the font size of an advertisement on a sign, and no smaller than size 9 font when the advertisement is in printed form. Audio advertisements warnings must be understandable and played at the same speed as the advertisement.

(1) "Marijuana has intoxicating effect and may be habit forming and addictive";

(2) "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence.";

(3) "There are health risks associated with consumption of marijuana.";

(4) "For use only by adults twenty-one and older. Keep out of the reach of children.";

(5) "Marijuana should not be used by women who are pregnant or breast feeding."

3 AAC 306 is amended by adding a new subsection in Article 7 to read:

3 AAC 306.7xx. Restriction on advertising of a marijuana business

(a) A licensed marijuana business may have not more than three signs, visible to the general public from the public right-of-way. A sign may only be placed in the marijuana business' window or attached to the outside of the licensed premises. The size of each sign may not exceed 4,800 square inches.

(b) A licensed marijuana business may place advertisements that include its name, logo, business type, contact information, location, and hours of operation.

(c) A licensed marijuana business may not place a business advertisement, except as provided in (a) of this section,

(1) within 1,000 feet of the perimeter of any child-centered facility, including a school, a child care facility or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under 21 years of age;

(2) on or in a public transit vehicle or public transit shelter;

(3) on or in a publicly owned or operated property;

(4) within 1,000 feet of a substance abuse or treatment facility; or

(5) on a campus for postsecondary education.

(Eff. __ / __ / _____. Register_____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

Marijuana Control Board proposed regulations – – marijuana retail store onsite consumption endorsement

NOTICE OF PROPOSED CHANGES TO THE REGULATIONS OF THE MARIJUANA CONTROL BOARD REGARDING THE ADDITION OF AN ONSITE MARIJUANA CONSUMPTION ENDORSMENT TO THE RETAIL MARIJUANA LICENSE

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with onsite marijuana consumption endorsements for retail marijuana establishments, including the following:

- (1) 3 AAC 306.370 proposes to allow retail marijuana licensees to apply for an onsite consumption endorsement if certain conditions are met.
- (2) 3 AAC 306.990 proposes to define “marijuana consumption area” and “retail marijuana store premises.”

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Alcohol & Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at amco.regs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 4:30 pm on October 27, 2017.

You may submit written questions relevant to the proposed action to the Marijuana Control Board by email at amco.regs@alaska.gov or at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. The questions must be received at least 10 days before the end of the public comment period. The Alcohol & Marijuana Control Office will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jedediah Smith at amco.regs@alaska.gov or (907) 269-0350 not later than October 16, 2017 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol & Marijuana Control Office at (907) 269-0350 or amco.regs@alaska.gov.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010; AS 17.38.070; AS 17.38.121; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.070 AS 17.38.200 AS 17.38.210

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: August 21, 2017

Erika McConnell, director

 [Leave a Comment](#)

Attachments

[MCB Additional Public Notice \(onsite consumption\).pdf](#)
[MCB Public Notice \(onsite consumption\).pdf](#)
[Onsite Draft for public comment 2017-08-21.pdf](#)

Revision History

Created 8/21/2017 2:56:37 PM by jrsmith
 Modified 8/21/2017 4:15:09 PM by jrsmith
 Modified 8/21/2017 4:21:41 PM by jrsmith

Details

Department:	Commerce, Community and Economic Development
Category:	Regulations
Sub-Category:	Notice of Proposed Regulations
Location(s):	Statewide
Project/Regulation #:	JU2017200548
Publish Date:	8/21/2017
Archive Date:	10/28/2017
Events/Deadlines:	

1 3 AAC 306 is amended by adding a new section to read:

2
3 **3 AAC 306.370. Onsite consumption endorsement for retail marijuana stores.**

4
5 (a) A licensed retail marijuana store with an approved onsite consumption endorsement is
6 authorized to

7 (1) sell marijuana and marijuana product, excluding marijuana concentrates, to
8 patrons for consumption on the licensed premises only in an area designated as the marijuana
9 consumption area and separated from the remainder of the premises, either by being in a separate
10 building or by a secure door and having a separate ventilation system;

11 (2) sell for consumption on the premises

12 (A) marijuana bud or flower in quantities not to exceed one gram to any
13
14 one person in a single transaction, unless prohibited by local ordinance or state law;

15 (B) edible marijuana products in quantities not to exceed 10 mg of THC to
16 any one person in a single transaction; and

17 (C) food or beverages not containing marijuana or alcohol; and

18
19 (3) allow a person to remove from the licensed premises marijuana or marijuana
20 product that has been purchased on the licensed premises for consumption under this section,
21 provided it is packaged in accordance with 3 AAC 306.345.

22 (b) A licensed retail marijuana store with an approved onsite consumption endorsement
23 may not

24 (1) sell marijuana concentrate for consumption in the marijuana consumption
25
26 area;

27 (2) allow any licensee, employee, or agent of a licensee to consume marijuana or
28
29 marijuana product, including marijuana concentrate, during the course of a work shift;

(3) allow a person to consume tobacco or tobacco products in the marijuana consumption area;

(4) allow intoxicated or drunken persons to enter or to remain in the marijuana consumption area;

(5) sell, give, or barter marijuana or marijuana product to an intoxicated or drunken person;

(6) allow a person to bring into or consume in the marijuana consumption area any marijuana or marijuana product that was not purchased at the licensed retail marijuana store;

(7) deliver marijuana or marijuana product to a person already known to be in possession of marijuana or marijuana product that was purchased for consumption on the premises;

(8) sell, offer to sell, or deliver marijuana or marijuana product at a price less than the price regularly charged for the marijuana or marijuana product during the same calendar week;

(9) sell, offer to sell, or deliver an unlimited amount of marijuana or marijuana product during a set period of time for a fixed price;

(10) sell, offer to sell, or deliver marijuana or marijuana product on any one day at prices less than those charged the general public on that day;

(11) encourage or permit an organized game or contest on the licensed premises that involves consuming marijuana or marijuana product or the awarding of marijuana or marijuana product as prizes; or

(12) advertise or promote in any way, either on or off the premises, a practice prohibited under this section.

(c) An applicant for an onsite consumption endorsement must file an application on a form the board prescribes, including the documents and endorsement fee set out in this section, which must include

(1) the applicant's operating plan, in a format the board prescribes, describing the retail marijuana store's plan for

(A) security, in addition to what is required for a retail marijuana store, including:

(i) doors and locks;

(ii) windows;

(iii) measures to prevent diversion; and

(iv) measures to prohibit access to persons under the age of 21;

(B) ventilation. If consumption by inhalation is to be permitted, ventilation plans must be

(i) signed and approved by a licensed mechanical engineer;

(ii) sufficient to remove visible smoke; and

(iii) consistent with all applicable building codes and ordinances;

(C) isolation of the marijuana consumption area from other areas of the retail marijuana store. The marijuana consumption area must

(i) include a smoke-free area for employees monitoring the marijuana consumption area; and

(ii) be entirely outdoors in a designated smoking area or separated from other retail areas by a wall with a secure door;

(D) unconsumed marijuana, by disposal or by packaging in accordance with 3 AAC 306.345; and

(E) preventing introduction into the marijuana consumption area of marijuana or marijuana products not sold by the retail marijuana store; and

(2) a detailed premises diagram showing the location of

(A) serving area or areas;

(B) ventilation exhaust points, if applicable;

(C) doors, windows, or other exits;

(D) access control points; and

(E) adequate separation from non-consumption areas of the retail marijuana store and consistent with 3 AAC 306.370(a)(1).

(d) An application for a new onsite consumption endorsement must meet the requirements of 3 AAC 306.025(b) and include in that notice the license number of the retail marijuana store requesting the endorsement.

(e) The non-refundable fee for a new or renewal onsite consumption endorsement is \$1,000.

(f) The retail marijuana store holding an onsite consumption endorsement under this chapter shall

(1) destroy all unconsumed marijuana left abandoned or unclaimed in the marijuana consumption area in accordance with the operating plan and 3 AAC 306.740;

(2) maintain a ventilation system that directs air from the marijuana consumption area to the outside of the building through a filtration system adequate to reduce odor;

(3) include in the security plan how the licensee intends to restrict access to the marijuana consumption area to persons under the age of 21;

(4) monitor patrons for overconsumption;

(5) display all warning signs required under 3 AAC 360.360 within the marijuana consumption area, visible to all consumers;

(6) provide written materials containing marijuana dosage and safety information for each type of marijuana or marijuana product sold for consumption in the marijuana consumption area at no cost to patrons; and

(7) label all marijuana or marijuana product sold for consumption on the premises as required in 3 AAC 306.345.

(g) The right of local governments to protest the issuance or renewal of individual retail marijuana store onsite consumption endorsements is separate from the right to protest the issuance of a retail marijuana store license. Not later than 60 days after the director sends notice of an application for a new or renewal onsite consumption endorsement, a local government may protest the application by sending the director and the applicant a written protest and the reasons for the protest. The director may not accept a protest received after the 60-day period. If a local government protests an application for a new or renewal onsite consumption endorsement, the board will deny the application unless the board finds that the protest is arbitrary, capricious and unreasonable.

(h) A local government may recommend that the board approve an application for a new or renewal onsite consumption endorsement with conditions. The board will impose a condition recommended by a local government unless the board finds the recommended condition to be arbitrary, capricious and unreasonable. If the board imposes a condition recommended by a local

government, the local government will assume responsibility for monitoring compliance with the condition unless the board provides otherwise.

(i) The holder of an onsite consumption endorsement must apply for renewal annually at the time of renewal of the underlying retail marijuana store license.

3 AAC 306.990 (b) is amended to add the following subsections:

(27) “marijuana consumption area” means a designated area within the licensed premises of a retail marijuana store that holds a valid onsite consumption endorsement, where marijuana and marijuana products, excluding marijuana concentrates, may be consumed.

(28) “retail marijuana store premises” means an area encompassing both the retail marijuana store and any marijuana consumption area.

Marijuana Control Board proposed regulations – – changes to local government jurisdiction and timing of public objections

NOTICE OF PROPOSED CHANGES ON LOCAL GOVERNMENT JURISDICTION NOTIFICATION AND PUBLIC OBJECTION PROCESS

IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with the notification for local government jurisdiction over marijuana licenses and the public objection process for new, renewal or transfers of marijuana licenses, including the following:

- (1) 3 AAC 306.025, 3 AAC 306.035, 3 AAC 306.045, and 3 AAC 306.060 is proposed to be changed to require notice from marijuana applicants to all applicable local government jurisdictions.
- (2) 3 AAC 306.065 is proposed to extend the period for public objections.
- (3) 3 AAC 306.075(a)(2) is proposed to be repealed.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Alcohol & Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at amco.regs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 4:30 pm on September 5, 2017.

You may submit written questions relevant to the proposed action to the Marijuana Control Board by email at amco.regs@alaska.gov or at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. The questions must be received at least 10 days before the end of the public comment period. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jedediah Smith at amco.regs@alaska.gov or (907) 269-0350 not later than August 25, 2017 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol & Marijuana Control Office at (907) 269-0350 or amco.regs@alaska.gov.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010; AS 17.38.070; AS 17.38.121; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.070 AS 17.38.200 AS 17.38.210

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: July 21, 2017

Erika McConnell, director

 [Leave a Comment](#)

▼ **Attachments, History, Details**

Attachments

[MCB Additional Regs Notice.pdf](#)

[MCB Public Notice \(local govt jurisdiction and public objection\).pdf](#)

[MCB Regulations draft local government jurisdiction and public objection.pdf](#)

[MCB supplemental Public Notice \(local govt jurisdiction and public objection\).pdf](#)

Revision History

Created 7/21/2017 6:38:13 PM by jrsmith

Modified 8/8/2017 8:20:06 AM by jrsmith

Modified 8/9/2017 9:21:28 AM by jrsmith

Modified 8/9/2017 2:08:15 PM by jrsmith

Details

Department: Commerce, Community and Economic Development

Category: Regulations

Sub-Category: Notice of Proposed Regulations

Location(s): Statewide

Project/Regulation #: JU2017200477

Publish Date: 7/21/2017

Archive Date: 9/6/2017

Events/Deadlines:

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

Local Government Jurisdiction

3 AAC 306.025 (b)(3)(A) is amended to read:

(A) **each local government with jurisdiction over the licensed premises**

[THE LOCAL GOVERNMENT];

3 AAC 306.025 (d)(2) is amended to read:

(2) **each local government** [THE LOCAL GOVERNMENT] with jurisdiction over the applicant's proposed licensed premises.

3 AAC 306.035 (c)(2) is amended to read:

(2) **each local government with jurisdiction over the applicant's proposed licensed premises** [IN THE AREA IN WHICH THE APPLICANT'S PROPOSED LICENSED PREMISES ARE LOCATED].

3 AAC.045 (c)(2) is amended to read:

(2) **each local government with jurisdiction over the applicant's proposed licensed premises** [IN THE AREA IN WHICH THE LICENSED PREMISES ARE LOCATED];

3 AAC 306.060 is amended by adding a new subsection to read:

(d) For the purpose of this section, "local government" means each government with jurisdiction over the licensed premises.

Public Objection:

3 AAC 306.065 is amended to read:

A person may object to an application for a new license, renewal of a license, or transfer of a license to another person by submitting a written statement of reasons for the objection to the board and the applicant **not later than 30 days after the director has determined the**

application is complete and has given written notice to the local government according to 3

AAC 306.025. [NOT LATER THAN 30 DAYS AFTER NOTICE OF THE APPLICATION,

BUT NOT LATER THAN THE DEADLINE FOR OBJECTIONS STATED IN A POSTED

OR PUBLISHED NOTICE OF THE APPLICATION]. The objection must be sent to the

applicant at the mailing address or electronic mail address provided in the notice of application

and also to the Alcohol and Marijuana Control Office. If the board determines to conduct a

public hearing under this section, an interested person may give oral testimony at the public

hearing.

3 AAC 306.075 (a) (2) is repealed:

(2) Repealed__ / __ / ____.

SUPPLEMENTAL NOTICE OF PROPOSED CHANGES ON LOCAL GOVERNMENT
JURISDICTION NOTIFICATION AND PUBLIC OBJECTION PROCESS
IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with the notification for local government jurisdiction over marijuana licenses and the public objection process for new, renewal or transfers of marijuana licenses, including the following:

- (1) 3 AAC 306.025, 3 AAC 306.035, 3 AAC 306.045, and 3 AAC 306.060 is proposed to be changed to require notice from marijuana applicants to all applicable local government jurisdictions.
- (2) 3 AAC 306.065 is proposed to extend the period for public objections.
- (3) 3 AAC 306.075(a)(2) is proposed to be repealed.

This is a SUPPLEMENTAL NOTICE adding to the NOTICE OF PROPOSED CHANGES that was issued on July 21, 2017, concerning these proposed regulation revisions contained in the Department of Law file number JU2017200477. This SUPPLEMENTAL NOTICE is being issued to include the statutes being implemented, interpreted or made specific.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Alcohol & Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at amco.regs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 4:30 pm on September 5, 2017.

You may submit written questions relevant to the proposed action to the Marijuana Control Board by email at amco.regs@alaska.gov or at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. The questions must be received at least 10 days before the end of the public comment period. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jedediah Smith at amco.regs@alaska.gov or (907) 269-0350 not later than August 25, 2017 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol & Marijuana Control Office at (907) 269-0350 or amco.regs@alaska.gov.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010; AS 17.38.070; AS 17.38.121; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.070 AS 17.38.200 AS 17.38.210

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: August 9, 2017

A handwritten signature in cursive script that reads "Erika McConnell".

Erika McConnell, director

Marijuana Control Board proposed regulations - - changes to disposal of marijuana waste, quality control of marijuana, and reporting unauthorized access to a licensed marijuana facility.

NOTICE OF PROPOSED CHANGES ON THE DISPOSAL OF MARIJUANA WASTE, QUALITY CONTROL OF MARIJUANA, AND REPORTING UNAUTHORIZED ACCESS TO A LICENSED MARIJUANA FACILITY IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with disposal of marijuana waste, quality control samples of marijuana, and reporting of unauthorized access to a licensed marijuana establishment, including the following:

- (1) 3 AAC 306.460 and 3 AAC 306.557 are proposed new subsections allowing marijuana licensees to give small amounts of marijuana to employees for the purpose of quality control testing.
- (2) 3 AAC 306.660, and 3 AAC 306.740 are proposed changes to the notification requirements for disposal of waste of marijuana or marijuana products.
- (3) 3 AAC 306.715 is proposed to require a marijuana establishment to notify the Marijuana Control Board of unauthorized access to the licensed premises.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Alcohol & Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at amco.regs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. **The comments must be received not later than 4:30 pm on September 29, 2017.**

You may submit written questions relevant to the proposed action to the Marijuana Control Board by email at amco.regs@alaska.gov or at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. The questions must be received at least 10 days before the end of the public comment period. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jedediah Smith at amco.regs@alaska.gov or (907) 269-0350 not later than September 22, 2017 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol & Marijuana Control Office at (907) 269-0350 or amco.regs@alaska.gov.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010; AS 17.38.070; AS 17.38.121; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.070 AS 17.38.200 AS 17.38.210

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: August 16, 2017

 [Leave a Comment](#)

▼ **Attachments, History, Details**

Attachments

- [MCB Additional Public Notice \(Waste Disposal, quality control\).pdf](#)
- [MCB Draft Language \(Waste Disposal, Quality Control\) .pdf](#)
- [MCB Public Notice \(quality control\).pdf](#)

Revision History

Created 8/17/2017 4:23:52 PM by jrsmith
Modified 8/17/2017 4:24:45 PM by jrsmith
Modified 8/23/2017 3:26:42 PM by jrsmith

Details

Department:	Commerce, Community and Economic Development
Category:	Regulations
Sub-Category:	Notice of Proposed Regulations
Location(s):	Statewide
Project/Regulation #:	JU2017200542
Publish Date:	8/17/2017
Archive Date:	9/30/2017
Events/Deadlines:	

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.460 is amended by adding a new subsection to read:

(d) A licensed marijuana cultivation facility may provide a sample of marijuana to an employee of the facility, that is in possession of a valid marijuana handler card for the purpose of quality control only if:

(1) samples provided to employees for quality control does not exceed a cumulative total of one ounce per 30-day period;

(2) each sample is registered and tracked using the marijuana inventory tracking system in accordance with 3 AAC 306.730;

(3) consumption of marijuana does not occur on the licensed premises;

(4) no sample is resold to another licensee or consumer;

(5) each employee who receives a marijuana sample for the purpose of quality control completes a quality control form prescribed by the board for each sample; and

(6) the licensee maintains copies of completed forms required under (5) of this subsection in accordance with 3 AAC 306.755.

(7) marijuana that leaves the licensed premises must be packaged in opaque, resealable, child-resistant packaging and clearly marked or labeled “For Quality Control” and the packaging must be designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly. (Eff. __/__/____.

Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900

3 AAC 306 is amended by adding a new section to read:

3 AAC 306.557. **Quality Control sampling.** (a) A licensed marijuana product manufacturing facility may provide a sample of marijuana concentrate or other marijuana product to an employee of the facility, that is in possession of a valid marijuana handler card for the purpose of quality control only if:

(1) Samples provided to employees for quality control do not exceed a cumulative total set out in 3 AAC 306.355 in a 30-day period:

(2) each sample is registered and tracked using the marijuana inventory tracking system in accordance with 3 AAC 306.730;

(3) consumption of marijuana does not occur on the licensed premises;

(4) no sample is resold to another licensee or consumer;

(5) each employee who receives a marijuana sample for the purpose of quality control completes a quality control form prescribed by the board for each sample; and

(6) the marijuana cultivation facility licensee maintains copies of completed forms required under (5) of this subsection in accordance with 3 AAC 306.755.

(7) marijuana that leaves the licensed premises must be packaged in opaque, resealable, child-resistant packaging and clearly marked or labeled “For Quality Control” and the packaging must be designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly. (Eff. __/__/____.

Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900

3 AAC 306.660. Failed materials; retests (a) If a sample tested by a marijuana testing facility does not pass the required tests based on the standards set out in 3 AAC 306.645, the marijuana establishment that provided the sample shall

(1) dispose of the entire harvest batch or production lot from which the sample was taken; and

(2) document the disposal of the sample using the marijuana establishment's marijuana inventory tracking system; **and**

(3) notify the director in writing within 24 hours if the amount destroyed totals more than one ounce.

(b) If a sample of marijuana fails a required test, any marijuana plant trim, leaf, and other usable material from the same plants automatically fail the required test. The **director** [BOARD] may approve a **written** request, **on a form prescribed by the board,** to allow a batch of marijuana that fails a required test to be used to make a carbon dioxide- or solvent-based extract. After processing, the carbon dioxide- or solvent-based extract must pass all required tests.

(c) If a marijuana cultivation facility or a marijuana product manufacturing facility **submits a written request on a form prescribed by the board** [PETITIONS] for a retest of marijuana or a marijuana product that failed a required test, the **director** [BOARD] may authorize a retest to validate the test results. The marijuana cultivation facility or a marijuana product manufacturing facility shall pay all costs of a retest.

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

3 AAC 306.715 is amended by adding a new subsection to read:

(e) A marijuana establishment will notify the Alcohol and Marijuana Control Office as soon as reasonably practical and in no case more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises. (Eff 2/21/2016, Register 217; am __/__/____, Register____)

3 AAC 306.740 Waste Disposal is amended to read:

(a) A marijuana establishment shall store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation production, processing, testing, or retail sales, in compliance with applicable federal, state, and local statutes, ordinances, regulations, and other law

(b) Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves a marijuana establishment. Marijuana waste includes

(1) marijuana plant waste, including, [ROOTS] stalks, leaves, and stems that have not been processed with solvent;

(2) solid marijuana sample plant waste in the possession of a marijuana testing facility;

(3) marijuana or marijuana product that has been deemed by the licensee unfit for sale or consumption;

(4) expired marijuana products; and

(5) other waste as determined by the board.

(c) A marijuana establishment shall

(1) in the marijuana inventory tracking system required under 3 AAC 306.730, give the board notice not later than three days before making the waste unusable and disposing of it; however, the director may authorize immediate disposal on an emergency basis; and

(2) keep a record **through the inventory tracking system** of the final destination of marijuana waste made unusable; **and**

(3) immediately notify the board in writing if requesting disposal of

(A) more than 1 gram of marijuana concentrate; or

(B) more than one ounce of marijuana or marijuana product.

(d) Marijuana plant waste must be made unusable by grinding the marijuana plant waste and mixing it with at least an equal amount of other compostable or non-compostable materials. A marijuana establishment may use another method to make marijuana waste unusable if the board approves the method in advance. Material that may be mixed with the marijuana waste includes

(1) compostable materials including food waste, yard waste, vegetable based grease or oils, or other wastes approved by the board when the mixed material can be used as compost feedstock or in another organic waste method such as an anaerobic digester with approval of any applicable local government entity; or

(2) non-compostable materials including paper waste, cardboard waste, plastic waste, oil, or other wastes approved by the board when the mixed material may be delivered to a permitted solid waste facility, incinerator, or other facility with approval of any applicable local government entity.

(e) If marijuana or a marijuana product is found by, or surrendered to, a law enforcement officer including a peace officer or an airport security officer, the officer may dispose of the marijuana or marijuana product as provided in this section or by any method that is allowed under any applicable local ordinance. (Eff. 2/21/2016. Register 217, am __/__/____, Register____)

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

NOTICE OF PROPOSED CHANGES ON THE DISPOSAL OF MARIJUANA WASTE,
QUALITY CONTROL OF MARIJUANA, AND REPORTING UNAUTHORIZED ACCESS
TO A LICENSED MARIJUANA FACILITY IN THE REGULATIONS OF THE MARIJUANA
CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with disposal of marijuana waste, quality control samples of marijuana, and reporting of unauthorized access to a licensed marijuana establishment, including the following:

- (1) 3 AAC 306.460 and 3 AAC 306.557 are proposed new subsections allowing marijuana licensees to give small amounts of marijuana to employees for the purpose of quality control testing.
- (2) 3 AAC 306.660, and 3 AAC 306.740 are proposed changes to the notification requirements for disposal of waste of marijuana or marijuana products.
- (3) 3 AAC 306.715 is proposed to require a marijuana establishment to notify the Marijuana Control Board of unauthorized access to the licensed premises.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Alcohol & Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at amco.regs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 4:30 pm on September 29, 2017.

You may submit written questions relevant to the proposed action to the Marijuana Control Board by email at amco.regs@alaska.gov or at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501. The questions must be received at least 10 days before the end of the public comment period. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jedediah Smith at amco.regs@alaska.gov or (907) 269-0350 not later than September 22, 2017 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol & Marijuana Control Office at (907) 269-0350 or amco.regs@alaska.gov.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further

notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010; AS 17.38.070; AS 17.38.121; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.070 AS 17.38.200 AS 17.38.210

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: August 16, 2017

A handwritten signature in cursive script that reads "Erika McConnell".

Erika McConnell, director

