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OFFICE OF THE LIEUTENANT GOVERNOR ALASKA

MEMORANDUM

TO:

Sara Chambers, Department of Commerce, Community and Economic Development

FROM:

April Simpson, Office of the Lieutenant Governor

465.4081

DATE:

September 8, 2023

RE:

Filed Permanent Regulations: Marijuana Control Board

Alcohol & Marijuana Control Office regulations re: Marketing and Promotional

Activities (3 AAC 306.310, .770)

Attorney General File:

2023200159

Regulation Filed:

9/8/2023

Effective Date:

10/8/2023

Print:

248, January 2024

cc with enclosures:

Colleen Bailey, Department of Law

Judy Herndon, LexisNexis

Jane P. Sawyer, Regulations Specialist

Kristina Serezhenkov, Regulations Specialist

Department of Law



CIVIL DIVISION

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September 8, 2023

The Honorable Nancy Dahlstrom Lieutenant Governor State of Alaska P.O. Box 110015 Juneau, AK 99811-0015

Re: 3 AAC 306.310, .770: - AMCO Marketing and Promotional Activities

Our file: 2023200159

Dear Lieutenant Governor Dahlstrom:

The Department of Law has reviewed the attached regulations of the Marijuana Control Board against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This letter constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The regulations were adopted by the Marijuana Control Board after the close of the public comment period.

The regulations concern marketing and promotional activities by licensed marijuana facilities. The regulations simplify or eliminate existing restrictions and limitations on promotions and advertising by licensees. They delete current prohibitions on free samples and coupons, offsite promotional activities, and advertising on public transit and at post-secondary educational institutions. They further simplify existing limitations on onsite signage and print and audio advertisements.

The June 19, 2023 public notice and the September 6, 2023 certification of adoption both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.060 is not required.

We have made some technical corrections to conform the regulations in accordance with AS 44.62.060. The corrections are incorporated into the attached copy of the regulations.

Sincerely,

TREG TAYLOR ATTORNEY GENERAL

Kevin M. Dilg Digitally signed by Kevin M. Dilg M. Dilg Date: 2023.09.08 14:41:06 -08'00'

By:

Kevin M. Dilg Senior Assistant Attorney General for Rebecca C. Polizzotto

Chief Assistant Attorney General Legislation, Regulations, and Legislative Research Section

KMD/pwp

CC w/enclosure: Kristina Serezhenkov, Regulations Specialist 2

Department of Commerce, Community and Economic Development

Kevin A. Higgins, Assistant Attorney General

Department of Law

Parker W. Patterson, Assistant Attorney General

Department of Law

APPENDIX J: Certification Order

ORDER CERTIFYING THE CHANGES TO REGULATIONS OF THE MARIJUANA CONTROL BOARD

The attached four pages of regulations, dealing with business signs and promotions, is certified to be a correct copy of the regulation changes that the Marijuana Control Board adopted at its August 23, 2023, meeting, under the authority of AS 17.38.121 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

On the record, in considering public comments, the Marijuana Control Board paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes described in this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

Date: September 6, 2015

Joan M. Wilson, Director

April Gimpson for

FILING CERTIFICATION

I, Nancy Dahlstrom, Lieutenant Governor for the State of Alaska, certify that on

Gentlember 9, 2013 at 4:14 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.

For Lieutenant Governor Navay Danistrom

Effective:

October 8, 2023.

Register:

248, Jonanum 2024

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, NANCY DAHLSTROM, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employees to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

April Simpson, Regulations and Initiatives Specialist

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on May 15th, 2023.

OF THE STATE OF ALASE

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

- 3 AAC 306.310(b)(3) is amended to read:
 - (b) A licensed retail marijuana store may not

...

- (3) offer, [OR] deliver, or sell an alcoholic beverage to a consumer[, AS A MARKETING PROMOTION OR] for any [OTHER] reason[,
 - (A) FREE MARIJUANA OR MARIJUANA PRODUCT, INCLUDING A SAMPLE; OR
 - (B) ALCOHOLIC BEVERAGES, FREE OR FOR COMPENSATION];

• • •

(Eff. 2/21/2016, Register 217; am 4/11/2019, Register 230; em am 4/17/2020 - 8/14/2020,

Register 234; am 11/24/2020, Register 236, am 10 /8 /2023, Register 248)

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 306.770(b) is amended to read:
- (b) A licensed marijuana establishment <u>operating within the boundary of a local</u>
 government shall comply with the local government's laws regarding the size, number, and

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placement of any sign displayed at the licensed premises [MAY HAVE NOT MORE THAN THREE SIGNS THAT ARE VISIBLE TO THE GENERAL PUBLIC FROM THE PUBLIC RIGHT-OF-WAY. TWO OF THE THREE SIGNS MAY ONLY BE PLACED IN THE MARIJUANA FACILITY'S WINDOW OR ATTACHED TO THE OUTSIDE OF THE LICENSED PREMISES. THE SIZE OF EACH SIGN MAY NOT EXCEED 4,800 SQUARE INCHES]. In areas without a local government, a licensed marijuana establishment sign may not violate AS 19.25.075 - 19.25.160. A sign meeting these requirements is not advertising or promotions.

- 3 AAC 306.770(f) is amended to read:
- (f) An advertisement for a licensed marijuana establishment and for marijuana or a marijuana product may not be placed

• • •

- (2) on or in a <u>publicly owned or operated property</u> [PUBLIC TRANSIT VEHICLE OR PUBLIC TRANSIT SHELTER]; <u>or</u>
- (3) <u>within 1,000 feet of a substance abuse or treatment facility</u> [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].

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The introductory language of 3 AAC 306.770(g) is amended to read:

(g) Each of the following warnings must appear in an [AN] advertisement for marijuana or any marijuana product with visual contrast for print advertisements and intelligible audio for audio advertisements [MUST CONTAIN EACH OF THE FOLLOWING WARNINGS, THAT MUST BE PLAINLY VISIBLE AND AT LEAST HALF THE FONT SIZE OF AN ADVERTISEMENT ON A SIGN, AND NO SMALLER THAN SIZE NINE FONT WHEN THE ADVERTISEMENT IS IN PRINTED FORM; WARNINGS IN AUDIO ADVERTISEMENTS MUST BE INTELLIGIBLE AND PLAYED AT THE SAME SPEED AS THE ADVERTISEMENT]:

3 AAC 306.770(k) is amended to read:

- (k) A licensed marijuana establishment may not encourage the sale of marijuana or a marijuana product
- (1) by <u>conducting games or competitions related to the consumption of</u>

 [USING GIVEAWAY COUPONS FOR] marijuana or a marijuana product [AS

 PROMOTIONAL MATERIALS]; <u>or</u>
- (2) by <u>providing promotional materials or activities of a manner or type that</u>

 <u>would be especially appealing to children</u> [CONDUCTING GAMES OR COMPETITIONS

 RELATED TO THE CONSUMPTION OF MARIJUANA;
- (3) BY PROVIDING PROMOTIONAL MATERIALS OR ACTIVITIES OF A MANNER OR TYPE THAT WOULD BE ESPECIALLY APPEALING TO CHILDREN; OR

(4) BY HOLDING PROMOTIONAL ACTIVITIES OUTSIDE OF THE

LICENSED PREMISES]. (Eff. 10/17/2018, Register 228; am 10 / 8 / 2023, Register 248)

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