

MEMORANDUM

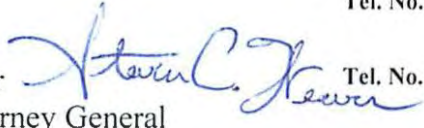
State of Alaska
Department of Law

To: Hon. Byron Mallott
Lieutenant Governor

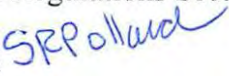
Date: January 20, 2016

File No.: JU2015200669

Tel. No.: 465-3600

From: Steven C. Weaver 
Sr. Assistant Attorney General
and Assistant Regulations Attorney
Legislation and Regulations Section

Tel. No.: 465-3600

Thru: Susan R. Pollard 
Chief Assistant Attorney General
and Regulations Attorney
Legislation and Regulations Section

Re: Omnibus licensure requirements and
procedures for marijuana
establishments (3 AAC 306)

We have reviewed the attached regulations from the Marijuana Control Board against the statutory standards of the Administrative Procedure Act. Implementing AS 17.38, the regulations establish comprehensive procedures and requirements for the licensure of marijuana establishments.

Except for certain text in 3 AAC 306.055(a) and (b), and except for 3 AAC 306.455(d) and 3 AAC 306.550"(e)", we find no legal problems with the regulations. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations.

Please note that this memorandum constitutes the approval for two adoption actions of the Marijuana Control Board: the adoption action of November 20, 2015 for 127 pages of regulations, and the adoption action of December 1, 2015 for a one-page amendment to one of the previously adopted provisions, 3 AAC 306.015(e)(2). We request that your office file the two sets of regulations on the same date and at the same time, so that they have the same effective date. As part of our edits to the one-page amendment, the history note contains a special "add'l am" notation, to indicate that that both the provision as originally adopted on November 20, 2015 and the amendment of December 1, 2015 have the same effective date. The practical effect will be that the regulation that takes effect as 3 AAC 306.015(e)(2) is the regulation as amended on December 1, 2015.

Under AS 44.62.060(b) we have disapproved certain text in 3 AAC 306.055(a) and (b), and we have disapproved all of 3 AAC 306.455(d) and 3 AAC 306.550"(e)", as well as a clause in 3 AAC 306.455(a) that cross-referenced 3 AAC 306.455(d). Our analysis follows.

As adopted, 3 AAC 306.055(a) requires an applicant for a marijuana establishment license to "submit the person'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*." [Emphasis added.] Similarly, 3 AAC 306.055(b) as adopted instructs the Marijuana Control Board's director to obtain from the state Department of Public Safety "a report of criminal justice information under AS 12.62 *and a national criminal history record check under AS 12.62.400*." [Emphasis added.] The Federal Bureau of Investigation conducts national criminal history record checks. See AS 12.62.400(a). But the state Department of Public Safety has alerted us that the United States Department of Justice and the Federal Bureau of Investigation have interpreted the relevant federal statute--in this case, Title II, Public Law (P.L.) 92-544 (October 25, 1972) (making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1973, and for other purposes)--to require that, before the Federal Bureau of Investigation will conduct a national criminal history record check, specific authority be expressed in a state statute to require fingerprinting and the use of Federal Bureau of Investigation records. Because state statutory authority of this sort presently does not exist regarding applicants for marijuana establishment licenses, either in AS 12.62.400 or AS 17.38, any regulation to obtain national criminal history record checks must await the legislature's amendment of relevant state statutes. Accordingly, we have disapproved the phrase "and a national criminal history record check" in 3 AAC 306.055(a) and the phrase "and a national criminal history record check under AS 12.62.400" in 3 AAC 306.055(b).

Please note that nothing in our disapproval prevents the Marijuana Control Board from denying an applicant a license, denying renewal of a license, or taking disciplinary action against a licensee if the applicant or licensee has a conviction under 3 AAC 306.010(d) and the board learns of the conviction through a background check limited to criminal justice information in this state, or through information about a conviction outside this state from a source other than a Federal Bureau of Investigation national criminal history record check. Also please note that nothing in our disapproval prevents the board from denying an applicant a license or from taking disciplinary action against a licensee if the applicant or licensee engages in unsworn falsification as described in 3 AAC 306.020(e) and 3 AAC 306.035(b)(5).

Next, 3 AAC 306.455 (marijuana cultivation facilities: required laboratory testing) sets specific requirements and procedures for sampling of harvest batches of marijuana and submission of those samples to a marijuana testing facility for testing. However, as adopted 3 AAC 306.455(d) would allow "an applicant for licensure" to "propose alternative means of testing to meet the requirements of this code" if "geographic location and transportation limitations make it unfeasible for a manufacturing facility to transport testing samples to a lab." As drafted, this language does not fit the context of 3 AAC 306.400 - 3 AAC 306.480 (marijuana cultivation facilities), because the text explicitly addresses "an applicant for licensure" and "a manufacturing facility", not a marijuana cultivation facility, the subject of 3 AAC 306.400 - 3 AAC 306.480. For example, if "applicant" means an applicant for a marijuana cultivation facility license, compliance with any testing requirement is impossible, because the applicant has

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yet either to grow any marijuana or to propose transport of a harvest batch to another licensed marijuana establishment.

Also, the reference in 3 AAC 306.455(d) to "this code" is not an official subdivision either in the Alaska Statutes or the Alaska Administrative Code. This state subdivides statutes and regulations by "title", "chapter", "section", "subsection", "paragraph", "subparagraph", and "sub-subparagraph". Unofficial subdivisions, means of organization that are not officially part of a statute citation or regulation citation but merely organizational conveniences for the reader, consist of "parts" and "articles". In this state, a "code" does not exist as either an official or unofficial subdivision. As a result, where 3 AAC 306.455(d) references an "alternative . . . to meet the requirements of this code," the reader does not know what provision of 3 AAC 306 the proposed alternative is meant to address. For example, by "code", did the Marijuana Control Board mean just 3 AAC 306.455--in which case, the proper term to use would have been "this section"--or did the board mean other sections in 3 AAC 306?

Most important, the language in 3 AAC 306.455(d) lacks standards that the Marijuana Control Board could apply in a balanced, unbiased, and consistent manner to evaluate or approve a proposed alternative means of testing. Rather, the language says only that "an applicant . . . may propose" an alternative "[w]hen geographic location and transportation limitations make . . . unfeasible" the application of "this code." The text does not give particulars on what constitutes "geographic location and transportation limitations." For instance, "transportation limitations" might refer to some difficulty related to available modes of transportation or might reflect that federal law perhaps imposes limits on the transportation of marijuana, but the text of the regulation does not provide detail.

Though alternative means of meeting a statute or regulation's requirements are not per se invalid, AS 17.38.190 (formerly 17.38.090) tasks the Marijuana Control Board with adopting "health and safety regulations and standards for the manufacture of marijuana products and the cultivation of marijuana"; and AS 17.38.010(b)(3) includes, as a purpose of AS 17.38, that "marijuana sold by regulated businesses will be labeled and subject to additional regulations to ensure that consumers are informed and protected," and states that this purpose is in "the interest of the health and public safety of our citizenry." Additionally, the Alaska Supreme Court has confirmed that the regulations-adoption process under AS 44.62 (Administrative Procedure Act) "is meant to reduce the risk of arbitrary application and to inform the public of regulations."¹ As phrased, 3 AAC 306.455(d)'s open-ended text makes the board vulnerable to arguments that one "applicant" or licensee received more favorable treatment than another, that the record did not support the differential treatment, and that the board's decision in a particular case therefore was arbitrary. In a worst-case scenario, the text might encourage a prospective marijuana establishment to locate in a place where the entity could attempt to argue "geographic location and transportation limitations" in a purposeful effort to avoid the standard testing requirements of 3 AAC 306: requirements adopted in the interest of the health and public safety of the citizenry of this state. Accordingly, we have disapproved 3 AAC 306.455(d), and we have made a related

¹ *Squires v. Alaska Bd. of Architects, Eng'rs, & Land Surveyors*, 205 P.3d 326, 335 (Alaska 2009).

conforming change to 3 AAC 306.455(a) to disapprove the subordinate clause "Except as provided in (d) of this section,".

For most of the reasons that we disapproved 3 AAC 306.455(d), we have disapproved the identical text that the Marijuana Control Board adopted as 3 AAC 306.550"(e)". At the outset, we note that the citation itself--i.e., 3 AAC 306.550"(e)"--contains a clerical error: because 3 AAC 306.550 has only three other subsections, the correct tag for this subsection would be "(d)" rather than "(e)". We also note that, in contrast to 3 AAC 306.455(d), the reference to "manufacturing facility" in 3 AAC 306.550"(e)" is less out-of-place, because the subject of 3 AAC 306.500 - 3 AAC 306.570 is indeed marijuana product manufacturing facilities. But otherwise, 3 AAC 306.550"(e)" suffers the same flaws as 3 AAC 306.455(d): an "applicant for licensure", having not yet manufactured a marijuana product, lacks samples to transport for testing; the use of "this code" is unexplained; and the text that "an applicant . . . may propose" an alternative "[w]hen geographic location and transportation limitations make . . . unfeasible" the application of "this code" lacks standards that the Marijuana Control Board could apply in a balanced, unbiased, and consistent manner to evaluate or approve a proposed alternative means of testing, and therefore could make the board vulnerable to arguments that it acted arbitrarily in a particular case by treating one applicant or licensee more favorably than another, with insufficient reasoning on the record. Accordingly, we have disapproved 3 AAC 306.550"(e)".

Finally, we have a remark on the authority citation that follows each section of 3 AAC 306. In each authority citation that follows 3 AAC 306.005 - 3 AAC 306.360 (Articles 1 - 3) and 3 AAC 306.700 - 3 AAC 306.850 (Articles 7 - 8), a citation to AS 17.38.150 (duties of director) (formerly numbered AS 17.38.087) routinely appears. But that citation was missing from the authority citations that follow 3 AAC 306.400 - 3 AAC 306.675 (Articles 4 - 6) and 3 AAC 306.905 - 3 AAC 306.990 (Article 9), and we did not understand what purpose, if any, the inconsistency served. Accordingly, we have restored the missing citation "AS 17.38.150" so that it appears consistently in each authority citation in this chapter.

These regulations were originally separated into three sets by subject matter--under Department of Law file numbers JU2015200372, JU2015200509, and JU2015200669--before being consolidated into a single set of regulations in October 2015 under the single Department of Law file number JU2015200669. The May 21, 2015 public notice for the first set, the July 8, 2015 supplemental public notice for the first set, the July 8, 2015 public notice for the second set, the August 12, 2015 public notice for the third set, the October 6, 2015 supplemental public notice for the consolidated set, the October 7, 2015 supplemental public notice for the consolidated set, the January 11, 2016 certification of adoption order for the regulations that the board adopted on November 20, 2015, and the January 11, 2016 certification of adoption order for the amendment that the board adopted on December 1, 2015 all state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

Hon. Byron Mallott, Lieutenant Governor
Our file: JU2015200669

January 20, 2016
Page 5

We have made some technical corrections to the regulations in accordance with AS 44.62.125, as shown on the attached copy. The corrections include edits to the section numbering in each authority citation that follows each section. These edits reflect that the Revisor of Statutes at the Legislative Affairs Agency, acting in the revisor's capacity under AS 01.05.031, renumbered a number of the sections in AS 17.38 when preparing them for codification in the 2015 Alaska Statutes. In the cross-references set out in some of the regulations and in each authority citation that follows each section of regulations, our edits to the the statutory section numbering correspond to the new statutory section numbers.

SCW

cc w/enc: (via email)

Cynthia Franklin, Executive Director
Alcoholic Beverage Control Board and Marijuana Control Board

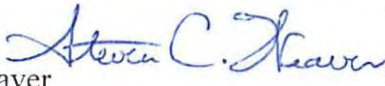
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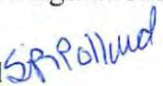
To: Cynthia A. Franklin, Executive Director
Marijuana Control Board

Date: January 20, 2016

File No.: JU2015200669

From: Steven C. Weaver 
Sr. Assistant Attorney General
and Assistant Regulations Attorney
Legislation and Regulations Section

Tel. No.: 465-3600

Thru: Susan R. Pollard 
Chief Assistant Attorney General
and Regulations Attorney
Legislation and Regulations Section

Re: Omnibus licensure requirements and
procedures for marijuana
establishments (3 AAC 306)

Under AS 44.62.060, we have reviewed the attached changes by the Marijuana Control Board. Except for certain text in 3 AAC 306.055(a) and (b), and except for 3 AAC 306.455(d) and 3 AAC 306.550(e)", we approve the regulations for filing by the lieutenant governor. This memorandum constitutes the approval for two adoption actions of the Marijuana Control Board: the adoption action of November 20, 2015 for 127 pages of regulations, and the adoption action of December 1, 2015 for a one-page amendment to 3 AAC 306.015(e)(2), a previously adopted provision of the regulations.

Under AS 44.62.060(b), the Department of Law is required to review agency regulations and "prepare a written statement of approval or disapproval after each regulation has been reviewed in order to determine (1) its legality, constitutionality, and consistency with other regulations; (2) the existence of statutory authority and the correctness of the required citation of statutory authority following each section; (3) its clarity, simplicity of expression, and absence of possibility of misapplication;" and "(4) compliance with the drafting manual for administrative regulations," a document that the Department of Law prepares and most recently updated in August 2015. Under AS 44.62.060(c), "[t]he lieutenant governor may not accept for filing a regulation, amendment, or order of repeal required by AS 44.62.040 unless it is accompanied by the written statement specified in (b) of this section and the statement approves the regulation, amendment, or order of repeal." Under AS 44.62.060(b) we have disapproved certain text in 3 AAC 306.055(a) and (b), and we have disapproved all of 3 AAC 306.455(d) and 3 AAC 306.550(e)", as well as a clause in 3 AAC 306.455(a) that cross-referenced 3 AAC 306.455(d). Our analysis follows.

As adopted, 3 AAC 306.055(a) requires an applicant for a marijuana establishment license to "submit the person'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." [Emphasis added.] Similarly, 3 AAC 306.055(b) as adopted instructs the Marijuana Control Board's director to obtain from the state Department of Public Safety "a report of criminal justice information under AS 12.62 *and a national criminal history record check under AS 12.62.400.*" [Emphasis added.] The Federal Bureau of Investigation conducts national criminal history record checks. *See* AS 12.62.400(a). But the state Department of Public Safety has alerted us that the United States Department of Justice and the Federal Bureau of Investigation have interpreted the relevant federal statute--in this case, Title II, Public Law (P.L.) 92-544 (October 25, 1972) (making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1973, and for other purposes)--to require that, before the Federal Bureau of Investigation will conduct a national criminal history record check, specific authority be expressed in a state statute to require fingerprinting and the use of Federal Bureau of Investigation records. Because state statutory authority of this sort presently does not exist regarding applicants for marijuana establishment licenses, either in AS 12.62.400 or AS 17.38, any regulation to obtain national criminal history record checks must await the legislature's amendment of relevant state statutes. Accordingly, we have disapproved the phrase "and a national criminal history record check" in 3 AAC 306.055(a) and the phrase "and a national criminal history record check under AS 12.62.400" in 3 AAC 306.055(b).

Please note that nothing in our disapproval prevents the Marijuana Control Board from denying an applicant a license, denying renewal of a license, or taking disciplinary action against a licensee if the applicant or licensee has a conviction under 3 AAC 306.010(d) and the board learns of the conviction through a background check limited to criminal justice information in this state, or through information about a conviction outside this state from a source other than a Federal Bureau of Investigation national criminal history record check. Also please note that nothing in our disapproval prevents the board from denying an applicant a license or from taking disciplinary action against a licensee if the applicant or licensee engages in unsworn falsification as described in 3 AAC 306.020(e) and 3 AAC 306.035(b)(5).

Next, 3 AAC 306.455 (marijuana cultivation facilities: required laboratory testing) sets specific requirements and procedures for sampling of harvest batches of marijuana and submission of those samples to a marijuana testing facility for testing. However, as adopted 3 AAC 306.455(d) would allow "an applicant for licensure" to "propose alternative means of testing to meet the requirements of this code" if "geographic location and transportation limitations make it unfeasible for a manufacturing facility to transport testing samples to a lab." As drafted, this language does not fit the context of 3 AAC 306.400 - 3 AAC 306.480 (marijuana cultivation facilities), because the text explicitly addresses "an applicant for licensure" and "a manufacturing facility", not a marijuana cultivation facility, the subject of 3 AAC 306.400 - 3 AAC 306.480. For example, if "applicant" means an applicant for a marijuana cultivation facility license, compliance with any testing requirement is impossible, because the applicant has yet either to grow any marijuana or to propose transport of a harvest batch to another licensed marijuana establishment.

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Also, the reference in 3 AAC 306.455(d) to "this code" is not an official subdivision either in the Alaska Statutes or the Alaska Administrative Code. This state subdivides statutes and regulations by "title", "chapter", "section", "subsection", "paragraph", "subparagraph", and "sub-subparagraph". Unofficial subdivisions, means of organization that are not officially part of a statute citation or regulation citation but merely organizational conveniences for the reader, consist of "parts" and "articles". In this state, a "code" does not exist as either an official or unofficial subdivision. As a result, where 3 AAC 306.455(d) references an "alternative . . . to meet the requirements of this code," the reader does not know what provision of 3 AAC 306 the proposed alternative is meant to address. For example, by "code", did the Marijuana Control Board mean just 3 AAC 306.455--in which case, the proper term to use would have been "this section"--or did the board mean other sections in 3 AAC 306?

Most important, the language in 3 AAC 306.455(d) lacks standards that the Marijuana Control Board could apply in a balanced, unbiased, and consistent manner to evaluate or approve a proposed alternative means of testing. Rather, the language says only that "an applicant . . . may propose" an alternative "[w]hen geographic location and transportation limitations make . . . unfeasible" the application of "this code." The text does not give particulars on what constitutes "geographic location and transportation limitations." For instance, "transportation limitations" might refer to some difficulty related to available modes of transportation or might reflect that federal law perhaps imposes limits on the transportation of marijuana, but the text of the regulation does not provide detail.

Though alternative means of meeting a statute or regulation's requirements are not per se invalid, AS 17.38.190 (formerly 17.38.090) tasks the Marijuana Control Board with adopting "health and safety regulations and standards for the manufacture of marijuana products and the cultivation of marijuana"; and AS 17.38.010(b)(3) includes, as a purpose of AS 17.38, that "marijuana sold by regulated businesses will be labeled and subject to additional regulations to ensure that consumers are informed and protected," and states that this purpose is in "the interest of the health and public safety of our citizenry." Additionally, the Alaska Supreme Court has confirmed that the regulations-adoption process under AS 44.62 (Administrative Procedure Act) "is meant to reduce the risk of arbitrary application and to inform the public of regulations."¹ As phrased, 3 AAC 306.455(d)'s open-ended text makes the board vulnerable to arguments that one "applicant" or licensee received more favorable treatment than another, that the record did not support the differential treatment, and that the board's decision in a particular case therefore was arbitrary. In a worst-case scenario, the text might encourage a prospective marijuana establishment to locate in a place where the entity could attempt to argue "geographic location and transportation limitations" in a purposeful effort to avoid the standard testing requirements of 3 AAC 306: requirements adopted in the interest of the health and public safety of the citizenry of this state. Accordingly, we have disapproved 3 AAC 306.455(d), and we have made a related conforming change to 3 AAC 306.455(a) to disapprove the subordinate clause "Except as provided in (d) of this section,".

¹ *Squires v. Alaska Bd. of Architects, Eng'rs, & Land Surveyors*, 205 P.3d 326, 335 (Alaska 2009).

For most of the reasons that we disapproved 3 AAC 306.455(d), we have disapproved the identical text that the Marijuana Control Board adopted as 3 AAC 306.550"(e)". At the outset, we note that the citation itself--i.e., 3 AAC 306.550"(e)"--contains a clerical error: because 3 AAC 306.550 has only three other subsections, the correct tag for this subsection would be "(d)" rather than "(e)". We also note that, in contrast to 3 AAC 306.455(d), the reference to "manufacturing facility" in 3 AAC 306.550"(e)" is less out-of-place, because the subject of 3 AAC 306.500 - 3 AAC 306.570 is indeed marijuana product manufacturing facilities. But otherwise, 3 AAC 306.550"(e)" suffers the same flaws as 3 AAC 306.455(d): an "applicant for licensure", having not yet manufactured a marijuana product, lacks samples to transport for testing; the use of "this code" is unexplained; and the text that "an applicant . . . may propose" an alternative "[w]hen geographic location and transportation limitations make . . . unfeasible" the application of "this code" lacks standards that the Marijuana Control Board could apply in a balanced, unbiased, and consistent manner to evaluate or approve a proposed alternative means of testing, and therefore could make the board vulnerable to arguments that it acted arbitrarily in a particular case by treating one applicant or licensee more favorably than another, with insufficient reasoning on the record. Accordingly, we have disapproved 3 AAC 306.550"(e)".

Finally, we have a remark on the authority citation that follows each section of 3 AAC 306. In each authority citation that follows 3 AAC 306.005 - 3 AAC 306.360 (Articles 1 - 3) and 3 AAC 306.700 - 3 AAC 306.850 (Articles 7 - 8), a citation to AS 17.38.150 (duties of director) (formerly numbered AS 17.38.087) routinely appears. But that citation was missing from the authority citations that follow 3 AAC 306.400 - 3 AAC 306.675 (Articles 4 - 6) and 3 AAC 306.905 - 3 AAC 306.990 (Article 9), and we did not understand what purpose, if any, the inconsistency served. Accordingly, we have restored the missing citation "AS 17.38.150" so that it appears consistently in each authority citation in this chapter.

You might wish to contact the lieutenant governor's office to confirm the filing date and effective date of the attached regulations changes.

These regulations were originally separated into three sets by subject matter--under Department of Law file numbers JU2015200372, JU2015200509, and JU2015200669--before being consolidated into a single set of regulations in October 2015 under the single Department of Law file number JU2015200669. The May 21, 2015 public notice for the first set, the July 8, 2015 supplemental public notice for the first set, the July 8, 2015 public notice for the second set, the August 12, 2015 public notice for the third set, the October 6, 2015 supplemental public notice for the consolidated set, the October 7, 2015 supplemental public notice for the consolidated set, the January 11, 2016 certification of adoption order for the regulations that the board adopted on November 20, 2015, and the January 11, 2016 certification of adoption order for the amendment that the board adopted on December 1, 2015 all state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

Cynthia Franklin, Executive Director
Marijuana Control Board
Our file: JU2015200669

January 20, 2016
Page 5

We have made some technical corrections to the regulations in accordance with AS 44.62.125, as shown on the attached copy. The corrections include edits to the section numbering in each authority citation that follows each section. These edits reflect that the Revisor of Statutes at the Legislative Affairs Agency, acting in the revisor's capacity under AS 01.05.031, renumbered a number of the sections in AS 17.38 when preparing them for codification in the 2015 Alaska Statutes. In the cross-references set out in some of the regulations and in each authority citation that follows each section of regulations, our edits to the the statutory section numbering correspond to the new statutory section numbers.

SCW:SRP

cc w/enc: (via email)

Micaela Fowler, Regulations Contact
Department of Commerce, Community, and Economic Development

Sarah Oates
Alcoholic Beverage Control Board and Marijuana Control Board
Department of Commerce, Community, and Economic Development

John Calder
Alcoholic Beverage Control Board and Marijuana Control Board
Department of Commerce, Community, and Economic Development

Harriet Dinegar Milks, Assistant Attorney General
Commercial and Fair Business Section

Signe Andersen, Chief Assistant Attorney General
Commercial and Fair Business Section

Cori Mills, Assistant Attorney General

AFFIDAVIT OF ALASKA MARIJUANA CONTROL BOARD

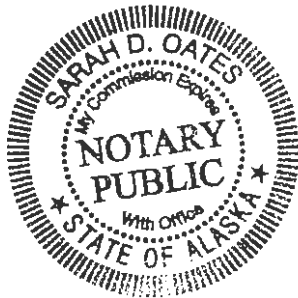
I, Bruce Schulte, Chair to of Alaska Marijuana Control Board, being duly sworn, state the following: The attached motion dealing with regulations concerning marijuana establishments was passed by the Alaska Marijuana Control Board during its December 1, 2015 meeting.

Date: 12/1/15

Bruce Schulte

Bruce Schulte, Chair, Alaska Marijuana Control Board

Subscribed and sworn to before me at Anchorage, Alaska on
December 1, 2015
(date)



Sdo
Notary Public in and for the State of Alaska

¹ The affiant must be an agency staff person who attended the relevant meeting and has actual knowledge that the action was taken.

*Meeting minutes are 25 minutes fast

Bruce Schulte
Mark Springer
Peter Mlynarik
Brandon Emmett
Loren Jones (telephonic)
Harriet Milks (telephonic)
Cynthia Franklin (telephonic)
John Calder
Sarah Oates

Call to Order

10:26:17 AM

Mark Springer motions to adopt the agenda
Brandon Emmett seconds the motion
No objection

10:26:57 AM

Mark Springer motions to amend 3 AAC 306.015(e)(2) as follows:
“‘resident of the state’ means [A PERSON WHO MEETS THE RESIDENCY REQUIREMENT FOR VOTING IN ALASKA AND IS NOT REGISTERED TO VOTE IN ANY OTHER STATE.] 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.”

10:28:21 AM

Peter Mlynarik seconds the motion
Motion carries unanimously

Brandon Emmett motions to amend 3 AAC 306.015(b) and add subsection (f) 10:30:11 AM
as follows:

“(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 eighty-seven point five percent (87.5%) of the partners or ownership interest are held by residents of the state [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 at least eighty-seven point five percent (87.5%) of the members and ownership interest are held by residents of the state [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 at least eighty-seven point five percent (87.5%) of the shareholders and ownership interest are held by residents of the state [EACH SHAREHOLDER WHO OWNS THE CORPORATION'S SHARES IS A RESIDENT OF THE STATE]...

...(f) Any partner or ownership of the proposed marijuana establishment and not an accredited investor or resident of the state must agree to provide any and all information requested by the Marijuana Control Board, including name, address, date of birth, and criminal history report from their state of residence. Cost of such report shall be paid for by the applicant. ”

Mark Springer seconds the motion

Harriet Milks advises that the Department of Law feels that this amendment is outside of the scope of what can be discussed in today's meeting.

Brandon Emmett removes his motion

Mark Springer motions to adjourn

10:39:54 AM

No objection

AFFIDAVIT OF ALASKA MARIJUANA CONTROL BOARD

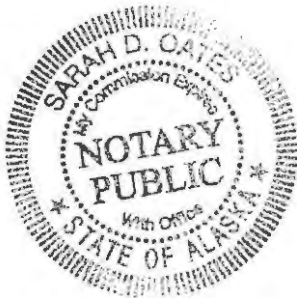
I, Bruce Schulte, Chair of the Alaska Marijuana Control Board, being duly sworn, state the following: The attached motion dealing with regulations concerning marijuana establishments was passed by the Alaska Marijuana Control Board during its November 20, 2015 meeting.

Date: NOV. 20 2015

Bruce Schulte

Bruce Schulte, Chair, Alaska Marijuana Control Board

Subscribed and sworn to before me at Anchorage, Alaska on
November 20, 2015.
(date)



Sdo

Notary Public in and for the State of Alaska

¹ The affiant must be an agency staff person who attended the relevant meeting and has actual knowledge that the action was taken.



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

MARIJUANA CONTROL BOARD
550 W 7th Avenue, Suite 1600
Anchorage, Alaska 99501
Main: 907.269.0350
TDD: 907.465.5437

**Marijuana Control Board
Meeting Minutes
November 20, 2015
Anchorage, Alaska**

*Meeting minutes are 24 minutes fast

Board Members Present:

Bruce Schulte, Chair, Industry Member
Mark Springer, Vice Chair, Rural Member
Peter Mlynarik, Public Safety Member
Brandon Emmett, Industry Member
Loren Jones, Public Health Member

Staff Members Present:

Cynthia Franklin, Director
Sarah Oates, Records & Licensing Supervisor

Legal Counsel Present:

Harriet Milks, Assistant Attorney General
Virginia Rusch, Contracted Regulations Drafter

***Note:**

Words in **boldface and underlined** indicate language to be added.
Words [CAPITALIZED AND BRACKETED] indicate language being deleted.

Call to Order

9:32:37 AM

Loren Jones **motions to approve the agenda**

9:33:07 AM

Mark Springer **seconds the motion**

No objection

Bruce Schulte **discusses handout: Contributing Factors in Regulation
Development**

9:33:52 AM

Bruce Schulte passes the gavel to Mark Springer so that he may act as Chair while Bruce introduces suggested amendments from MCB staff.

9:36:32 AM

"Staff's Amendment #1"

Bruce Schulte motions to replace 3 AAC 306.010(c)(3) with the following:

9:37:13 AM

"(3) has been convicted of a class A misdemeanor within two years of submitting an application, relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed contrary to state law."

Peter Mlynarik seconds the motion

Motion carries, 4-1 (Brandon Emmett votes No)

"Staff's Amendment #2"

Bruce Schulte motions to amend 3 AAC 306.020(b)(1) to remove requirement for employee identification number.

9:43:15 AM

Brandon Emmett seconds the motion

Motion carries unanimously

"Staff's Amendment #3"

Bruce Schulte motions to replace 3 AAC 306.230 with the following:

9:44:29 AM

"When it receives a petition to adopt, change, or remove a local option under 3 AAC 306.200 3 AAC 306.220, the local government shall conduct the election in compliance with the initiative process under the local government's election ordinances and regulations and the applicable provisions of AS 29."

Peter Mlynarik seconds the motion

Motion carries unanimously

"Staff's Amendment #4"

Bruce Schulte motions to remove the tax payment provisions in the following paragraphs or subsections because tax isn't due until a month after marijuana is sold:

9:46:10 AM

3 AAC 306.310(c)

3 AAC 306.405(c)(6)

3 AAC 306.415(c)(5)

3 AAC 306.480(c)

3 AAC 306.510(d)

Peter Mlynarik seconds the motion

Motion carries unanimously

"Staff's Amendment #5"

Bruce Schulte motions to amend 3 AAC 306.035(g) to delete the last sentence which reads:

9:48:27 AM

"[THE BOARD WILL NOT ISSUE A NEW LICENSE FOR THE SAME PREMISES TO THE HOLDER OF AN EXPIRED LICENSE UNLESS THE EXPIRED LICENSE HOLDER'S APPLICATION CONTAINS PROOF SATISFACTORY TO THE BOARD OF GOOD CAUSE FOR FAILURE TO FILE A LICENSE RENEWAL APPLICATION.]"

Brandon Emmett seconds the motion
Motion carries unanimously

"Staff's Amendment #6"

Bruce Schulte motions to amend 3 AAC 306.070 to replace the language as follows:

9:49:31 AM

The director will send notice of a hearing under this section as provided in AS 44.62. [NOT LATER THAN 20 DAYS BEFORE THE HEARING DATE TO EACH PERSON THAT HAS FILED AN OBJECTION, TO EACH LOCAL GOVERNMENT THAT HAS FILED A PROTEST, TO EACH COMMUNITY COUNCIL IN THE AREA OF THE PROPOSED PREMISES AND TO ANY NONPROFIT COMMUNITY ORGANIZATION THAT HAS REQUESTED NOTICE. ANY INTERESTED PERSON MAY BE HEARD AT A HEARING UNDER THIS SUBSECTION UNLESS THE APPLICANT AND THE BOARD WAIVE THIS REQUIREMENT, THE BOARD WILL HOLD THE HEARING IN THE AREA WHERE THE PROPOSED LICENSED PREMISES ARE LOCATED, OR WILL ARRANGE FOR TELEPHONIC APPEARANCE.]

Brandon Emmett seconds the motion
Motion carries unanimously

"Staff's Amendment #7"

Bruce Schulte decides to skip past Staff's Amendment #7, since he has addressed it in more detail in one of his own amendments later on.

9:51:46 AM

"Staff's Amendment #8"

Bruce Schulte motions to amend 3 AAC 306.310)(b)(3)(B) to the following:

9:52:03 AM

"(B) a consumable product other than marijuana or a marijuana product, including cigarettes, tobacco products, alcoholic or non alcoholic beverages, or food, free or for compensation."

Peter Mlynarik seconds the motion
Motion carries unanimously

"Staff's Amendment #9"

Bruce Schulte motions to replace 3 AAC 306.355(a)(1) with the following:

9:53:21 AM

"(1) one ounce of marijuana bud and flower;"

Peter Mlynarik seconds the motion

Motion fails, 2-3 (Loren Jones and Peter Mlynarik vote Yes)

10:01:29 AM

Brandon Emmett motions to table the amendment until a later date

9:56:56 AM

Peter Mlynarik seconds the motion

Motion fails, 2-3 (Brandon Emmett and Bruce Schulte vote Yes)

Brandon Emmett motions to amend the amendment to add the following subsection:

10:00:04 AM

"(2) one ounce of marijuana concentrate;"

No second

"Staff's Amendment #10"

Bruce Schulte motions to remove references to federal regulations in 3 AAC 306.470(b), 3 AAC 306.475(c), and 3 AAC 306.570
Brandon Emmett seconds the motion
Motion carries unanimously

10:01:48 AM

"Staff's Amendment #11"

Bruce Schulte motions to amend 3 AAC 306.510(a)(5) to read:

10:04:35 AM

"(5) operate in a location that is a retail or wholesale food establishment that is subject to the requirements of (A) AS 17.20 and 18 AAC 31(Alaska food Code); and (B) any food safety ordinances and regulations of a Municipality with authority delegated under AS 17.20.072 and 18 AAC 31.945."

Peter Mlynarik seconds the motion

Bruce Schulte informs the Board that he intends to propose an amendment later that will strike this entire section, but that he's okay with adding this language at the moment for clarification.

Motion carries unanimously

"Staff's Amendment #12"

Bruce Schulte motions to amend 3 AAC 306.520(1) to read:

10:09:29 AM

"(1) a copy of 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;"

Brandon Emmett seconds the motion

Motion carries unanimously

"Staff's Amendment #13"

Bruce Schulte motions to amend 3 AAC 306.635(b) as follows:

10:12:53 AM

"(b) An applicant for a marijuana testing facility license and the holder of a marijuana testing facility license must observe good laboratory practices. [BE FAMILIAR WITH, AND TO THE EXTENT POSSIBLE, INTEGRATE INTO THE FACILITY'S OPERATIONS THE GOOD LABORATORY PRACTICES SET OUT IN THE FOLLOWING MATERIALS, HEREBY ADOPTED BY REFERENCE

(1) 21 C.F.R. 58, AS REVISED AS OF DEC. 22, 1978; AND

(2) *PRINCIPLES OF GOOD LABORATORY PRACTICE AND COMPLIANCE MONITORING* PUBLISHED BY THE ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD), AS REVISED AS OF 1999.]"

Brandon Emmett seconds the motion

Motion carries unanimously

"Staff's Amendment #14"

10:14:55 AM

Bruce Schulte skips this amendment, as he has his own amendment that he plans to offer later that will include this.

"Bruce Schulte's Amendment #B-1"

Bruce Schulte motions to amend 3 AAC 306.010 as follows:

10:17:05 AM

"(a) The board will not issue a marijuana establishment license if

the licensed premises will be located within 500 feet of a school, a recreation or youth center, or a correctional facility, or within 200 feet of a building in which religious services are regularly conducted [, OR A CORRECTIONAL FACILITY]. The distance specified in this subsection must be measured by the shortest pedestrian route from the public entrance of the building in which the licensed premises would be located to the outer boundaries of the school, recreation or youth center, or the main public entrance of the building in which religious services are regularly conducted, or the correctional facility. This section does not prohibit the renewal of an existing marijuana establishment license or the transfer of an existing marijuana establishment license to another person if the licensed premises were in use before the school, recreation or youth center, or the correctional facility began use of a site within 500 feet, or the building in which religious services are regularly conducted,[OR THE CORRECTIONAL FACILITY] began use of a site within 200 [500] feet. If an existing marijuana establishment license for premises located within 500 feet of a school, a recreation or youth center, [A BUILDING IN WHICH RELIGIOUS SERVICES ARE REGULARLY CONDUCTED], or a correctional facility, or within 200 feet of a building in which religious services are regularly conducted is revoked, or expires, the board will not issue another marijuana establishment license for the same premises unless the school, the recreation or youth center, the building in which religious services are regularly conducted, or the correctional facility no longer occupies the site within 500 feet.

(b) The board will not issue a marijuana establishment license when a local government protests an application under 3 AAC 306.060 on the grounds [THAT] that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

(c) The board will not issue a marijuana establishment license to a person that

- (1) is prohibited under AS 17.38.100(i) from receiving a marijuana establishment license because of a conviction of a felony; if the applicant is a partnership, limited liability company, or corporation, the board will not issue a license if any person named in 3 AAC 306.020(b)(2) is prohibited under AS 17.38.100(i) from obtaining a license; in this paragraph, "conviction of a felony" includes a suspended imposition of sentence;
- (2) has been found guilty of
 - (A) selling alcohol without a license in violation of AS 04.11.010; or
 - (B) selling alcohol to a minor in violation of AS 04.16.051 or AS 04.16.052; or
- (3) operated a marijuana delivery service, a marijuana club, or a marijuana establishment illegally without a license issued under this chapter, or otherwise violated AS 17.38, during the two years before the date the person files the application, unless the board finds that person has diligently worked with the board to comply with all current laws and regulations relating to marijuana."

Brandon Emmett seconds the motion

Motion fails, 2-3 (Brandon Emmett and Bruce Schulte vote Yes)

10:32:30 AM

Brandon Emmett motions to amend the amendment to change "200 feet" to "100 feet" when referencing a building in which religious services are regularly conducted.

10:19:31 AM

Bruce Schulte seconds the motion

Motion fails, 2-3 (Brandon Emmett and Bruce Schulte vote Yes)

“Bruce Schulte’s Amendment #B-2 – Rev-1”

Bruce Schulte motions to amend 3 AAC 306.015 as follows:

10:33:50 AM

“(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 seventy-five percent (75%) of the partners or ownership interest are held by residents of the state [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 at least seventy-five percent (75%) of the members and ownership interest are held by residents of the state [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 at least seventy-five (75%) of the shareholders and ownership interest are held by residents of the state [EACH SHAREHOLDER WHO OWNS THE CORPORATION'S SHARES 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. A marijuana establishment that proposes to operate in any new premises must apply for a new marijuana establishment license.

(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) a 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.

(f) Any partner or ownership of the proposed marijuana establishment and not an accredited investor or resident of the state must agree to provide any and all information requested by the Marijuana Control Board, including name, address, date of birth, and criminal history report from their state of residence. Cost of such report shall be paid for by the applicant.”

Brandon Emmett seconds the motion

Motion fails, 2-3 (Bruce Schulte and Brandon Emmett vote Yes)

"Bruce Schulte's Amendment #B-21"

Bruce Schulte motions to remove 3 AAC 306.900 in its entirety

10:54:10 AM

Brandon Emmett seconds the motion

Board considers, and motion carries, 4-1 (Loren Jones votes No)

11:16:00 AM

BREAK

10:56:53 AM

"Bruce Schulte's Amendment #B-3"

Bruce Schulte motions to amend 3 AAC 306.305, 3 AAC 306.310, and
and 3 AAC 306.990 as follows:

11:29:55 AM

"3 AAC 306.305. Retail marijuana store privileges. (a) A licensed retail marijuana store is authorized to

(1) sell marijuana purchased from a licensed marijuana cultivation facility, packaged and labeled as required under 3 AAC 306.345, 3 AAC 306.470, and 3 AAC 306.475 in an amount not exceeding the limit set out in 3 AAC 306.355, to an individual on the licensed premises for consumption off the licensed premises;

(2) sell a marijuana product purchased from a licensed marijuana product manufacturing facility, packaged and labeled as required under 3 AAC 306.345, 3 AAC 306.565, and 3 AAC 306.570, in an amount not exceeding the limit set out in 3 AAC 306.355, to an individual on the licensed premises. [FOR CONSUMPTION OFF THE LICENSED PREMISES];

(3) store marijuana and marijuana products on the licensed premises in a manner consistent with 3 AAC 306.710 – 3 AAC 306.720.

(4) with prior approval of the board, permit consumption of marijuana and marijuana products purchased on the licensed premises, in a designated area on the licensed premises.

(b) This section does not prohibit a licensed retail store from refusing to sell marijuana or marijuana product to any consumer.

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 any marijuana product

(1) to any person under the age of 21;

(2) that is not labeled and packaged as required in 3 AAC 306.345, and in 3 AAC 306.470 and 3 AAC 306.475 or 3 AAC 306.565 and 3 AAC 306.570;

(3) in a quantity exceeding the limit set out in 3 AAC 306.355;

(4) 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;

(5) after the expiration date shown on the label of the marijuana or marijuana product.

(b) A licensed retail marijuana store may not

(1) conduct any business on, or allow any consumer to access, the retail marijuana store's licensed premises between the hours of 5:00 a.m. and 8:00 a.m. each day;

(2) allow any person to consume marijuana or any marijuana product on the retail marijuana store's licensed premises **except as provided in 3 AAC 306.305(a)(4);**

(3) offer or deliver to a consumer, as a marketing promotion or for any other reason:

- (A) free marijuana or marijuana product, including a sample; or
- (B) a consumable product other than marijuana, including cigarettes, tobacco products, alcoholic or non alcoholic beverages, or food, free or for compensation.
- (c) A retail marijuana store may not purchase any marijuana or marijuana product for resale without a certificate showing the tax due under AS 43.61.010 has been paid to the state.

3 AAC 306.990. Definitions. (a) In AS 17.38 and this chapter,
“in public”

(A) means in a place to which the public or a substantial group of persons has access [AND 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];

(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 marijuana retail store designated for on-site consumption under 3 AAC 306.305.”

Brandon Emmett seconds the motion

Motion carries, 3-2 (Loren Jones and Peter Mlynarik vote No)

“Bruce Schulte’s Amendment #B-4”

Bruce Schulte motions to amend 3 AAC 306.310(b)(3)(B) as follows:

11:44:46 AM

“(B) [A CONSUMABLE PRODUCT OTHER THAN MARIJUANA, INCLUDING CIGARETTES, TOBACCO PRODUCTS,] alcoholic [OR NON ALCOHOLIC] beverages, [OR FOOD,] free or for compensation.”

Brandon Emmett seconds the motion

Motion carries, 3-2 (Loren Jones and Peter Mlynarik vote No)

“Bruce Schulte’s Amendment #B-5”

Board does not find that Bruce Schulte and Brandon Emmett have a conflict of interest or need to recuse themselves from discussion or voting of this section.

Bruce Schulte motions to amend 3 AAC 306.320, 3 AAC 306.425, and
3 AAC 306.530 as follows:

12:08:04 PM

“3 AAC 306.320. Marijuana handler permit required. A retail marijuana store shall ensure that
(1) each licensee, employee, or agent obtains a marijuana handler permit as provided in 3 AAC 306.700 before being licensed or employed at a retail marijuana store; and
(2) each licensee, employee, or agent has that person’s marijuana handler permit card in that person’s immediate possession, **or a valid copy on file on the premises,** when on the licensed premises of the retail marijuana store.

3 AAC 306.425. Marijuana handler permit required. A marijuana cultivation facility must ensure that each licensee, employee, or agent

(1) obtains a marijuana handler permit as provided in 3 AAC 306.700 before being present or employed at the marijuana cultivation facility’s licensed premises; and

(2) has the marijuana handler permit card in the person’s immediate possession **or a valid copy**

on file on the premises, at all times while on the marijuana cultivation facility's licensed premises.

3 AAC 306.530. Marijuana handler permit and food safety worker training. (a) A marijuana product manufacturing facility shall ensure that each licensee, employee, or agent (1) obtains a marijuana handler permit as provided in 3 AAC 306.700 before being present or employed at the marijuana product manufacturing facility's licensed premises; and (2) has the marijuana handler permit card in the person's immediate possession, or a valid copy on file on the premises, at all times while on the marijuana product manufacturing facility's licensed premises.

(b) A licensee, employee, or agent of a licensed marijuana product manufacturing facility who handles marijuana at the facility shall obtain a food safety worker card in compliance with AS 18.31.330, and keep that card in that person's possession at all times while on the licensed premises of the marijuana product manufacturing facility."

Brandon Emmett seconds the motion

Motion carries, 4-1 (Peter Mlynarik votes No)

"Bruce Schulte's Amendment #B-6"

Bruce Schulte motions to amend 3 AAC 306.320, 3 AAC 306.425,

12:16:26 PM

3 AAC 306.530, and 3 AAC 306.700 as follows:

"3 AAC 306.320. Marijuana handler permit required. A retail marijuana store shall ensure that (1) each licensee, employee, or agent who is required or permitted to be physically present on the licensed premises at any time obtains a marijuana handler permit as provided in 3 AAC 306.700 before being licensed or employed at a retail marijuana store; and (2) each licensee, employee, or agent has that person's marijuana handler permit card in that person's immediate possession when on the licensed premises of the retail marijuana store.

3 AAC 306.425. Marijuana handler permit required. A marijuana cultivation facility must ensure that each licensee, employee, or agent who is required or permitted to be physically present on the licensed premises at any time

(1) obtains a marijuana handler permit as provided in 3 AAC 306.700 before being present or employed at the marijuana cultivation facility's licensed premises; and
(2) has the marijuana handler permit card in the person's immediate possession at all times while on the marijuana cultivation facility's licensed premises.

3 AAC 306.530. Marijuana handler permit and food safety worker training. (a) A marijuana product manufacturing facility shall ensure that each licensee, employee, or agent who is required or permitted to be physically present on the licensed premises at any time

(1) obtains a marijuana handler permit as provided in 3 AAC 306.700 before being present or employed at the marijuana product manufacturing facility's licensed premises; and
(2) has the marijuana handler permit card in the person's immediate possession at all times while on the marijuana product manufacturing facility's licensed premises.

(b) A licensee, employee, or agent of a licensed marijuana product manufacturing facility who handles marijuana at the facility shall obtain a food safety worker card in compliance with AS 18.31.330, and keep that card in that person's possession at all times while on the licensed premises of the marijuana product manufacturing facility.

3 AAC 306.700. Marijuana handler permit. (a) A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or

visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

(b) To obtain a marijuana handler permit, a person shall complete a marijuana handler permit education course approved by the board, pass a written test demonstrating an understanding of the course material, and obtain a certificate of course completion from the course provider. An approved marijuana handler permit education course must cover at least the following topics:

- (1) AS 17.37, AS 17.38, and this chapter;
- (2) the effects of consumption of marijuana and marijuana products;
- (3) how to identify a person impaired by consumption of marijuana;
- (3) how to determine valid identification;
- (4) how to intervene to prevent unlawful marijuana consumption; and
- (5) the penalty for an unlawful act by a licensee, an employee, or an agent of a marijuana establishment.

(c) To obtain a marijuana handler permit, a person who has completed the marijuana handler permit course described under (b) of this section shall present the course completion certificate[, ALONG WITH A REPORT OF CRIMINAL JUSTICE INFORMATION OBTAINED FROM THE DEPARTMENT OF PUBLIC SAFETY UNDER AS 12.62.160] to the director. The director shall issue a marijuana handler permit card valid for three years from the date of issue. A person may renew a card issued under this section by passing a written test demonstrating an understanding of the course subjects.

(d) A licensee, employee, or agent of a marijuana establishment shall keep the marijuana handler permit card described in (c) of this section in that person's immediate possession when on the licensed premises of the retail marijuana store.

(e) The board will review an approved marijuana handler permit education course at least once every three years, and may rescind approval of the course if the board finds that the education course contents are insufficient or inaccurate."

Brandon Emmett seconds the motion

Motion carries unanimously

LUNCH

12:24:37 PM

"Bruce Schulte's Amendment #B-7"

Bruce Schulte motions to amend 3 AAC 306.345 and 3 AAC 306.355 as follows:

1:18:48 PM

"3 AAC 306.345. Packaging and labeling. (a) A retail marijuana store shall assure that

(1) any marijuana sold on its licensed premises is packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475, except that 3 AAC 306.470(b)(2) does not apply to the packaging of wholesale flower and bud sold by weight to a consumer; and

(2) any marijuana product sold on its licensed premises is packaged and labeled in compliance with 3 AAC 306.565 and 3 AAC 306.570, except that 3 AAC 306.565(b)(2) does not apply to the packaging of wholesale marijuana products that are not edible marijuana products.

(b) In addition to labeling requirements provided in (a) of this section, a retail marijuana store shall affix a label to each package of marijuana or marijuana product that

(1) identifies the marijuana retail store selling the marijuana product by name or distinctive logo and marijuana establishment license number; and

(2) contains the following statements:

- (A) "Marijuana has intoxicating effects and may be habit forming;"
- (B) "Marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence;"
- (C) "There may be health risks associated with consumption of marijuana;" and
- (D) "For use only by adults twenty-one and older. Keep out of the reach of children"
- (E) "Marijuana should not be used by women who are pregnant or breast feeding."

(3) States the total estimated amount of THC contained in the labeled product.

3 AAC 306.355. Limit on quantity sold. (a) A licensed retail marijuana store shall not sell more than the following quantity of marijuana or marijuana product in a single transaction:

- (1) one ounce of usable marijuana;
- [(2) SIXTEEN OUNCES OF MARIJUANA-INFUSED PRODUCT IN SOLID FORM;]
- (3) seven grams of marijuana-[INFUSED] extract for inhalation, or
- [(4) SEVENTY-TWO OUNCES OF MARIJUANA-INFUSED PRODUCT IN LIQUID FORM].

(3) Marijuana or marijuana products containing more than 5600 milligrams of THC."

Brandon Emmett seconds the motion

Motion carries, 4-1 (Loren Jones votes No)

"Bruce Schulte's Amendment #B-8"

Bruce Schulte motions to amend 3 AAC 306.360 as follows:

1:25:24 PM

"3 AAC 306.360. Restriction on advertising of marijuana and marijuana products. (a) A retail marijuana store may have no more than three signs, visible to the general public from the public right of way, that identify the store by its business name. A sign may be placed in the store's window or attached to the outside of the licensed premises. The size of each sign may not exceed 4800 square inches.

(b) An advertisement for marijuana or marijuana product may not contain any 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 the age of 21 consuming marijuana; or
- (5) includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana.

(c) A retail marijuana store may not place an advertisement for marijuana or a marijuana product, except as provided in (a) of this section,

- (1) within one thousand feet of the perimeter of any child-centered facility, including a school, daycare 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 the age of 21;
- (2) on or in a public transit vehicle or public transit shelter; or
- (3) on or in a publicly owned or operated property;
- (4) within 1000 feet of a substance or treatment facility; or
- (5) on a college campus.

(d) A retail marijuana store may not use giveaway coupons [, OR DISTRIBUTE BRANDED MERCHANDISE] as promotional materials, or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products.

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

- (1) "Marijuana has intoxicating effects and may be habit forming;"
- (2) "Marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence;"
- (3) "There may be health risks associated with consumption of marijuana;" and
- (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.""

Brandon Emmett seconds the motion

Motion carries, 3-2 (Loren Jones and Peter Mlynarik vote No)

Mark Springer asks if Bruce Schulte would like to prioritize his amendments,
as other board members have amendments they'd like to entertain.

1:31:30 PM

Bruce Schulte agrees.

"Bruce Schulte's Amendment #B-17"

Bruce Schulte motions to amend 3 AAC 306.525 as follows:

1:31:55 PM

"3 AAC 306.525. Approval of concentrates and marijuana products. (a) A marijuana product manufacturing facility, including a marijuana concentrate manufacturing facility, must obtain the board's approval for each product it will manufacture for sale or transfer to another licensed marijuana establishment. The board will not approve

[(1) ANY MARIJUANA CONCENTRATE OR PRODUCT INTENDED FOR SALE
DIRECTLY TO A CONSUMER IF THE CONCENTRATE OR PRODUCT WILL HAVE
THC POTENCY EQUAL TO OR GREATER THAN 76 PERCENT; OR]

(2) any product that is prohibited under 3 AAC 306.510(a)(4).

(b) An applicant for a marijuana product manufacturing facility license may request the board's approval of its intended products with a new license application by including, in its operating plan

(1) a photograph, drawing, or graphic representation of the expected appearance of each final product; and

(2) the proposed standard production procedure and detailed manufacturing process for each product.

(c) A licensed marijuana product manufacturing facility may at any time submit a new product approval request to the board on a form the board prescribes along with a fee of \$250.

(d) A licensed marijuana product manufacturing facility shall keep its ingredient list and potency limits for any food product containing marijuana on file at the marijuana product manufacturing facility's licensed premises. The ingredient list and potency limits for any product manufactured at the facility must be made available for inspection on request by the director, or an employee or agent of the board."

Brandon Emmett seconds the motion

Motion carries, 3-2 (Peter Mlynarik and Loren Jones vote No)

"Bruce Schulte's Amendment #B-18"

Bruce Schulte motions to amend 3 AAC 306.560 as follows:

1:44:09 PM

"3 AAC 306.560. Potency limits per serving and package [TRANSACTION] for edible marijuana products. (a) A marijuana product manufacturing facility may not prepare any product with potency levels exceeding the following, as tested in compliance with 3 AAC 306.645:

(1) for a single serving of marijuana product, [FIVE] ten milligrams active tetrahydrocannabinol

(THC) or Delta 9;

(2) in a single packaged unit of marijuana product to be eaten or swallowed, not more than ten servings, or [FIFTY] **one hundred** milligrams of active THC or Delta 9; the THC content must be homogenous, or evenly distributed throughout the marijuana infused product.”

Brandon Emmett seconds the motion

Motion fails, 2-3 (Brandon Emmett and Bruce Schulte vote Yes)

“Bruce Schulte’s Amendment #B-19”

Bruce Schulte informs the Chair that in the interest in saving time, he had another amendment that would propose a single-serving potency limit of 25mg for medical marijuana card holders, but he doesn’t think the Board is going to get there, and he’s also been advised that it may not be supported legally, so he’s going to put it on the back of the pile.

1:50:33 PM

“Bruce Schulte’s Amendment #B-15”

Bruce Schulte motions to amend 3 AAC 306.510 as follows:

1:50:57 PM

“3 AAC 306.510. Acts prohibited at marijuana product manufacturing facility. (a) A licensed marijuana product manufacturing facility, including a licensed marijuana concentrate manufacturing facility, may not

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

(2) sell marijuana, marijuana concentrate, or a marijuana product that is not manufactured, packaged, and labeled in compliance with 3 AAC 306.500 – 3 AAC 306.570;

(3) allow any person, including a licensee, employee, or agent, to consume marijuana, marijuana concentrate, or a marijuana product on its licensed premises;

(4) manufacture or sell any product that

(A) is an adulterated food or drink;

(B) is a marijuana product containing any food that requires temperature-controlled storage to keep it safe for human consumption;

(C) closely resembles any familiar food or drink item including candy; or

(D) is packaged to look like candy, or in bright colors or with cartoon characters or other pictures or images that would appeal to children; and

[(5) OPERATE IN A LOCATION THAT IS A RETAIL OR WHOLESALE FOOD ESTABLISHMENT.]

(b) In this section, “closely resemble” or “look like” means the product or its packaging has a shape, color, markings, or decorative patterns that are familiar to the public from a widely distributed branded food product, so that the marijuana product could easily be mistaken for that branded product, especially by children.

(c) A marijuana product manufacturing facility may not accept any marijuana from a marijuana cultivation facility or another marijuana product manufacturing facility unless

(1) all marijuana in the shipment is properly identified with a label generated in the marijuana inventory tracking system of the licensed marijuana establishment that provided the marijuana; and

(2) a valid transport manifest showing the source and destination of the marijuana is attached to the shipment.

(d) A marijuana product manufacturing facility may not purchase or receive any marijuana from a

marijuana cultivation facility, or another marijuana product manufacturing facility unless it receives evidence that tax due under AS 43.61.010 has been paid. If a marijuana product manufacturing facility has marijuana on its premises without a certificate showing the excise tax imposed under AS 43.61.010 has been paid on that marijuana, the marijuana product manufacturing facility is liable for payment of the tax.”

Brandon Emmett seconds the motion

Motion carries, 3-2 (Peter Mlynarik and Loren Jones vote No)

“Bruce Schulte’s Amendment #B-14”

Bruce Schulte motions to amend 3 AAC 306.345, 3 AAC 306.470, and
3 AAC 306.565 as follows:

2:09:16 PM

“3 AAC 306.345. Packaging and labeling. (a) A retail marijuana store shall assure that
(1) any marijuana sold on its licensed premises is packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475, except that 3 AAC 306.470(b)(2) does not apply to the packaging of wholesale flower and bud sold by weight to a consumer; and
(2) any marijuana product sold on its licensed premises is packaged and labeled in compliance with 3 AAC 306.565 and 3 AAC 306.570, except that 3 AAC 306.565(b)(2) does not apply to the packaging of wholesale marijuana products that are not edible marijuana products.

(3) All marijuana products must be packaged in opaque, re-sealable, child-resistant packaging upon exiting the retail premises. Exit packaging must be designed or constructed in compliance with 16 C.F.R. 1700.01 – 1700.20, as amended Dec.30, 1983 to be significantly difficult for children under five years of age to open; but not normally difficult for adults to use properly;

(b) In addition to labeling requirements provided in (a) of this section, a retail marijuana store shall affix a label to each package of marijuana or marijuana product that

(1) identifies the marijuana retail store selling the marijuana product by name or distinctive logo and marijuana establishment license number; and

(2) contains the following statements:

(A) "Marijuana has intoxicating effects and may be habit forming;"

(B) "Marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence;"

(C) "There may be health risks associated with consumption of marijuana;" and

(D) "For use only by adults twenty-one and older. Keep out of the reach of children"

(E) "Marijuana should not be used by women who are pregnant or breast feeding."

(3) States the total estimated amount of THC contained in the labeled product.

3 AAC 306.470. Packaging of marijuana. (a) A licensed marijuana cultivation facility, including a marijuana cultivation broker facility, shall package its marijuana bud and flower for sale as follows:

(1) to a retail marijuana store, either

(A) in a package not exceeding one ounce for resale to consumers without additional handling by the retail marijuana store except to add the retail marijuana store’s own identifying name or logo and license number; or

(B) in a wholesale package not exceeding five pounds for re - packaging by the retail marijuana store; or

(2) to a marijuana product manufacturing facility in a wholesale package not exceeding five pounds,

consisting of a single strain or a mixture of strains as identified on the label.

(b) When a licensed marijuana cultivation facility packages marijuana for a retail marijuana store to sell to a consumer without re-packaging, the [PACKAGING MUST BE DESIGNED OR CONSTRUCTED IN COMPLIANCE WITH 16 C.F.R. 1700.01 – 1700.20, AS AMENDED DEC.30, 1983 TO BE SIGNIFICANTLY DIFFICULT FOR CHILDREN UNDER FIVE YEARS OF AGE TO OPEN; BUT NOT NORMALLY DIFFICULT FOR ADULTS TO USE PROPERLY.

THE] packaging may not have any printed images, including cartoon characters, that specifically target individuals under the age of 21. In addition, the packaging must

(1) protect the product from contamination and must not impart any toxic or damaging substance to the marijuana;

[(2) BE FOUR MIL OR GREATER THICKNESS PLASTIC, HEAT SEALED, AND WITH NO EASY-OPEN CORNER, DIMPLE OR FLAP;

(3) BE OPAQUE SO THAT THE PRODUCT CANNOT BE SEEN WITHOUT OPENING THE PACKAGING MATERIAL.]

(c) Each package prepared in compliance with this section must be identified by a tracking label generated for tracking by the marijuana cultivation facility's marijuana inventory control system.

(d) A marijuana cultivation facility shall prepare marijuana for transport or transfer to another marijuana establishment by

(1) placing marijuana packaged in compliance with (a) - (c) of this section within a sealed, tamper-evident shipping container;

(2) affixing a label in compliance with 3 AAC 306.475 to the shipping container; and

(3) generating a transport manifest from the marijuana cultivation facility's marijuana inventory system; the transport manifest must remain with the marijuana at all times while being transported, and a copy must be given to the licensed marijuana establishment that receives the shipment.

3 AAC 306.565. Packaging of marijuana products. (a) A marijuana product manufacturing facility shall observe the potency limits set out in 3 AAC 306.560 in packaging each product for resale by a retail marijuana store.

(b) A container or packaging for any edible marijuana product produced by a marijuana product manufacturing facility [MUST BE DESIGNED OR CONSTRUCTED IN COMPLIANCE WITH 16 C.F.R. 1700.01 – 1700.20, AS AMENDED DEC. 30, 1983 TO BE SIGNIFICANTLY DIFFICULT FOR CHILDREN UNDER FIVE YEARS OF AGE TO OPEN; BUT NOT NORMALLY DIFFICULT FOR ADULTS TO USE PROPERLY. THE CONTAINER OR PACKAGING] may not have any printed images, including cartoon characters, that specifically target individuals under the age of 21. In addition, the packaging must

(1) protect the product from contamination and not impart any toxic or damaging substance to the product;

[(2) BE FOUR MIL OR GREATER THICKNESS PLASTIC, HEAT SEALED AND WITH NO EASY-OPEN CORNER, DIMPLE OR FLAP; MARIJUANA PRODUCT IN LIQUID FORM MAY ALSO BE SEALED USING A METAL CROWN PRODUCT;

(3) BE OPAQUE SO THAT THE PRODUCT CANNOT BE SEEN WITHOUT OPENING THE PACKAGING MATERIAL;

(4) IF THE MARIJUANA PACKAGE CONTAINS MULTIPLE SERVINGS OR IS INTENDED FOR MORE THAN A SINGLE USE, THE PACKAGING MUST BE RESEALABLE TO CHILDPROOF STANDARDS IN COMPLIANCE WITH C.F.R. 1700.01 – 1700.20, AS AMENDED DEC. 30, 198; AND]

- (5) if the marijuana product contains multiple servings, the product itself must have markings or demarcations clearly delineating each serving of the product. For liquid marijuana products with multiple servings the packaging must indicate the number and size of individual servings.
- (c) A licensed marijuana product manufacturing facility may transfer marijuana products that are not edible marijuana products to another licensed facility in wholesale packages not to exceed 5 pounds.
- (d) Each packaged marijuana product must be identified by a tracking label generated by the marijuana product manufacturing facility's marijuana inventory control system.
- (e) A licensed marijuana product manufacturing facility shall prepare marijuana products for transfer to another marijuana establishment by
- (1) placing marijuana products within a sealed, tamper-evident shipping container;
 - (2) affixing a label that complies with 3 AAC 306.570(d) to the shipping container; and
 - (3) generating a transport manifest from the marijuana product manufacturing facility's marijuana inventory system; the transport manifest must remain with the marijuana products at all times while being transported, and a copy must be given to the licensed marijuana establishment that receives the shipment."

Brandon Emmett seconds the motion

Motion carries, 4-1 (Peter Mlynarik votes No)

Bruce Schulte informs the Chair that he's worked diligently to weed out his amendments. He has three that he thinks are pertinent, however, two of them relate to an amendment that Mr. Mlynarik has, so he's going to defer to Mr. Mlynarik for those. He only has one more that he'd like to introduce.

2:18:39 PM

"Bruce Schulte's Amendment #B-16"

Bruce Schulte motions to amend 3 AAC 306.510 as follows:

2:18:59 PM

"3 AAC 306.510. Acts prohibited at marijuana product manufacturing facility. (a) A licensed marijuana product manufacturing facility, including a licensed marijuana concentrate manufacturing facility, may not

- (1) sell, deliver, distribute, or transfer marijuana, marijuana concentrate, or a marijuana product directly to a consumer, with or without compensation;
- (2) sell marijuana, marijuana concentrate, or a marijuana product that is not manufactured, packaged, and labeled in compliance with 3 AAC 306.500 – 3 AAC 306.570;
- (3) allow any person, including a licensee, employee, or agent, to consume marijuana, marijuana concentrate, or a marijuana product on its licensed premises;
- (4) manufacture or sell any product that
 - (A) is an adulterated food or drink;
 - [(B) IS A MARIJUANA PRODUCT CONTAINING ANY FOOD THAT REQUIRES TEMPERATURE-CONTROLLED STORAGE TO KEEP IT SAFE FOR HUMAN CONSUMPTION;]
 - (C) closely resembles any familiar food or drink item including candy; or
 - (D) is packaged to look like candy, or in bright colors or with cartoon characters or other pictures or images that would appeal to children; and
- (5) operate in a location that is a retail or wholesale food establishment.

(b) In this section, "closely resemble" or "look like" means the product or its packaging has a shape, color, markings, or decorative patterns that are familiar to the public from a widely distributed branded food product, so that the marijuana product could easily be mistaken for that branded

product, especially by children.

(c) A marijuana product manufacturing facility may not accept any marijuana from a marijuana cultivation facility or another marijuana product manufacturing facility unless

(1) all marijuana in the shipment is properly identified with a label generated in the marijuana inventory tracking system of the licensed marijuana establishment that provided the marijuana; and
(2) a valid transport manifest showing the source and destination of the marijuana is attached to the shipment.

(d) A marijuana product manufacturing facility may not purchase or receive any marijuana from a marijuana cultivation facility, or another marijuana product manufacturing facility unless it receives evidence that tax due under AS 43.61.010 has been paid. If a marijuana product manufacturing facility has marijuana on its premises without a certificate showing the excise tax imposed under AS 43.61.010 has been paid on that marijuana, the marijuana product manufacturing facility is liable for payment of the tax."

Brandon Emmett seconds the motion

Motion carries unanimously

Harriet Milks asks Mr. Schulte about his proposed amendment B-20.

2:22:20 PM

Bruce Schulte confirms that in the interest of saving time, he decided not to talk about certain proposed amendments (B-9, B-10, B-11, B-12, B-13, and B-20). He has a resolution that he would like to discuss later, but he's going to yield to the other Board members for now.

"Brandon Emmett's Amendment #E-1"

Brandon Emmett motions to amend 3 AAC 306.015(a) to add at the end of the last sentence in subsection (a) the following text:

2:25:07 PM

"unless information required by the board, such as, but not limited to, that person's name and address, is provided in the license application."

Bruce Schulte seconds the motion

Loren Jones asks for confirmation from Mr. Emmett about whether the Board is considering only the changes to (a), or if the addition of (f) is included.

Brandon Emmett confirms that the added subsection (f) with the following language is also part of his amendment for the Board to consider:

"(f)Any partner or ownership of the proposed marijuana establishment and not an accredited investor must agree to provide any and all information requested by the Marijuana Control Board, including name, address, date of birth, and criminal history report. Cost of such report shall be paid for by the applicant."

Motion fails, 2-3 (Bruce Schulte and Brandon Emmett vote Yes)

"Loren Jones's Amendment #1"

Loren Jones motions to amend 3 AAC 306.010 to insert a subsection that reads:

2:49:14 PM

"The board will not issue a marijuana establishment license if the licensed premises will be located in a liquor licensed premises."

Peter Mlynarik seconds the motion

Motion carries unanimously

“Peter Mlynarik’s Amendment #1”

Peter Mlynarik motions to strike the marijuana cultivation broker facility license type and all references including those in the following sections and subsections:

2:52:38 PM

3 AAC 306.415

3 AAC 306.100(d)

3 AAC 306.400(a)

3 AAC 306.410(a) and (b)

3 AAC 306.420(c)

3 AAC 306.455(d)

3 AAC 306.470(a)

3 AAC 306.480(b)

3 AAC 306.505(a)

3 AAC 306.750(a)

Bruce Schulte seconds the motion

Peter Mlynarik confirms that the intent of his amendment is to have the limited marijuana cultivation facility’s privileges and prohibited acts be copied from the standard marijuana cultivation facility, with the only two differences being the size limitation and the licensing fees.

Motion carries unanimously

“Peter Mlynarik’s Amendment #2”

Peter Mlynarik motions to amend 3 AAC 306.350(a) to add “photo” before “identification”.

3:04:33 PM

Brandon Emmett seconds the motion

Motion carries unanimously

“Peter Mlynarik’s Amendment #3”

Peter Mlynarik motions to amend 3 AAC 306.310(a) to add a new subsection that reads:

3:07:08 PM

“to any person that is under the influence of an alcoholic beverage, inhalant, or controlled substance;”

Loren Jones seconds the motion

Motion carries unanimously

“Peter Mlynarik’s Amendment #4”

Peter Mlynarik motions to amend 3 AAC 306.475(b)(1) by adding the following language to the end of the subsection:

3:11:22 PM

“including any pesticide, herbicide, or fungicide that was used;”

Brandon Emmett seconds the motion

Motion carries unanimously

“Peter Mlynarik’s Amendment #5”

Peter Mlynarik motions to amend 3 AAC 306.830 to the following:

3:16:14 PM

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"3 AAC 306.830. Seizure of marijuana or marijuana product. (a) The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity, may seize marijuana or any marijuana product from a licensed or previously licensed marijuana establishment if the marijuana establishment has

(1) any marijuana or marijuana product not properly logged into the marijuana establishment's marijuana inventory tracking system;

(2) any adulterated marijuana food or drink product forbidden under 3 AAC 306.510(a)(4); or

(3) any marijuana or marijuana product that is not properly packaged and labeled as provided in 3 AAC 306.465 and 3 AAC 306.470 or 3 AAC 306.565 and 3 AAC 306.570.

(4) not renewed its license per the requirements set forth in 3 AAC 306.035"

Loren Jones seconds the motion

Motion carries unanimously

"Peter Mlynarik's Amendment #6"

Peter Mlynarik motions to amend 3 AAC 306.020(b)(8) to the following: **3:19:26 PM**

"(8)the address of the premises to include GPS coordinates where the applicant intends to operate a marijuana establishment; and a detailed diagram of the proposed licensed premises; the diagram must show all entrances and boundaries of the premises, restricted access areas, and storage areas;"

Bruce Schulte seconds the motion

Motion carries, 3-2 (Brandon Emmett and Bruce Schulte vote No)

"Peter Mlynarik's Amendment #7"

3:24:54 PM

Peter Mlynarik decides to skip this proposed amendment as this section has already been amended.

"Peter Mlynarik's Amendment #8"

3:25:08 PM

Peter Mlynarik decides to skip this proposed amendment.

"Peter Mlynarik's Amendment #9"

Peter Mlynarik motions to amend 3 AAC 306.640(a) to the following:

3:25:19 PM

"An applicant for a marijuana testing facility license and a licensed marijuana testing facility must have a written procedures manual with detailed instructions explaining how to perform each testing method the applicant or marijuana testing facility uses, and minimum standards for each test. The written procedures manual must be available to each employee of the marijuana testing facility at all times. A standard operating procedures manual must cover at least the following procedures:

(1) sample preparation; for each matrix that will be tested;

(2) reagent, solution, and reference standard preparation;

(3) instrument setup, where applicable;

(4) standardization of volumetric reagent solutions, as applicable;

(5) data acquisition; [AND]

(6) calculation of results;[.]

(7) identification criteria;

(8) QC frequency;

(9) QC acceptance criteria; and

(10) corrective action protocol."

Loren Jones seconds the motion

Motion carries, 4-1 (Brandon Emmett votes No)
Peter Mlynarik confirms that "QC" stands for quality control

"Peter Mlynarik's Amendment #10"

Peter Mlynarik motions to amend 3 AAC 306.645(b)(3) to change the acceptable limits per gram for Benzene to be .025 Parts Per Million (PPM) instead of 1 Parts Per Million (PPM) and remove the reference to Colorado's Rule R 605.

3:29:40 PM

Bruce Schulte seconds the motion

Motion carries unanimously

BREAK

3:32:29 PM

"Peter Mlynarik's Amendment #11"

Peter Mlynarik motions to strike 3 AAC 306.655(b) in its entirety

3:51:28 PM

Bruce Schulte seconds the motion

Motion carries unanimously

"Peter Mlynarik's Amendment #12"

Peter Mlynarik motions to amend 3 AAC 306.990(b)(20) by adding a subsection (C) that reads:

3:53:45 PM

"(C)does not meet the requirements of 3 AAC 306.645."

Bruce Schulte seconds the motion

Motion carries unanimously

"Peter Mlynarik's Amendment #13"

Peter Mlynarik motions to amend 3 AAC 306.990(b) by adding a subsection (28) that reads:

3:56:38 PM

"(28)"Marijuana-Infused Product" means a product that contains

marijuana or marijuana concentrates and are intended for human use.

The term "marijuana-infused product" does not include usable marijuana."

Brandon Emmett seconds the motion

Motion carries unanimously

4:00:26 PM

Brandon Emmett motions to amend the amendment by replacing "usable marijuana" with "bud and flower"

3:59:00 PM

Bruce Schulte seconds the motion

Motion carries unanimously

"Peter Mlynarik's Amendment #14"

Peter Mlynarik motions to amend 3 AAC 306.010(c)(2) by adding a subsection (C) that reads:

4:00:40 PM

"(C) a misdemeanor crime involving controlled substances, violence against a person, a weapon, or dishonesty within the preceding five years."

Brandon Emmett seconds the motion

Motion carries, 3-2 (Brandon Emmett and Bruce Schulte vote No)

4:09:36 PM

Brandon Emmett motions to amend the amendment by striking:

4:02:08 PM

"a misdemeanor crime involving controlled substances"

Peter Mlynarik seconds the motion

Motion fails, 2-3 (Brandon Emmett and Bruce Schulte vote Yes)

"Peter Mlynarik's Amendment #15"

Peter Mlynarik motions to amend 3 AAC 306.010(a) to read:

4:09:46 PM

"The board will not issue a marijuana establishment license if the licensed premises will be located within 1000 feet of a school, a recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility."

No second

"Peter Mlynarik's Amendment #16"

Peter Mlynarik motions to amend 3 AAC 306.310(b)(1) by changing the text to read, **"11:00p.m. and 10:00a.m."** instead of **"5:00a.m. and 8:00a.m."**

4:11:25 PM

Loren Jones seconds the motion

Motion fails, 2-3 (Peter Mlynarik and Loren Jones vote Yes)

"Peter Mlynarik's Amendment #17"

Peter Mlynarik motions to amend the language regarding labeling requirements in subsections 3 AAC 306.345(b)(2)(A)-(E),

4:18:14 PM

3 AAC 306.475(a)(1)-(5), and 3 AAC 306.570(c)(4)(A)-(E) to the following:

"Marijuana has intoxicating effects and may be habit forming and addictive;"

"Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence;"

"There are health risks associated with consumption of marijuana;"

"For use only by adults twenty-one and older. Keep out of the reach of children" and

"Marijuana should not be used by women who are pregnant or breast feeding"

Loren Jones seconds the motion

Motion carries, 3-2 (Brandon Emmett and Bruce Schulte vote No)

"Peter Mlynarik's Amendment #18"

Peter Mlynarik motions to amend 3 AAC 306.810(a) to the following:

4:23:30 PM

"The board will suspend or revoke a marijuana establishment license issued under this chapter if any licensee is convicted of a felony or a crime listed in 3 AAC 306.010 (c) (2) or (3), or if the board becomes aware that a licensee did not disclose a previous felony conviction or a conviction of a crime listed in 3 AAC 306.010 (c) (2) or (3)."

Bruce Schulte seconds the motion

Motion carries unanimously

Brandon Emmett requests that the Board vote to have the staff open a file with Department of Law to start developing a more detailed regulation regarding an endorsement for on-premises consumption in a retail marijuana store.

4:27:04 PM

Mark Springer passes the gavel back to Bruce Schulte to Chair 4:30:18 PM

Mark Springer motions to amend 3 AAC 306.015(e)(2) to read: 4:30:22 PM

“resident of the state” means a person who meets the residency requirement for voter registration in the State of Alaska.”

Brandon Emmett seconds the motion

Mark Springer revises his amendment by adding the following language at the end: *“and is not registered to vote in any other state”* 4:45:41 PM

Motion carries, 3-2 (Peter Mlynarik and Loren Jones vote No)

Bruce Schulte hands the gavel back to Mark Springer to Chair 4:51:11 PM

“Bruce Schulte’s Amendment #B-13”

Bruce Schulte motions to amend 3 AAC 306.455 and 3 AAC 306.550 as follows: 4:51:31 PM

“3 AAC 306.455. Required laboratory testing. (a) Except as provided in (d) of this section, a marijuana cultivation facility shall provide a sample of each harvest batch of marijuana produced at the facility to a marijuana testing facility, and may not sell or transport any marijuana until all laboratory testing required by 3 AAC 306.645 has been completed.

(b) To comply with (a) of this section, a marijuana cultivation facility shall

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

(2) designate an individual responsible for collecting each sample; that individual shall

(A) prepare a signed statement showing that each sample has been randomly selected for testing;

(B) provide the signed statement to the marijuana testing facility; and

(C) maintain a copy as a business record under 3 AAC 306.755;

(3) transport the sample to the marijuana testing facility’s licensed premises in compliance with 3 AAC 306.750.

(c) A marijuana cultivation facility shall segregate the entire batch from which the testing sample was selected until the marijuana testing facility reports the results from its tests. During this period of segregation, the marijuana cultivation facility that provided the sample shall maintain the batch in a secure, cool, and dry location to prevent the marijuana from becoming contaminated or losing its efficacy. The facility that provided the sample may not sell or transport any marijuana from the segregated batch until the marijuana testing facility has completed its testing and provided those results, in writing, to the marijuana cultivation facility that provided the sample. The marijuana cultivation facility shall maintain the testing results as part of its business books and records.

(d) A limited marijuana cultivation facility may contract with a marijuana cultivation broker facility to arrange the laboratory testing required in this section, and transportation of marijuana to the marijuana testing facility. A marijuana cultivation broker facility’s contract to perform these services must be in writing and must be maintained in the limited marijuana cultivation facility’s business records.

(e) When geographic location and transportation limitations make it unfeasible for a cultivation facility to transport testing samples to a lab, an applicant for licensure may propose

alternative means of testing to meet the requirements of this code.

3 AAC 306.550. Required laboratory testing. (a) A marijuana product manufacturing facility shall provide a sample of each marijuana product manufactured at the facility to a licensed marijuana testing facility, and may not sell or transport any marijuana product until all laboratory testing required by 3 AAC 306.645 has been completed.

(b) To comply with (a) of this section, a marijuana product manufacturing facility shall

(1) collect a random sample for testing by selecting a product from each production lot in an amount required by the marijuana testing facility;

(2) designate an individual responsible for collecting each sample; that individual shall

(A) prepare a signed statement showing that each sample has been randomly selected for testing;

(B) provide the signed statement to the marijuana testing facility; and

(C) maintain a copy as a business record under 3 AAC 306.755, and

(3) transport the sample to the marijuana testing facility in compliance with 3 AAC 306.750.

(c) After collecting and transporting a sample for testing, a marijuana product manufacturing facility shall segregate the entire production lot from which the testing sample was selected until the marijuana testing facility reports the results from its tests. During this period of segregation, the marijuana product manufacturing facility that provided the sample shall maintain the production lot in a secure, cool, and dry location to prevent the marijuana product from becoming contaminated or losing its efficacy. The marijuana product manufacturing facility may not sell or transport any marijuana product from the segregated lot until the marijuana testing facility has completed its testing and analysis and provided those results, in writing, to the marijuana product manufacturing facility that provided the sample. The marijuana product manufacturing facility shall maintain the testing results as part of its business records.

(e) When geographic location and transportation limitations make it unfeasible for a manufacturing facility to transport testing samples to a lab, an applicant for licensure may propose alternative means of testing to meet the requirements of this code."

Brandon Emmett seconds the motion

Harriet Milks advises the Board that the Department of Law does not support this amendment.

Motion carries, 3-2 (Loren Jones and Peter Mlynarik vote No)

Bruce Schulte informs the Chair that he has no additional amendments.

5:06:45 PM

Mark Springer passes the gavel back to Bruce Schulte to resume as Chair.

5:07:16 PM

Mark Springer motions to adopt Articles 1-9 of 3 AAC Chapter 306:

5:08:00 PM

Regulation of Marijuana Industry, as amended

Peter Mlynarik seconds the motion

Motion carries unanimously

Bruce Schulte reads the following resolution:

5:09:22 PM

"Whereas Ballot Measure 2 specified a fifty-dollar (\$50) per ounce excise tax on marijuana to be paid to the State of Alaska;

Whereas Ballot Measure 2 included provisions (43.61.010) for a lesser tax on certain parts of the marijuana plant stating: "The Department may establish a rate lower than

***\$50 per ounce for certain parts of the marijuana plant”; and
Whereas the lower-grade byproduct or “Trim” that is produced during harvest and
processing has a significantly lower value; now, therefore, be it***

Resolved, that the Marijuana Control Board:

***1) Recommends that the Alaska Department of Revenue exercise its option to tax
different parts of the cannabis plant at different levels by establishing a tax rate for
lower-grade byproduct or “trim” at a level equal to 20% of the tax rate for marijuana.”***

Brandon Emmett motions to accept the resolution

Mark Springer seconds the motion

Motion carries, 3-2 (Loren Jones and Peter Mlynarik vote No)

Mark Springer motions to adjourn

5:13:24 PM

No objection

Minutes reviewed and approved by:

Cynthia A. Franklin, Director

Date

Sarah D. Oates, Records & Licensing Supervisor

Date

**AFFIDAVIT OF NOTICE OF PROPOSED REGULATION
AND FURNISHING OF ADDITIONAL INFORMATION**


I, Cynthia Franklin, Director, of Alcohol & Marijuana Control Office, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to JU2015200669 has been given by being

- (1) published in a newspaper or trade publication;
- (2) furnished to interested persons;
- (3) furnished to appropriate state officials;
- (4) furnished to the Department of Law, along with a copy of the proposed regulation;
- (5) furnished electronically to incumbent State of Alaska legislators;
- (6) furnished to the Legislative Affairs Agency, Division of Legal and Research Services;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1);
- (8) furnished electronically, along with a copy of the proposed regulation, to all Legislators.


As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (5) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: 12/18/15

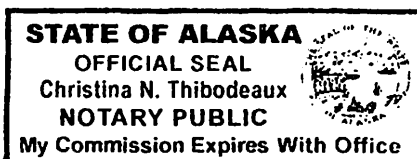


Cynthia Franklin, Director, Alcohol & Marijuana
Control Office

Subscribed and sworn to before me at Anchorage, Alaska on
December 18, 2015.
(date)



Notary Public in and for the State of Alaska



STATE OF ALASKA)
) ss.
 [No.] JUDICIAL DISTRICT)

AFFIDAVIT OF ORAL HEARING

I, Cynthia Franklin, Director of the Marijuana Control Board, being sworn, state the following:

On Oct 15 and 16, 2015, at the Anchorage Legislative Information Office, in the auditorium, 716 W 4th Ave, Anchorage AK 99501, I was present in the capacity of Director of the Marijuana Control Board's public hearing held under AS 44.62.210 for the purpose of taking testimony in connection with the adoption of changes to 3AAC 306 concerning marijuana regulations.

DATE: 1/12/2016
Anchorage


Cynthia Franklin, Director, Marijuana Control Board

SUBSCRIBED AND SWORN TO before me this 12th day of January, 2016.


[NOTARY SEAL]

Notary Public in and for the
State of Alaska
My commission expires: w/office

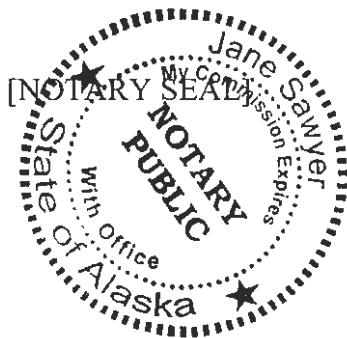



I, John Calder, Administrative Officer for the Marijuana Control Board being duly sworn, state the following:

Date: Anchorage 12/1/15


John Calder, Administrative Officer

SUBSCRIBED AND SWORN TO before me this 1st day of December, 2015




Notary Public in and for the
State of Alaska
My commission expires: w/office

SUPPLEMENTAL NOTICE OF ORAL HEARING FOR PROPOSED REGULATIONS
REGARDING MARIJUANA LICENSING, LOCAL OPTIONS, RETAIL STORES,
CULTIVATION FACILITIES, PRODUCT MANUFACTURING FACILITIES, TESTING
FACILITIES, OPERATING REQUIREMENTS, DEFINITIONS, ENFORCEMENT
AND GENERAL PROVISIONS

MARIJUANA CONTROL BOARD

BRIEF DESCRIPTION

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November 2014. These proposed regulations relate to marijuana licensing and fees, as well as local options for local governments to "opt out" of having certain kinds of marijuana establishments, rules for retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions and general provisions including definitions.

The Marijuana Control Board proposes to adopt regulations in Title 3 of the Alaska Administrative Code, dealing with local option regulations, marijuana licensing and fees, as well as local options for local governments to "opt out" of having certain kinds of marijuana establishments, rules for retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions, and general provisions including definitions, including items proposed in the board's supplemental notice of October 6, 2015; that notice is incorporated by reference in this SUPPLEMENTAL NOTICE, as are items proposed in the board's previous public notices of August 12, 2015, July 8, 2015, and May 21, 2015 with respect to proposed regulations under Department of Law file numbers JU2015200372 , JU2015200509, and JU2015200669 and any related notices.

The Marijuana Control Board has issued this SUPPLEMENTAL NOTICE because the Marijuana Control Board is scheduling an oral hearing for the proposed regulations.

The oral hearing is scheduled for October 15 and 16, 2015 to receive oral public comments on proposed regulations in Title 3 of the Alaska Administrative Code, dealing with local option regulations, marijuana licensing and fees, as well as local options for local governments to "opt out" of having certain kinds of marijuana establishments, rules for retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions, and general provisions including definitions.

The Marijuana Control Board will hear oral public comment at all Legislative Information Offices (LIOs) that are open all year. (LIOs that are open only during the legislative session are not included). The offices are located in Anchorage, Bethel, Fairbanks, Juneau, Kenai, Ketchikan, Kodiak, Mat-Su, Nome, Seward, and Sitka. Address and contact information for each LIO is provided at the bottom of this notice. They will be open for individuals to appear and comment to the board telephonically from the LIO. Members of the public who wish to testify are strongly encouraged to utilize the nearest Legislative Information Office. The Marijuana Control Board will be physically located on October 15 and 16 in the Anchorage Legislative Information Office located at 716 W. 4th Avenue, Suite 100. The Marijuana Control Board will assign time periods for testimony to legislative information offices as published in this notice. The public may also comment by phone by calling 1-844-586-9085.

The schedule for receiving oral public comment from Legislative Information Offices is as follows. If testimony from any specific LIO does not fill the time slot allotted to it, the board will hear general telephonic testimony to fill the remainder of the time allotted to that LIO. If there is not telephonic testimony to fill the remainder of the time allotted, the board will look to other LIOs for testimony to fill the slot. Individuals who wish to testify at LIOs should appear at the beginning of the allotted time for that LIO.

October 15, 2015:

9:00 a.m.-11:00 a.m Anchorage LIO
11 a.m.-12 p.m. Mat-Su LIO
12 p.m.- 1 p.m Telephonic testimony
1 p.m.- 2 p.m. Kenai LIO
2 p.m.- 3 p.m. Fairbanks LIO
3 p.m.- 4 p.m. Juneau LIO

October 16, 2015

9 a.m. – 9:30 a.m. Anchorage LIO
9:30 a.m. – 10:00 a.m. Nome LIO
10 a.m. – 10:30 a.m. Bethel LIO
10:30 a.m.- 11:00 a.m. Ketchikan LIO
11:00 a.m.- 12:00 pm Kodiak LIO
12:00 p.m. – 1:00 p.m. Telephonic testimony
1:00 p.m.- 1:30 p.m. Seward LIO
1:30 p.m.- 2:00 p.m. Sitka LIO
2:00 – 2:30 p.m. Fairbanks LIO
2:30- 3:00 p.m. Kenai LIO
3:00 – 3:30 p.m. Juneau LIO
3:30 – 4:00 p.m. Mat-Su LIO

All individuals submitting oral public comment will be asked to identify themselves and any organization they represent, for the record. The hearing will be recorded. There will be a time limit of three minutes per individual comment. If an individual continues to comment once their time has run, individuals will be cut off after a reasonable grace period. Disruptions of the meeting will not be tolerated and anyone who intentionally disrupts the meeting will be asked to leave.

If you are a person with a disability who needs a special accommodation in order to participate in this oral comment process, please contact John Calder at (907) 269-0350 no later than October 12, 2015 to ensure that any necessary accommodations can be provided.

Written comments or questions will not be taken at the oral hearings. To submit written comments or questions, please do the following:

You may submit written comment on the proposed regulations, including the potential costs to private persons of complying with the proposed regulations, by submitting written comments to John Calder, Marijuana Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@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. Please indicate the article and section number to which each comment refers. The comments must be received no later than 4:30 p.m. on November 11, 2015.

You may submit written questions relevant to the proposed regulations to John Calder by email and

physical address. Please do not submit questions through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the public comment period, that is, not later than November 1 at 4:30 p.m. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and response available on the Marijuana Control Board website. The Marijuana Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you previously submitted comments on any of the proposed regulations, you need not resubmit them for the board to consider those comments when meeting to adopt the final regulations. New comments on updated provisions of the proposed regulations are welcome, as well as additional comments on unchanged provisions of the proposed regulations.

If you are a person with a disability who needs a special accommodation in order to participate in this written comment process, please contact John Calder at (907) 269-0350 no later than November 1, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulations are available through the electronic link to the complete text on the Alaska Online Public Notice System, on the Alcoholic Beverage Control Board website at <https://www.commerce.alaska.gov/web/abc/> and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

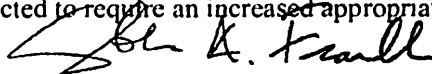
After the written public comment period ends, the Marijuana Control Board will either adopt the proposed regulations or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **You should comment during the time allowed if your interests could be affected.**

Statutory Authority: AS 17.38.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 17.38

Fiscal Information: The proposed regulations are not expected to require an increased appropriation.

DATE: October 7, 2015



Cynthia A. Franklin, Director
Marijuana Control Board

LIO Services & Background

Anchorage Legislative Information

Office

716 W 4th Avenue, Suite 100

Anchorage, AK 99501-2133

(907) 269-0111

Fax: (907) 269-0229

TDD: (907) 269-0260

LIO.Anchorage@akleg.gov

Bethel Legislative Information

Office

PO Box 886

(907) 543-3541

Fax: (907) 543-3542

301 Willow Street

LJO.Bethel@akleg.gov

Bethel, AK 99559-0866

Fairbanks Legislative Information

(907) 452-4448

Office

1292 Sadler Way Suite 308

Fax: (907) 456-3346

Fairbanks, AK 99701

TDD: (907) 456-5076

LJO.Fairbanks@akleg.gov

Juneau Legislative Information

(907) 465-4648

Office

State Capitol, Terry Miller Building,
Suite 111

Fax: (907) 465-2864

Juneau, AK 99801-1182

TDD: (907) 465-4980

LJO.Juneau@akleg.gov

Kenai Legislative Information

(907) 283-2030

Office

145 Main Street Loop, Suite 217

Fax: (907) 283-3075

Kenai, AK 99611

LJO.Kenai@akleg.gov

Ketchikan Legislative Information

(907) 225-9675

Office

1900 First Ave, Suite 310

Fax: (907) 225-8546

Ketchikan, AK 99901

LJO.Ketchikan@akleg.gov

Kodiak Legislative Information

(907) 486-8116

Office

305 Center Ave. Suite 1

Fax: (907) 486-5264

Kodiak, AK 99615-6431

LJO.Kodiak@akleg.gov

Mat-Su Legislative Information

(907) 376-3704

Office

600 E. Railroad Avenue

Fax: (907) 376-6180

Wasilla, AK 99654-8135

LJO.Matsu@akleg.gov

Nome Legislative Information

(907) 443-5555

Office

PO Box 1630

Fax: (907) 443-2162

103 Front Street, State Office Bldg

LJO.Nome@akleg.gov

Nome, AK 99762-1630

Seward Legislative Information

Office

PO Box 1769, 302 Railway Stc. 107

Seward, AK 99664

(907) 224-5066

Fax: (907) 224-5067

LJO.Seward@akleg.gov

Sitka Legislative Information

Office

201 Katlian Street, Suite 103

Sitka, AK 99835

(907) 747-6276

Fax: (907) 747-5807

LJO.Sitka@akleg.gov

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Marijuana Control Board
2. General subject of regulation: Marijuana licensing and fees, local option, retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions and general provisions including definitions.
3. Citation of regulation (may be grouped): 3 AAC 306.xxx (Articles 1-9)
4. Department of Law file number, if any: JU2015200372, JU2015200509, and JU2015200669

5. Reason for the proposed action:

- () Compliance with federal law or action (identify): _____
- (x) Compliance with new or changed state statute
- () Compliance with Federal or state court decision (identify) _____
- () Development of program standards
- () Other (identify): _____

6. Appropriation/Allocation: 0

7. Estimated annual costs in the aggregate to comply with the proposed action to:
Private Persons: Annual license fees to be paid with each new application for a marijuana establishment license. Non-refundable application fees of \$1000 are proposed and annual licensing fees range from \$1000-\$5000 by type of license.

Other State Agencies: \$0

Municipalities: \$0

8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>15</u>	Subsequent Years
Operating Cost	<u>\$ 0</u>	<u>\$ 0</u>
Capital Cost	<u>\$ 0</u>	<u>\$ 0</u>
1002 Federal receipts	<u>\$ 0</u>	<u>\$ 0</u>
1003 General fund match	<u>\$ 0</u>	<u>\$ 0</u>
1004 General fund	<u>\$ 0</u>	<u>\$ 0</u>
1005 General fund/ program	<u>\$ 0</u>	<u>\$ 0</u>
1037 General fund/ mental health	<u>\$ 0</u>	<u>\$ 0</u>
Other	<u>\$ 0</u>	<u>\$ 0</u>

9. The name of the contact person for the regulations:

Name: Cynthia A. Franklin

Title: Director, Marijuana Control Board

Address: 550 W. 7th Avenue, Suite 1600

Anchorage, AK 99501

Telephone: (907)269-0350

E-mail address Cynthia.franklin@alaska.gov

10. The origin of the proposed action:

☒ Staff of state agency

☐ Federal government

☐ General public

☐ Petition for regulation change

☐ Other (identify) _____

11. Date: 10/1/2015

Prepared by: _____

[signature]

Name (printed): Cynthia A. Franklin

Title (printed): Director, Marijuana Control Board

Telephone: (907)269-0350

270221
#1373454
\$1,698.20

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Emma Dunlap
being first duly sworn on oath
deposes and says that he is
a representative of the
Alaska Dispatch News, a
daily newspaper. That said
newspaper has been approved
by the Third Judicial Court,
Anchorage, Alaska, and it now
and has been published in the
English language continually as a
daily newspaper in Anchorage,
Alaska, and it is now and during
all said time was printed in an
office maintained at the aforesaid
place of publication of said
newspaper. That the annexed is
a copy of an advertisement as it
was published in regular issues
(and not in supplemental form)
of said newspaper on

October 7, 2015

and that such newspaper was
regularly distributed to its
subscribers during all of said
period. That the full amount of
the fee charged for the foregoing
publication is not in excess of
the rate charged private individual

Signed

Subscribed and sworn to before

me this 14 day of JAN

20

Britney Thompson

Notary Public in and for
The State of Alaska

Notary Public
BRITNEY THOMPSON
MY COMMISSION EXPIRES
State of Alaska

My Commission Expires Feb 23, 2019

SUPPLEMENTAL NOTICE OF ORAL HEARING FOR PROPOSED REGULATIONS REGARDING MARIJUANA LICENSING, LOCAL OPTIONS, RETAIL STORES, CULTIVATION FACILITIES, PRO FACILITIES, TESTING FACILITIES, OPERATING REQUIREMENTS, DEFINITIONS, ENFORCI AND GENERAL PROVISIONS

MARIJUANA CONTROL BOARD

BRIEF DESCRIPTION

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as E
2014. These proposed regulations relate to marijuana licensing and fees, as well as local options for local governments
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JU2015200372, JU2015200509, and JU2015200669 and any related notices.

The Marijuana Control Board has issued this SUPPLEMENTAL NOTICE because the Marijuana Control Board is sched
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The oral hearing is scheduled for October 15 and 16, 2015 to receive oral public comments on proposed regulat
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The Marijuana Control Board will hear oral public comment at all Legislative Information Offices (LIOs) that are open all
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appear and comment to the board telephonically from the LIO. Members of the public who wish to testify are stron
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information offices as published in this notice. The public may also comment by phone by calling 1-844-586-9085.

The schedule for receiving oral public comment from Legislative Information Offices is as follows. If testimony from any
time slot allotted to it, the board will hear general telephonic testimony to fill the remainder of the time allotted to that
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October 15, 2015:

9:00 a.m.-11:00 a.m. Anchorage LIO
11 a.m.-12 p.m. Mat-Su LIO
12 p.m.- 1 p.m. Telephonic testimony
1 p.m.- 2 p.m. Kenai LIO
2 p.m.- 3 p.m. Fairbanks LIO
3 p.m.- 4 p.m. Juneau LIO

October 16, 2015

9 a.m. - 9:30 a.m. Anchorage LIO
9:30 a.m. - 10:00 a.m. Nome LIO
10 a.m. - 10:30 a.m. Bethel LIO
10:30 a.m. - 11:00 a.m. Ketchikan LIO
11:00 a.m. - 12:00 pm Kodiak LIO
12:00 p.m. - 1:00 p.m. Telephonic testimony
1:00 p.m. - 1:30 p.m. Seward LIO
1:30 p.m. - 2:00 p.m. Sitka LIO
2:00 - 2:30 p.m. Fairbanks LIO
2:30- 3:00 p.m. Kenai LIO
3:00 - 3:30 p.m. Juneau LIO
3:30 - 4:00 p.m. Mat-Su LIO

All individuals submitting oral public comment will be asked to identify themselves and any organization they represen
will be recorded. There will be a time limit of three minutes per individual comment. If an individual continues to comm
individuals will be cut off after a reasonable grace period. Disruptions of the meeting will not be tolerated and anyone v
meeting will be asked to leave.

If you are a person with a disability who needs a special accommodation in order to participate in this oral comment
Calder at (907) 269-0350 no later than October 12, 2015 to ensure that any necessary accommodations can be provided

Written comments or questions will not be taken at the oral hearings. To submit written comments or questions, please

You may submit written comment on the proposed regulations, including the potential costs to private persons of o
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Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@alaska.gov. Comm
through the Alaska Online Public Notice System, by accessing this notice on the system and using the "comment" link. F
section number to which each comment refers. The comments must be received no later than 4:30 p.m. on November 1

You may submit written questions relevant to the proposed regulations to John Calder by email and physical address. Pl
through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the
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questions and response available on the Marijuana Control Board website. The Marijuana Control Board may, but is no
questions received after the 10-day cut-off date and before the end of the comment period.

If you previously submitted comments on any of the proposed regulations, you need not resubmit them for the board

comments on unchanged provisions of the proposed regulations. If you are a person with a disability who needs a special accommodation in order to participate in this written comment period, please contact the Alaska Online Alcoholic Beverage Control Board at (907) 269-0350 no later than November 1, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulations are available through the electronic link to the complete text on the Alaska Online Alcoholic Beverage Control Board website at <https://www.commerce.alaska.gov/web/abc/> and by contacting John C. Anchorage, AK 99501.

After the written public comment period ends, the Marijuana Control Board will either adopt the proposed regulations with the same subject, without further notice, or decide to take no action. The language of the final regulations may differ from the proposed regulations. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 17.38.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 17.38

Fiscal Information: The proposed regulations are not expected to require an increased appropriation.

DATE: October 7, 2015

LIO Services & Background

Anchorage Legislative Information Office

(907) 269-0111
716 W 4th Avenue, Suite 100 Fax: (907) 269-0229
Anchorage, AK 99501-2133 TDD: (907) 269-0260
LIO.Anchorage@akleg.gov

Bethel Legislative Information Office

(907) 543-3541
PO Box 886 Fax: (907) 543-3542
301 Willow Street LIO.Bethel@akleg.gov
Bethel, AK 99559-0866

Fairbanks Legislative Information Office

(907) 452-4448
1292 Sadler Way Suite 308 Fax: (907) 456-3346
Fairbanks, AK 99701 TDD: (907) 456-5076
LIO.Fairbanks@akleg.gov

Juneau Legislative Information Office

(907) 465-4648
State Capitol, Terry Miller Building, Suite 111
Juneau, AK 99801-1182 Fax: (907) 465-2864
LIO.Juneau@akleg.gov TDD: (907) 465-4980,

Kenai Legislative Information Office

(907) 283-2030
145 Main Street Loop, Suite 217 Fax: (907) 283-3075
Kenai, AK 99611 LIO.Kenai@akleg.gov

Ketchikan Legislative Information Office

(907) 225-9675
1900 First Ave, Suite 310 Fax: (907) 225-8546
Ketchikan, AK 99901 LIO.Ketchikan@akleg.gov

Kodiak Legislative Information Office

(907) 486-8116
305 Center Ave. Suite 1 Fax: (907) 486-5264
Kodiak, AK 99615-6431 LIO.Kodiak@akleg.gov

Mat-Su Legislative Information Office

(907) 376-3704
600 E. Railroad Avenue Fax: (907) 376-6180
Wasilla, AK 99654-8135 LIO.Matsu@akleg.gov

Nome Legislative Information Office

(907) 443-5555
PO Box 1630 Fax: (907) 443-2162
103 Front Street, State Office Bldg LIO.Nome@akleg.gov

Nome, AK 99762-1630

Seward Legislative Information Office

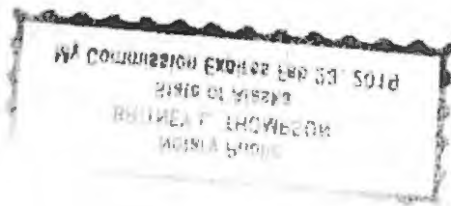
(907) 224-5066
PO Box 1769, 302 Railway Ste. 107 Fax: (907) 224-5067
Seward, AK 99664 LIO.Seward@akleg.gov

Sitka Legislative Information Office

(907) 747-6276
201 Katlian Street, Suite 103 Fax: (907) 747-5807
Sitka, AK 99835 LIO.Sitka@akleg.gov

AO-08-16-012

Published: October 7, 2015



**SUPPLEMENTAL NOTICE OF PROPOSED REGULATIONS
REGARDING MARIJUANA LICENSING, LOCAL OPTIONS, RETAIL STORES,
CULTIVATION FACILITIES, PRODUCT MANUFACTURING FACILITIES, TESTING
FACILITIES, OPERATING REQUIREMENTS, DEFINITIONS, ENFORCEMENT
AND GENERAL PROVISIONS**

MARIJUANA CONTROL BOARD

BRIEF DESCRIPTION

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November 2014. These proposed regulations relate to marijuana licensing and fees, as well as local options for local governments to “opt out” of having certain kinds of marijuana establishments, rules for retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions and general provisions including definitions.

The Marijuana Control Board proposes to adopt regulations in Title 3 of the Alaska Administrative Code, dealing with local option regulations, marijuana licensing and fees, as well as local options for local governments to “opt out” of having certain kinds of marijuana establishments, rules for retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions, and general provisions including definitions, including the following:

(1) Article 1 – Licensing, Fees regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana establishment license is required, restrictions on licenses, conditions on licenses, rules regarding applications for a new license, application procedures, rules regarding petitioning for a license in an area with no local government, rules regarding applications for renewal of licenses, rules regarding reporting of changes in ownership of licenses, rules regarding application for transfers of licenses to another person, relocation of licensed premises not allowed, rules regarding criminal justice information and records, rules for protests by local governments, public participation in issuance of licenses, renewals and transfers, public hearings on protests or to ascertain the reaction of the public or local government to an application, procedure for action on license applications, denial of license applications, informal conferences with the director or the board, formal hearings, appeals, fees and refunds.

(2) Article 2 – Local Option regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing a local government's ability, by ordinance or popular vote, to opt out of allowing marijuana establishments to operate in their jurisdiction. The proposed local option regulations are modeled generally on the local option statutes for liquor licensed establishments in AS 04.11, except that the marijuana law, AS 17.38.900(4), defines “local government” as excluding villages. The proposed regulations include rules prescribing types of local options, a change of a local option, the removal of a local option, the procedures for a local option election, the prohibition of importation or purchase after a local option election, the effect on licenses of a restriction on sale, and notice of results of a local option election.

(3) Article 3 – Marijuana Retail Stores regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana retail store license is required, marijuana retail store privileges, acts prohibited at a marijuana retail store, application for a marijuana retail store license, when a marijuana handler permit is required, restricted access area at a marijuana retail store, rules regarding a marijuana inventory tracking system, health and safety requirements for marijuana retail store, testing requirements for marijuana and marijuana products sold at marijuana retail store, rules regarding packaging and labeling of marijuana products sold at a retail store, identification requirements to prevent sale to persons under the age of 21, limits on quantity sold, and restrictions on advertising and signage relating to marijuana and marijuana products.

(4) Article 4 – Marijuana Cultivation Facilities regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana cultivation facility license is required, types of marijuana cultivation facility licenses including standard marijuana cultivation facilities, limited marijuana cultivation facilities, and marijuana cultivation broker facilities, setting out privileges and prohibited acts for each type of marijuana cultivation facility, rules regarding applications for marijuana cultivation facility licenses, requirements for marijuana handlers' permits related to marijuana cultivation facilities, restricted access areas in marijuana cultivation facilities, rules regarding a marijuana inventory tracking system, health and safety requirements for marijuana cultivation facilities, general standards for cultivation and preparation of marijuana in cultivation facilities, rules regarding the prohibition of marijuana concentrate production at marijuana cultivation facilities, required laboratory testing for marijuana cultivation facilities, rules regarding promotional samples for marijuana cultivation facilities, rules regarding random sampling by the board or director, rules regarding the packaging of marijuana, rules regarding the labeling of marijuana and rules regarding the marijuana tax to be paid by marijuana cultivation facilities.

(5) Article 5 – Marijuana Product Manufacturing Facilities regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana product manufacturing facility license is required, marijuana product manufacturing facility privileges, acts prohibited at a marijuana product manufacturing facility, rules for a marijuana concentrate manufacturing facility license, application for a marijuana product manufacturing facility license, rules regarding approval of concentrates and marijuana products, when a marijuana handler permit and food safety worker training is required, restricted access area and storage at a marijuana product manufacturing facility, rules regarding a marijuana inventory tracking system, health and safety standards for a marijuana product manufacturing facility, required laboratory testing for a marijuana product manufacturing facility, rules regarding production of marijuana concentrate, rules regarding potency limits per serving and transaction, rules regarding packaging of marijuana products, and rules regarding labeling of marijuana products.

(6) Article 6 – Marijuana Testing Facility regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana testing facility license is required, marijuana testing facility privileges and acts prohibited

at a marijuana testing facility, application for a marijuana testing facility license, approval of a marijuana testing facility, rules regarding a proficiency testing program for a marijuana testing facility, requirement of a scientific director, rules regarding testing methodologies, a standard operating procedure manual, laboratory testing of marijuana and marijuana products, and a chain of custody, rules regarding a marijuana inventory tracking system, rules regarding retests and disposition of failed material, rules regarding supplemental marijuana quality testing, rules regarding reporting and verification and rules regarding records retention by a marijuana testing facility.

- (7) Article 7 – Operating Requirements for All Marijuana Establishments regulations are proposed as follows:

The proposed regulations consist of a series of provisions regarding marijuana handler permits, establishing licensed premises and alteration of licensed premises, restricted access areas, security alarm systems and lock standards, video surveillance, inspection of licensed premises, rules regarding a marijuana inventory tracking system, health and safety standards, waste disposal, standardized scales, transportation, and business records.

- (8) Article 8 – Enforcement and Civil Penalties regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing rules regarding inspection and investigation, notices of violation, suspension and revocation of licenses, suspension and revocation based on an act of an employee, procedure for action on license suspension or revocation, summary suspension to protect public health, safety or welfare, seizure of marijuana or marijuana product, rules regarding hearings, rules regarding civil fines, rules regarding rights of appeal, and rules regarding surrender or destruction of licenses.

- (9) Article 9 – General Provisions regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing general provisions including prohibition of marijuana clubs, rules establishing that marijuana establishment applications are public records, rules regarding refusal to sell marijuana, rules regarding the exercise of a licensee's authority, rules regarding the death of a licensee and definitions for the following terms: affiliate, assisting, delivering, flowering, immature, personal cultivation, possess, registration, transport or transfer, adulterated food or drink product, agent, batch or harvest batch, bud and flower, business day, CBN, CBD, CBDA, clones or cuttings, compensation, concentrate, consumer, contaminant, controlling interest, distribute, edible and edible marijuana product, extraction or marijuana extraction, homogenous, individual, in-house testing, licensed, licensee, licensed premises, lot or production lot, marijuana, marijuana cultivation facility, marijuana, marijuana cultivation facility, marijuana plant, marijuana product, marijuana product manufacturing facility, peace officer, person, process or processing, propagate, recreation or youth center, retail marijuana store, square feet under cultivation, THC, THCA, and transaction.

This is a SUPPLEMENTAL NOTICE adding to notices of proposed regulations that were issued on August 12, 2015, July 8, 2015, and May 21, 2015 with respect to proposed regulations under Department of Law file numbers JU2015200372 , JU2015200509, and JU2015200669 and any related notices; and incorporate by reference the previous content of those notices. This SUPPLEMENTAL NOTICE is being issued because the Marijuana Control Board is extending the public comment period to solicit comments on the three projects for which the proposed regulations are presented as a single consolidated draft.

You may comment on the proposed regulations, including the potential costs to private persons of complying with the proposed regulations, by submitting written comments to John Calder, Marijuana Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@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. Indicate the article and section number to which each comment refers. The comments must be received no later than 4:30 p.m. on November 11, 2015.

You may submit written questions relevant to the proposed regulations to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the public comment period, by November 1 at 4:30 p.m. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and response available on the Marijuana Control Board website. The Marijuana Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you previously submitted comments on any of the proposed regulations, you need not resubmit them for the board to consider those comments when meeting to adopt the final regulations. New comments on updated provisions of the proposed regulations are welcome, as well as additional comments on unchanged provisions of the proposed regulations.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact John Calder at (907) 269-0350 no later than November 1, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulations are available through the electronic link to the complete text on the Alaska Online Public Notice System, on the Alcoholic Beverage Control Board website at <https://www.commerce.alaska.gov/web/abc/> and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulations or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **You should comment during the time allowed if your interests could be affected.**

Statutory Authority: AS 17.38.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 17.38

Fiscal Information: The proposed regulations are not expected to require an increased appropriation.

DATE: October 2, 2015

Cynthia A. Franklin, Director
Marijuana Control Board

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Marijuana Control Board
2. General subject of regulation: Marijuana licensing and fees, local option, retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions and general provisions including definitions.
3. Citation of regulation (may be grouped): 3 AAC 306.xxx (Articles 1-9)
4. Department of Law file number, if any: JU2015200372, JU2015200509, and JU2015200669
5. Reason for the proposed action:
 - () Compliance with federal law or action (identify): _____
 - (x) Compliance with new or changed state statute
 - () Compliance with Federal or state court decision (identify) _____
 - () Development of program standards
 - () Other (identify): _____
6. Appropriation/Allocation: 0
7. Estimated annual costs in the aggregate to comply with the proposed action to:

Private Persons: Annual license fees to be paid with each new application for a marijuana establishment license. Non-refundable application fees of \$1000 are proposed and annual licensing fees range from \$1000-\$5000 by type of license.

Other State Agencies: \$0

Municipalities: \$0
8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>15</u>	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
1037 General fund/ mental health	\$ <u>0</u>	\$ <u>0</u>
Other	\$ <u>0</u>	\$ <u>0</u>

9. The name of the contact person for the regulations:

Name: Cynthia A. Franklin

Title: Director, Marijuana Control Board

Address: 550 W. 7th Avenue, Suite 1600

Anchorage, AK 99501

Telephone: (907)269-0350

E-mail address Cynthia.franklin@alaska.gov

10. The origin of the proposed action:

 x Staff of state agency

 Federal government

 General public

 Petition for regulation change

 Other (identify) _____

11. Date: 10/1/2015

Prepared by: _____

[signature]

Name (printed): Cynthia A. Franklin

Title (printed): Director, Marijuana Control Board

Telephone: (907)269-0350

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AFFIDAVIT OF PUBLICATION

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Emma Dunlap
being first duly sworn on oath
deposes and says that he is
a representative of the
Alaska Dispatch News, a
daily newspaper. That said
newspaper has been approved
by the Third Judicial Court,
Anchorage, Alaska, and it now
and has been published in the
English language continually as a
daily newspaper in Anchorage,
Alaska, and it is now and during
all said time was printed in an
office maintained at the aforesaid
place of publication of said
newspaper. That the annexed is
a copy of an advertisement as it
was published in regular issues
(and not in supplemental form)
of said newspaper on

October 6, 2015

and that such newspaper was
regularly distributed to its
subscribers during all of said
period. That the full amount of
the fee charged for the foregoing
publication is not in excess of
the rate charged private individuals

Signed

Emma Dunlap

Subscribed and sworn to before

me this

16

day of

Dec

2015

Britney Thompson

Notary Public in and for
The State of Alaska.
Third Division

Anchorage, Alaska
MY COMMISSION EXPIRES
BRITNEY L. THOMPSON
State of Alaska
My Commission Expires Feb/23, 2019

SUPPLEMENTAL NOTICE OF PROPOSED REGULATIONS REGARDING MARIJUANA LICENSING, LOCAL OPTIONS, RETAIL STORES, CULTIVATION FACILITIES, PRODUCT MANUFACTURING FACILITIES, TESTING FACILITIES, OPERATING REQUIREMENTS, DEFINITIONS, ENFORCEMENT AND GENERAL PROVISIONS

MARIJUANA CONTROL BOARD

BRIEF DESCRIPTION

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November 2014. These proposed regulations relate to marijuana licensing and fees, as well as local options for local governments to "opt out" of having certain kinds of marijuana establishments, rules for retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions and general provisions including definitions.

The Marijuana Control Board proposes to adopt regulations in Title 3 of the Alaska Administrative Code, dealing with local option regulations, marijuana licensing and fees, as well as local options for local governments to "opt out" of having certain kinds of marijuana establishments, rules for retail marijuana stores, cultivation facilities, product manufacturing facilities, and testing facilities, operating requirements for all marijuana establishments, enforcement provisions, and general provisions including definitions, including the following:

(1) Article 1 – Licensing, Fees regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana establishment license is required, restrictions on licenses, conditions on licenses, rules regarding applications for a new license, application procedures, rules regarding petitioning for a license in an area with no local government, rules regarding applications for renewal of licenses, rules regarding reporting of changes in ownership of licenses, rules regarding application for transfers of licenses to another person, relocation of licensed premises not allowed, rules regarding criminal justice information and records, rules for protests by local governments, public participation in issuance of licenses, renewals and transfers, public hearings on protests or to ascertain the reaction of the public or local government to an application, procedure for action on license applications, denial of license applications, informal conferences with the director or the board, formal hearings, appeals, fees and refunds.

(2) Article 2 – Local Option regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing a local government's ability, by ordinance or popular vote, to opt out of allowing marijuana establishments to operate in their jurisdiction. The proposed local option regulations are modeled generally on the local option statutes for liquor licensed establishments in AS 04.11, except that the marijuana law, AS 17.38.900(4), defines "local government" as excluding villages. The proposed regulations include rules prescribing types of local options, a change of a local option, the removal of a local option, the procedures for a local option election, the prohibition of importation or purchase after a local option election, the effect on licenses of a restriction on sale, and notice of results of a local option election.

(3) Article 3 – Marijuana Retail Stores regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana retail store license is required, marijuana retail store privileges, acts prohibited at a marijuana retail store, application for a marijuana retail store license, when a marijuana handler permit is required, restricted access area at a marijuana retail store, rules regarding a marijuana inventory tracking system, health and safety requirements for marijuana retail store, testing requirements for marijuana and marijuana products sold at marijuana retail store, rules regarding packaging and labeling of marijuana products sold at a retail store, identification requirements to prevent sale to persons under the age of 21, limits on quantity sold, and restrictions on advertising and signage relating to marijuana and marijuana products.

(4) Article 4 – Marijuana Cultivation Facilities regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana cultivation facility license is required, types of marijuana cultivation facility licenses including standard marijuana cultivation facilities, limited marijuana cultivation facilities, and marijuana cultivation broker facilities, setting out privileges and prohibited acts for each type of marijuana cultivation facility, rules regarding applications for marijuana cultivation facility licenses, requirements for marijuana handlers' permits related to marijuana cultivation facilities, restricted access areas in marijuana cultivation facilities, rules regarding a marijuana inventory tracking system, health and safety requirements for marijuana cultivation facilities, general standards for cultivation and preparation of marijuana in cultivation facilities, rules regarding the prohibition of marijuana concentrate production at marijuana cultivation facilities, required laboratory testing for marijuana cultivation facilities, rules regarding promotional samples for marijuana cultivation facilities, rules regarding random sampling by the board or director, rules regarding the packaging of marijuana, rules regarding the labeling of marijuana and rules regarding the marijuana tax to be paid by marijuana cultivation facilities.

(5) Article 5 – Marijuana Product Manufacturing Facilities regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana product manufacturing facility license is required, marijuana product manufacturing facility privileges, acts prohibited at a marijuana product manufacturing facility, rules for a marijuana concentrate manufacturing facility license, application for a marijuana product manufacturing facility license, rules regarding approval of concentrates and marijuana products, when a marijuana handler permit and food safety worker training is required, restricted access area and storage at a marijuana product manufacturing facility, rules regarding a marijuana inventory tracking system, health and safety standards for a marijuana product manufacturing facility, required laboratory testing for a marijuana product manufacturing facility, rules regarding production of marijuana concentrate, rules regarding potency limits per serving and transaction, rules regarding packaging of marijuana products, and rules regarding labeling of marijuana products.

(6) Article 6 – Marijuana Testing Facility regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing when a marijuana testing facility license is required, marijuana testing facility privileges and acts prohibited at a marijuana testing facility, application for a marijuana testing facility license, approval of a marijuana testing facility, rules regarding a proficiency testing program for a marijuana testing facility, requirement of a scientific director, rules regarding testing methodologies, a standard operating procedure manual, laboratory testing of marijuana and marijuana products, and a chain of custody, rules regarding a marijuana inventory tracking system, rules regarding retests and disposition of failed material, rules regarding supplemental marijuana quality testing, rules regarding reporting and verification and rules regarding records retention by a marijuana testing facility.

(7) Article 7 – Operating Requirements for All Marijuana Establishments regulations are proposed as follows:

The proposed regulations consist of a series of provisions regarding marijuana handler permits, establishing licensed premises and alteration of licensed premises, restricted access areas, security alarm systems and lock standards, video surveillance, inspection of licensed premises, rules regarding a marijuana

inventory tracking system, health and safety standards, waste disposal, standardized scales, transportation, and business records.

(8) Article 8 – Enforcement and Civil Penalties regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing rules regarding inspection and investigation, notices of violation, suspension and revocation of licenses, suspension and revocation based on an act of an employee, procedure for action on license suspension or revocation, summary suspension to protect public health, safety or welfare, seizure of marijuana or marijuana product, rules regarding hearings, rules regarding civil fines, rules regarding rights of appeal, and rules regarding surrender or destruction of licenses.

(9) Article 9 – General Provisions regulations are proposed as follows:

The proposed regulations consist of a series of provisions establishing general provisions including prohibition of marijuana clubs, rules establishing that marijuana establishment applications are public records, rules regarding refusal to sell marijuana, rules regarding the exercise of a licensee's authority, rules regarding the death of a licensee and definitions for the following terms: affiliate, assisting, delivering, flowering, immature, personal cultivation, possess, registration, transport or transfer, adulterated food or drink product, agent, batch or harvest batch, bud and flower, business day, CBN, CBD, CBDA, clones or cuttings, compensation, concentrate, consumer, contaminant, controlling interest, distribute, edible and edible marijuana product, extraction or marijuana extraction, homogenous, individual, in-house testing, licensed, licensee, licensed premises, lot or production lot, marijuana, marijuana cultivation facility, marijuana, marijuana cultivation facility, marijuana plant, marijuana product, marijuana product manufacturing facility, peace officer, person, process or processing, propagate, recreation or youth center, retail marijuana store, square feet under cultivation, THC, THCA, and transaction.

This is a SUPPLEMENTAL NOTICE adding to notices of proposed regulations that were issued on August 12, 2015, July 8, 2015, and May 21, 2015 with respect to proposed regulations under Department of Law file numbers JU2015200372, JU2015200509, and JU2015200669 and any related notices; and incorporate by reference the previous content of those notices. This SUPPLEMENTAL NOTICE is being issued because the Marijuana Control Board is extending the public comment period to solicit comments on the three projects for which the proposed regulations are presented as a single consolidated draft.

You may comment on the proposed regulations, including the potential costs to private persons of complying with the proposed regulations, by submitting written comments to John Calder, Marijuana Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@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. Indicate the article and section number to which each comment refers. The comments must be received no later than 4:30 p.m. on November 11, 2015.

You may submit written questions relevant to the proposed regulations to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the public comment period, by November 1 at 4:30 p.m. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and response available on the Marijuana Control Board website. The Marijuana Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you previously submitted comments on any of the proposed regulations, you need not resubmit them for the board to consider those comments when meeting to adopt the final regulations. New comments on updated provisions of the proposed regulations are welcome, as well as additional comments on unchanged provisions of the proposed regulations.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact John Calder at (907) 269-0350 no later than November 1, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulations are available through the electronic link to the complete text on the Alaska Online Public Notice System, on the Alcoholic Beverage Control Board website at <https://www.commerce.alaska.gov/web/abc/> and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulations or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 17.38.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 17.38

Fiscal Information: The proposed regulations are not expected to require an increased appropriation.

DATE: October 2, 2015

Cynthia A. Franklin, Director
Marijuana Control Board

Published: October 6, 2015

**NOTICE OF PROPOSED REGULATIONS
REGARDING MARIJUANA AND CULTIVATION FACILITIES, PRODUCT
MANUFACTURING FACILITIES, TESTING FACILITIES,
ENFORCEMENT AND GENERAL PROVISIONS
MARIJUANA CONTROL BOARD**

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November, 2014. These proposed regulations relate to cultivation facilities, product manufacturing facilities, testing facilities, enforcement provisions and general provisions including definitions.

The Marijuana Control Board proposes to adopt regulations in Title 3 of the Alaska Administrative Code, dealing with cultivation facilities, product manufacturing facilities, testing facilities, enforcement provisions and general provisions and definitions, including the following:

(1) Article 4 – Marijuana Cultivation Facilities regulations are proposed as follows:

The regulations consist of a series of provisions establishing when a marijuana cultivation facility license is required, types of marijuana cultivation facility licenses including standard marijuana cultivation facilities, limited marijuana cultivation facilities, and marijuana cultivation broker facilities, setting forth privileges and prohibited acts for each type of marijuana cultivation facility, rules regarding applications for marijuana cultivation facility licenses, health and safety requirements for marijuana cultivation facilities, requirements for marijuana handlers permits related to marijuana cultivation facilities, restricted access areas in marijuana cultivation facilities, standards for cultivation and preparation of marijuana in cultivation facilities, required laboratory testing for marijuana cultivation facilities, rules regarding promotional samples for marijuana cultivation facilities, rules regarding the packing of marijuana products, rules regarding the labeling of marijuana products and rules regarding the marijuana tax to be paid by marijuana cultivation facilities.

(2) Article 5- Marijuana Product Manufacturing Facilities regulations are proposed as follows:

The regulations consist of a series of provisions establishing when a marijuana product manufacturing facility license is required, marijuana product manufacturing facility privileges, acts prohibited at a marijuana product manufacturing facility, rules for a marijuana extraction manufacturing facility license, application for a marijuana product manufacturing facility license, health and safety standards for a marijuana product manufacturing facility, restricted access area and storage at a marijuana product manufacturing facility, when a marijuana handler permit and food safety worker training is required, rules regarding a marijuana inventory tracking system, rules regarding approval of concentrates and marijuana products, rules regarding production of marijuana concentrate, required laboratory testing for a marijuana product manufacturing facility, rules regarding potency limits per serving and transaction, rules regarding packaging of marijuana products, and rules regarding labeling of marijuana products.

(3) Article 6- Marijuana Testing Facility regulations are proposed as follows:

The regulations consist of a series of provisions establishing when a marijuana testing facility license is required, marijuana testing facility privileges, acts prohibited at a marijuana testing facility, application for a marijuana testing facility license, approval of a marijuana testing facility, rules regarding a proficiency testing program for a marijuana testing facility, rules regarding a scientific director, testing methodologies, a standard operating procedure manual, laboratory testing of marijuana and marijuana products, and a chain of custody, rules regarding a marijuana inventory tracking system, rules regarding failed material and retests, rules regarding supplemental marijuana quality testing, rules regarding reporting and verification and rules regarding records retention by a marijuana testing facility.

(4) Article 8- Enforcement and Civil Penalties regulations are proposed as follows:

The regulations consist of a series of provisions establishing rules regarding inspection and investigation, notice of violations, suspension and revocation of licenses, suspension and revocation based on an act of an employee, procedure for action on license suspension or revocation, summary suspension to protect public health, safety and welfare, seizure of marijuana or marijuana product, rules regarding hearings, rules regarding civil fines, rules regarding rights of appeal, and rules regarding surrender or destruction of licenses.

(5) Article 9- General Provisions regulations are proposed as follows:

The regulations consist of a series of provisions establishing general provisions including prohibition of marijuana clubs, rules regarding public records, rules regarding refusal to sell marijuana, and definitions for the following terms: assist, deliver, flowering, immature, personal cultivation, possess, transport or transfer, adulterated food or drink product, agent, batch or harvest batch, bud and flower, clones or cuttings, compensation, contaminant, controlling interest, edible and edible marijuana product, extraction or marijuana extraction, homogenous, licensed, licensee, licensed premises, lot or production lot, marijuana, marijuana concentrate, marijuana cultivation facility, marijuana plant, marijuana product, marijuana product manufacturing facility, person, process or processing, retail marijuana store, and square feet under cultivation.

You may comment on the proposed regulations, including the potential costs to private persons of complying with the proposed regulations, by submitting written comments to John Calder, Marijuana Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@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. Please indicate the article and section number to which each comment refers, if applicable. Please indicate in the subject line that you are commenting on Draft Set #3. The comments must be received no later than 4:30 p.m. on September 10, 2015.

You may submit written questions relevant to the proposed regulations to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the public comment period, by August 31 at 4:30 p.m. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and response available on the Marijuana Control Board website. The Marijuana Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact John Calder at (907) 269-0350 no later than August 31, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulations are available through the electronic link to the complete text on the Alaska Online Public Notice System, on the Alcoholic Beverage Control Board website at <https://www.commerce.alaska.gov/web/abc/> and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

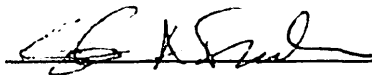
After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulations or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **You should comment during the time allowed if your interests could be affected.**

Statutory Authority: AS 17.38.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 17.38.090

Fiscal Information: The proposed regulations are not expected to require an increased appropriation.

DATE: August 11, 2015

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

Cynthia A. Franklin, Director
Marijuana Control Board

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Marijuana Control Board
2. General subject of regulation: Marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, enforcement and civil penalties and general provisions
3. Citation of regulation (may be grouped): 3 AAC 306.xxx (Articles 4, 5, 6, 8 and 9)
4. Department of Law file number, if any: _____
5. Reason for the proposed action:
 - () Compliance with federal law or action (identify): _____
 - (x) Compliance with new or changed state statute
 - () Compliance with Federal or state court decision (identify) _____
 - () Development of program standards
 - () Other (identify): _____
6. Appropriation/Allocation: _____
7. Estimated annual costs in the aggregate to comply with the proposed action to:
 - Private Persons: \$0
 - Other State Agencies: \$0
 - Municipalities: \$0
8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>15</u>	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
1037 General fund/ mental health	\$ <u>0</u>	\$ <u>0</u>
Other	\$ <u>0</u>	\$ <u>0</u>

9. The name of the contact person for the regulations:
Name: Cynthia A. Franklin

Title: Director, Marijuana Control Board
Address: 550 W. 7th Avenue, Suite 1600
Anchorage, AK 99501

Telephone: (907)269-0350
E-mail address Cynthia.franklin@alaska.gov

10. The origin of the proposed action:

☒ Staff of state agency
☐ Federal government
☐ General public
☐ Petition for regulation change
☐ Other (identify) _____

11. Date: 08/11/2015

Prepared by: _____
[signature]

Name (printed): Cynthia A. Franklin
Title (printed): Director, Marijuana Control Board
Telephone: (907)269-0350

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Remainder of clipping is on
back side.
ACJ 1/17/2016

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

Kayla Lavea

being first duly sworn on oath deposes and says that he/she is a representative of the Alaska Dispatch News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

August 12, 2015

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed

Kayla Lavea

Subscribed and sworn to before me
this 12th day of August, 2015

Britney L. Thompson

Notary Public in and for
The State of Alaska.
Third Division
Anchorage, Alaska

MY COMMISSION EXPIRES

2/23/2019
Notary Public
BRITNEY L. THOMPSON
State of Alaska
My Commission Expires Feb 23, 2019

NOTICE OF PROPOSED REGULATIONS REGARDING MARIJUANA AND CULTIVATION FACILITIES, PRODUCT MANUFACTURING FACILITIES, TESTING FACILITIES, ENFORCEMENT AND GENERAL PROVISIONS MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November, 2014. These proposed regulations relate to cultivation facilities, product manufacturing facilities, testing facilities, enforcement provisions and general provisions including definitions.

The Marijuana Control Board proposes to adopt regulations in Title 3 of the Alaska Administrative Code, dealing with cultivation facilities, product manufacturing facilities, testing facilities, enforcement provisions and general provisions and definitions, including the following:

(1) Article 4 - Marijuana Cultivation Facilities regulations are proposed as follows:

The regulations consist of a series of provisions establishing when a marijuana cultivation facility license is required, types of marijuana cultivation facility licenses including standard marijuana cultivation facilities, limited marijuana cultivation facilities, and marijuana cultivation broker facilities, setting forth privileges and prohibited acts for each type of marijuana cultivation facility, rules regarding applications for marijuana cultivation facility licenses, health and safety requirements for marijuana cultivation facilities, requirements for marijuana handlers permits related to marijuana cultivation facilities, restricted access areas in marijuana cultivation facilities, standards for cultivation and preparation of marijuana in cultivation facilities, required laboratory testing for marijuana cultivation facilities, rules regarding promotional samples for marijuana cultivation facilities, rules regarding the packing of marijuana products, rules regarding the labeling of marijuana products and rules regarding the marijuana tax to be paid by marijuana cultivation facilities.

(2) Article 5- Marijuana Product Manufacturing Facilities regulations are proposed as follows:

The regulations consist of a series of provisions establishing when a marijuana product manufacturing facility license is required, marijuana product manufacturing facility privileges, acts prohibited at a marijuana product manufacturing facility, rules for a marijuana extraction manufacturing facility license, application for a marijuana product manufacturing facility license, health and safety standards for a marijuana product manufacturing facility, restricted access area and storage at a marijuana product manufacturing facility, when a marijuana handler permit and food safety worker training is required, rules regarding a marijuana inventory tracking system, rules regarding approval of concentrates and marijuana products, rules regarding production of marijuana concentrate, required laboratory testing for a marijuana product manufacturing facility, rules regarding potency limits per serving and transaction, rules regarding packaging of marijuana products, and rules regarding labeling of marijuana products.

(3) Article 6- Marijuana Testing Facility regulations are proposed as follows:

The regulations consist of a series of provisions establishing when a marijuana testing facility license is required, marijuana testing facility privileges, acts prohibited at a marijuana testing facility, application for a marijuana testing facility license, approval of a marijuana testing facility, rules regarding a proficiency testing program for a marijuana testing facility, rules regarding a scientific director, testing methodologies, a standard operating procedure manual, laboratory testing of marijuana and marijuana products, and a chain of custody, rules regarding a marijuana inventory tracking system, rules regarding failed material and retests, rules regarding supplemental marijuana quality testing, rules regarding reporting and verification and rules regarding records retention by a marijuana testing facility.

(4) Article 8- Enforcement and Civil Penalties regulations are proposed as follows:

The regulations consist of a series of provisions establishing rules regarding inspection and investigation, notice of violations, suspension and revocation of licenses, suspension and revocation based on an act of an employee, procedure for action on license suspension or revocation, summary suspension to protect public health, safety and welfare, seizure of marijuana or marijuana product, rules regarding hearings, rules regarding civil fines, rules regarding rights of appeal, and rules regarding surrender or destruction of licenses.

(5) Article 9- General Provisions regulations are proposed as follows:

The regulations consist of a series of provisions establishing general provisions including prohibition of marijuana clubs, rules regarding public records, rules regarding refusal to sell marijuana, and definitions for the following terms: assist, deliver, flowering, immature, personal cultivation, possess, transport or transfer, adulterated food or drink product, agent, batch or harvest batch, bud and flower, clones or cuttings, compensation, contaminant, controlling interest, edible and edible marijuana product, extraction or marijuana extraction, homogenous, licensed, licensee, licensed premises, lot or production lot, marijuana, marijuana concentrate, marijuana cultivation facility, marijuana plant, marijuana product, marijuana product manufacturing facility, person, process or processing, retail marijuana store, and square feet under cultivation.

You may comment on the proposed regulations, including the potential costs to private persons of complying with the proposed regulations, by submitting written comments to John Calder, Marijuana Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@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. Please indicate the article and section number to which each comment refers, if applicable. Please indicate in the subject line that you are commenting on Draft Set #3. The comments must be received no later than 4:30p.m. on September 10, 2015.

You may submit written questions relevant to the proposed regulations to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the public comment period, by August 31 at 4:30 p.m. The Marijuana Control Board will aggregate its response to substantially similar questions and make the questions and response available on the Marijuana Control Board website. The Marijuana Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact John Calder at (907)269-0350 no later than August 31, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulations are available through the electronic link to the complete text on the Alaska On line Public Notice System, on the Alcoholic Beverage Control Board website at <https://www.commerce.alaska.gov/web/abc/> and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulations or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 17.38.090

Statutes Being Implemented, Interpreted, or Made Specific:
AS 17.38.090

Fiscal Information: The proposed regulations are not expected to require an increased appropriation.

DATE: August 11, 2015

Cynthia A. Franklin, Director
Marijuana Control Board

AO-08-16-006
Published: August 12, 2015

AUG 18 '15 AM 11:27

MAJORITY VOTE
JULY 17, 2015
STATE OF ALASKA
COMMISSIONER OF REVENUE

**NOTICE OF PROPOSED REGULATIONS
REGARDING MARIJUANA AND LICENSING, RETAIL STORES
AND OPERATING REQUIREMENTS
MARIJUANA CONTROL BOARD**

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November, 2014. These proposed regulations relate to licensing and fees, rules for retail marijuana stores and operating requirements for all marijuana establishments.

The Marijuana Control Board proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with licensing and fees, rules for retail marijuana stores and operating requirements for all marijuana establishments, including the following:

(1) Article 1 – Licensing, Fees regulations are proposed as follows:

The regulations consist of a series of provisions establishing when a marijuana establishment license is required, restrictions on licenses, conditions on licenses, rules regarding applications for a new license, application procedures, rules regarding applications for renewal of licenses, rules regarding reporting of changes in ownership of licenses, rules regarding application for transfers of licenses to another person, relocation of licensed premises not allowed, rules regarding criminal justice information and records, rules for protests by local governments, public participation in issuance of licenses, renewals and transfers, public hearings, procedure for action on license applications, denial of license applications, informal conferences, formal hearings, appeals, and fees, refunds and forfeiture.

(2) Article 3- Marijuana Retail Stores regulations are proposed to be adopted, including the following:

The regulations consist of a series of provisions establishing when a marijuana retail store license is required, marijuana retail store privileges, acts prohibited at a marijuana retail store, application for a marijuana retail store license, restricted access area at a marijuana retail store, when a marijuana handler permit is required, identification requirements to prevent sale to persons under the age of 21, limits on quantity sold, health and safety requirements for marijuana retail store, testing requirement for marijuana sold at marijuana retail store, restriction on advertising of marijuana and marijuana products, and rules regarding a marijuana inventory tracking system.

(3) Article 7- Operating Requirements for All Marijuana Establishments regulations are proposed to be adopted, including the following:

The regulations consist of a series of provisions establishing licensed premises and alteration of licensed premises, inspection of licensed premises, restricted access areas, marijuana handlers permits, security alarm systems and lock standards, video surveillance, health and safety standards, waste disposal, certified scales, transportation, insurance, business records, and rules regarding a marijuana inventory tracking system.

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 John Calder, Marijuana

Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@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 no later than 4:30 p.m. on Aug 8, 2015.

You may submit written questions relevant to the proposed action to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. 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 response available on the Marijuana Control Board website. The Marijuana Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact John Calder at (907) 269-0350 no later than July 30, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available through the electronic link to the complete text on the Alaska Online Public Notice System, on the Alcoholic Beverage Control Board website at <http://commerce.state.ak.us/dnn/abc/Home.aspx> and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulations or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **You should comment during the time allowed if your interests could be affected.**

Statutory Authority: AS 17.38.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 17.38.090

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: July 6, 2015

Cynthia A. Franklin, Director
Marijuana Control Board

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Marijuana Control Board
2. General subject of regulation: Marijuana licensing and fees, marijuana retail stores and operating requirements for all marijuana establishments
3. Citation of regulation (may be grouped): 3 AAC 306.xxx (Articles 1, 3 and 7)
4. Department of Law file number, if any: _____
5. Reason for the proposed action:
 - () Compliance with federal law or action (identify): _____
 - (x) Compliance with new or changed state statute
 - () Compliance with Federal or state court decision (identify) _____
 - () Development of program standards
 - () Other (identify): _____
6. Appropriation/Allocation: _____
7. Estimated annual costs in the aggregate to comply with the proposed action to:
 - Private Persons: Annual license fees and application fees to be paid with each new application for a marijuana establishment license. Non-refundable application fees of \$1000 are proposed and annual licensing fees range from \$1000-\$5000 by type of license.
 - Other State Agencies: \$0
 - Municipalities: \$0
8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>15</u>	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
1037 General fund/ mental health	\$ <u>0</u>	\$ <u>0</u>
Other	\$ <u>0</u>	\$ <u>0</u>

9. The name of the contact person for the regulations:

Name: Cynthia A. Franklin

Title: Director, Marijuana Control Board

Address: 550 W. 7th Avenue, Suite 1600

Anchorage, AK 99501

Telephone: (907)269-0350

E-mail address Cynthia.franklin@alaska.gov

10. The origin of the proposed action:

 x Staff of state agency

 Federal government

 General public

 Petition for regulation change

 Other (identify) _____

11. Date: 07/06/2015

Prepared by: _____


[signature]

Name (printed): Cynthia A. Franklin

Title (printed): Director, Marijuana Control Board

Telephone: (907)269-0350

270221
0001367916
\$ 587.66

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Leesa Little
being first duly sworn on oath deposes and
says that he/she is a representative of the
Alaska Dispatch News, a daily newspaper.
That said newspaper has been approved
by the Third Judicial Court, Anchorage,
Alaska, and it now and has been published
in the English language continually as a
daily newspaper in Anchorage, Alaska,
and it is now and during all said time was
printed in an office maintained at the
aforesaid place of publication of said
newspaper. That the annexed is a copy of
an advertisement as it was published in
regular issues (and not in supplemental
form) of said newspaper on

July 08, 2015

and that such newspaper was regularly
distributed to its subscribers during all of
said period. That the full amount of the fee
charged for the foregoing publication is not
in excess of the rate charged private
individuals.

Signed _____

Subscribed and sworn to before me
this 8th day of July, 2015

Britney Thompson

Notary Public in and for
The State of Alaska.
Third Division
Anchorage, Alaska
MY COMMISSION EXPIRES



NOTICE OF PROPOSED REGULATIONS
REGARDING MARIJUANA AND LICENSING, RETAIL STORES
AND OPERATING REQUIREMENTS
MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November, 2014. These proposed regulations relate to licensing and fees, rules for retail marijuana stores and operating requirements for all marijuana establishments

The Marijuana Control Board proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with licensing and fees, rules for retail marijuana stores and operating requirements for all marijuana establishments, including the following:

(1) Article 1 - Licensing, Fees regulations are proposed as follows:

The regulations consist of a series of provisions establishing when a marijuana establishment license is required, restrictions on licenses, conditions on licenses, rules regarding applications for a new license, application procedures, rules regarding applications for renewal of licenses, rules regarding reporting of changes in ownership of licenses, rules regarding application for transfers of licenses to another person, relocation of licensed premises not allowed, rules regarding criminal justice information and records, rules for protests by local governments, public participation in issuance of licenses, renewals and transfers, public hearings, procedure for action on license applications, denial of license applications, informal conferences, formal hearings, appeals, and fees, refunds and forfeiture.

(2) Article 3- Marijuana Retail Stores regulations are proposed to be adopted, including the following:

The regulations consist of a series of provisions establishing when a marijuana retail store license is required, marijuana retail store privileges, acts prohibited at a marijuana retail store, application for a marijuana retail store license, restricted access area at a marijuana retail store, when a marijuana handler permit is required, identification requirements to prevent sale to persons under the age of 21, limits on quantity sold, health and safety requirements for marijuana retail store, testing requirement for marijuana sold at marijuana retail store, restriction on advertising of marijuana and marijuana products, and rules regarding a marijuana inventory tracking system.

(3) Article 7- Operating Requirements for All Marijuana Establishments regulations are proposed to be adopted, including the following:

The regulations consist of a series of provisions establishing licensed premises and alteration of licensed premises, inspection of licensed premises, restricted access areas, marijuana handlers permits, security, and other provisions.

Published: July 8 & 15, 2015

REQUEST FOR PROPOSALS

Audit Services

Tanana Chiefs Conference

tanana.chiefs.conference

Published: July 8 - 12, 2015

Request for Proposals:

Professional Engineering, Project Management & Construction Management Services

Published: July 8 - 12, 2015

Legals & Public Notices

301

MATANUSKA-SUSTITNA BOROUGH

REQUEST FOR BID # 16-0238

Furnish and Install

Automotive Glass

The Matanuska-Sustitna Borough is soliciting bids for a multi-year contract to qualified vendors for the purchase and installation of automotive glass for borough vehicles as specified in the bid documents. Installation will be performed at various sites within the borough.

Bid documents are available beginning July 8, 2015 from the

organization we serve, or from our accounting firms to provide audit and tax services for our

tanana.chiefs.conference

Published: 6/26/15 through 7/10/15

ALBANY OFFICIALS

ALBANY, N.Y. 12242
JUL 13 1995

10/10/95

ALBANY, N.Y. 12242
JUL 13 1995

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My Commission Expires Feb 23, 2019
BRIAN L. THOMPSON
State of Alaska
Notary Public

**SUPPLEMENTAL NOTICE OF PROPOSED REGULATIONS
REGARDING MARIJUANA AND LOCAL OPTIONS.
MARIJUANA CONTROL BOARD**

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November, 2014. These proposed regulations relate to definitions, as well as local options for communities to "opt out" of having certain kinds of marijuana establishments.

The Marijuana Control Board proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with local option regulations and definitions relating to marijuana and marijuana establishments, including the following:

- (1) local option regulations are proposed as follows:

The regulations consist of a series of provisions establishing a local governing body's ability, by ordinance or popular vote, to opt out of allowing marijuana establishments to operate in their jurisdiction. The proposed local option regulations are modeled on the local option statutes for liquor licensed establishments in AS 04.11, except that AS 17.38.900(4) defines "local government" as excluding villages. The proposed regulations include rules prescribing types of local options, a change of a local option, the removal of a local option, the effect on licenses of a prohibition on sale, the prohibition of importation or purchase after a local option election, the effect on licenses of a restriction on sale, licensing after a prohibition on sale except on premises operated by a municipality, the procedure for local option elections, and notice of results of a local option election.

- (2) Definitions are proposed to be adopted, including the following:

Definitions of the terms "assist", "personal cultivation", "adulterated food or drink product", "edible marijuana product", "licensed premises", "local governing body", "marijuana concentrate", "marijuana product", "marijuana plant", and "possess".

The purpose of this supplemental notice is to provide an additional public comment period because substantive changes were made to the proposed regulations following the close of the previous public comment period. Due to the definition contained in AS 17.38.900(4), villages are not included as a type of local government that can exercise a local option under the proposed regulations.

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 John Calder, Marijuana Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. If you have already commented on Set 1, you do not need to resubmit your comments, however you may, if you would like. Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@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 no later than 4:30 p.m. on Aug 8, 2015.

You may submit written questions relevant to the proposed action to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. 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 response available on the Marijuana Control Board website. The Marijuana Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact John Calder at (907) 269-0350 no later than July 30, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available through the electronic link to the complete text on the Alaska Online Public Notice System, on the Alcoholic Beverage Control Board website at <http://commerce.state.ak.us/dnn/abc/Home.aspx> and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulations or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **You should comment during the time allowed if your interests could be affected.**

Statutory Authority: AS 17.38.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 17.38.100; AS 17.38.110

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: July 6, 2015

Cynthia A. Franklin, Director
Marijuana Control Board

270221
0001367914
\$ 532.88

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

Leesa Little

being first duly sworn on oath deposes and says that he/she is a representative of the Alaska Dispatch News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

July 08, 2015

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed _____

Subscribed and sworn to before me
this 8th day of July, 2015

Britney Thompson

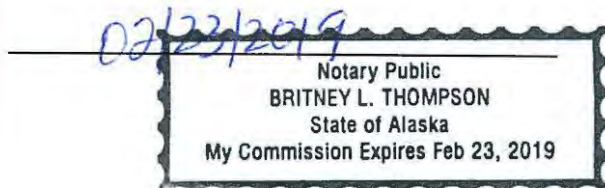
Notary Public in and for

The State of Alaska.

Third Division

Anchorage, Alaska

MY COMMISSION EXPIRES



SUPPLEMENTAL NOTICE OF PROPOSED REGULATIONS REGARDING MARIJUANA AND LOCAL OPTIONS. MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November, 2014. These proposed regulations relate to definitions, as well as local options for communities to "opt out" of having certain kinds of marijuana establishments.

The Marijuana Control Board proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with local option regulations and definitions relating to marijuana and marijuana establishments, including the following:

- (1) local option regulations are proposed as follows:

The regulations consist of a series of provisions establishing a local governing body's ability, by ordinance or popular vote, to opt out of allowing marijuana establishments to operate in their jurisdiction. The proposed local option regulations are modeled on the local option statutes for liquor licensed establishments in AS 04.11, except that AS 17.38.900(4) defines "local government" as excluding villages. The proposed regulations include rules prescribing types of local options, a change of a local option, the removal of a local option, the effect on licenses of a prohibition on sale, the prohibition of importation or purchase after a local option election, the effect on licenses of a restriction on sale, licensing after a prohibition on sale except on premises operated by a municipality, the procedure for local option elections, and notice of results of a local option election.

- (2) Definitions are proposed to be adopted, including the following:

Definitions of the terms "assist", "personal cultivation", "adulterated food or drink product", "edible marijuana product", "licensed premises", "local governing body", "marijuana concentrate", "marijuana product", "marijuana plant", and "possess".

The purpose of this supplemental notice is to provide an additional public comment period because substantive changes were made to the proposed regulations following the close of the previous public comment period. Due to the definition contained in AS 17.38.900(4), villages are not included as a type of local government that can exercise a local option under the proposed regulations.

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 John Calder, Marijuana Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. If you have already commented on Set 1, you do not need to resubmit your comments, however you may, if you would like. Additionally, the Marijuana Control Board will accept comments by electronic mail at john.calder@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 no later than 4:30 p.m. on Aug 8, 2015.

You may submit written questions relevant to the proposed action to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the public comment period. The Marijuana Control Board proposes to adopt regulations regarding the following: Alaska Clean Seas (ACS) a member owned non-profit cooperative providing emergency response services on the North Slope of Alaska. The area to be renovated will include carpet replacement, painting, bathroom and kitchen renovation on the 1st floor. This Chugachmiut is soliciting bids for a renovation project.

Request for Proposal (RFP)

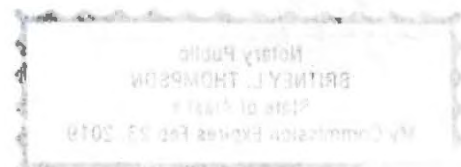
Legals & Public Notices
301

REQUEST FOR PROPOSAL (RFP) -

Legals & Public Notices
301

www.bbhc.org
907.842.5201/1.800.478.5201
Dillingham, AK 99576
P.O. BOX 150

JUL 13 '15 PM 4:20



**NOTICE OF PROPOSED REGULATIONS
REGARDING MARIJUANA AND LOCAL OPTIONS.
ALCOHOLIC BEVERAGE CONTROL BOARD/MARIJUANA CONTROL BOARD**

The Alcoholic Beverage Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November, 2014. These proposed regulations relate to definitions, as well as local options for communities to "opt out" of having certain kinds of marijuana establishments.

The Alcoholic Beverage Control Board proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with local option regulations and definitions relating to marijuana and marijuana establishments, including the following:

- (1) local option regulations are proposed as follows:

The regulations consist of a series of provisions establishing a local governing body's ability, by ordinance or popular vote, to opt out of allowing marijuana establishments to operate in their jurisdiction. The proposed local option regulations are modeled on the local option statutes for liquor licensed establishments in AS 04.11. The proposed regulations include rules prescribing types of local options, a change of a local option, the removal of a local option, the effect on licenses of a prohibition on sale, the prohibition of importation or purchase after a local option election, the effect on licenses of a restriction on sale, licensing after a prohibition on sale except on premises operated by a municipality, the procedure for local option elections, the establishment of the perimeter of an established village, and notice of results of a local option election.

- (2) Definitions are proposed to be adopted, including the following:

Definitions of the terms "assist", "personal cultivation", "adulterated food or drink product", "edible marijuana product", "licensed premises", "local governing body", "marijuana concentrate", "marijuana product", "marijuana plant", and "possess".

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 John Calder, Alcoholic Beverage Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. Additionally, the Alcoholic Beverage Control Board will accept comments by electronic mail at john.calder@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 no later than 4:30 p.m. on June 20, 2015.

You may submit written questions relevant to the proposed action to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the public comment period. The Alcoholic Beverage Control Board will aggregate its response to substantially similar questions and make the questions and response available on the Alcoholic Beverage Control Board website. The Alcoholic Beverage Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact John Calder at (907) 754-3427 no later than June 10, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and/or through the electronic link to the complete text on the Alaska Online Public Notice System and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

A copy of material proposed for adoption by reference is available on the Alaska Online Public Notice System or through the electronic link to the complete text on the Alaska Online Public Notice System.

After the public comment period ends, the Alcoholic Beverage Control Board will either adopt the proposed regulations or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **You should comment during the time allowed if your interests could be affected.**

Statutory Authority: AS 17.38090;

Statutes Being Implemented, Interpreted, or Made Specific: AS 17.38.100; AS 17.38.110

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: May 19, 2015

Cynthia A. Franklin, Director, Alcoholic Beverage
Control Board/Marijuana Control Board

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Alcoholic Beverage Control Board
2. General subject of regulation: Implementation of Marijuana Initiative
3. Citation of regulation (may be grouped): 3 AAC xxx.xxx
4. Department of Law file number, if any: _____
5. Reason for the proposed action:
 - () Compliance with federal law or action (identify): _____
 - (x) Compliance with new or changed state statute
 - () Compliance with Federal or state court decision (identify) _____
 - () Development of program standards
 - () Other (identify): _____
6. Appropriation/Allocation: 0
7. Estimated annual costs in the aggregate to comply with the proposed action to:
 - Private Persons: 0
 - Other State Agencies: 0
 - Municipalities: 0
8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year	Subsequent
	FY <u>0</u>	Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
1037 General fund/ mental health	\$ <u>0</u>	\$ <u>0</u>
Other	\$ <u>0</u>	\$ <u>0</u>

9. The name of the contact person for the regulations:
 - Name: Cynthia A. Franklin
 - Title: Director, Alcoholic Beverage Control Board/Marijuana Control Board
 - Address: 550 W. 7th Avenue, Suite 1600
 - Anchorage, AK 99501

Telephone: (907)269-0350

E-mail address Cynthia.franklin@alaska.gov

10. The origin of the proposed action:

- ☒ Staff of state agency
☐ Federal government
☐ General public
☐ Petition for regulation change
☐ Other (identify) _____

11. Date: 05/19/2015

Prepared by: _____
[signature]

Name (printed): Cynthia A. Franklin

Title (printed): Director, Alcoholic Beverage Control
Board/Marijuana Control Board

Telephone: (907)269-0350

270221
0001365111
\$ 498.02

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Leess Little
being first duly sworn on oath deposes and
says that he/she is a representative of the
Alaska Dispatch News, a daily newspaper.
That said newspaper has been approved
by the Third Judicial Court, Anchorage,
Alaska, and it now and has been published
in the English language continually as a
daily newspaper in Anchorage, Alaska,
and it is now and during all said time was
printed in an office maintained at the
aforesaid place of publication of said
newspaper. That the annexed is a copy of
an advertisement as it was published in
regular issues (and not in supplemental
form) of said newspaper on

May 21, 2015

and that such newspaper was regularly
distributed to its subscribers during all of
said period. That the full amount of the fee
charged for the foregoing publication is not
in excess of the rate charged private
individuals.

Signed *Leess Little*

Subscribed and sworn to before me
this 21st day of May, 2015

Britney Thompson

Notary Public in and for
The State of Alaska.
Third Division
Anchorage, Alaska
MY COMMISSION EXPIRES

02/23/2019
Notary Public
BRITNEY L. THOMPSON
State of Alaska
My Commission Expires Feb 23, 2019

NOTICE OF PROPOSED REGULATIONS REGARDING MARIJUANA AND LOCAL OPTIONS. ALCOHOLIC BEVERAGE CONTROL BOARD/MARIJUANA CONTROL BOARD

BRIEF DESCRIPTION

The Alcoholic Beverage Control Board proposes to adopt regulations to implement the marijuana law which was voted on as Ballot Measure 2 in November, 2014. These proposed regulations relate to definitions, as well as local options for communities to "opt out" of having certain kinds of marijuana establishments.

The Alcoholic Beverage Control Board proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with local option regulations and definitions relating to marijuana and marijuana establishments, including the following:

(1) local option regulations are proposed as follows:

The regulations consist of a series of provisions establishing a local governing body's ability, by ordinance or popular vote, to opt out of allowing marijuana establishments to operate in their jurisdiction. The proposed local option regulations are modeled on the local option statutes for liquor licensed establishments in AS 04.11. The proposed regulations include rules prescribing types of local options, a change of a local option, the removal of a local option, the effect on licenses of a prohibition on sale, the prohibition of importation or purchase after a local option election, the effect on licenses of a restriction on sale, licensing after a prohibition on sale except on premises operated by a municipality, the procedure for local option elections, the establishment of the perimeter of an established village, and notice of results of a local option election.

(2) Definitions are proposed to be adopted, including the following:

Definitions of the terms "assist", "personal cultivation", "adulterated food or drink product", "edible marijuana product", "licensed premises", "local governing body", "marijuana concentrate", "marijuana product", "marijuana plant", and "possess".

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 John Calder, Alcoholic Beverage Control Board at 550 W. 7th Ave, Suite 1600, Anchorage, AK 99501. Additionally, the Alcoholic Beverage Control Board will accept comments by electronic mail at john.calder@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 no later than 4:30 p.m. on June 20, 2015.

You may submit written questions relevant to the proposed action to John Calder by email and physical address. Please do not submit questions through the Alaska Online Public Notice System. The questions must be received at least 10 days before the end of the public comment period. The Alcoholic Beverage Control Board will aggregate its response to substantially similar questions and make the questions and response available on the Alcoholic Beverage Control Board website. The Alcoholic Beverage Control Board may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact John Calder at (907) 754-3427 no later than June 10, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and/or through the electronic link to the complete text on the Alaska Online Public Notice System and by contacting John Calder at 550 W. 7th Ste 1600, Anchorage, AK 99501.

1999 Grand Cherokee
8500
SUVs
value desired. (PNDG)
Other collector cars of significant
Mustangs, Early Japanese Cars 714-
Lancia, Ferrari, Corvettes,
convertibles, Porsche, Jaguar, Alfa,
CASH for VINIAGE CARS Mercedes
North River Boat 22 Foot
Seahawk Diesel Inboard Jet
FNM 250 HP Diesel with 150 hours
(4-6 gal/hr). Great hunting/fishing
boat. Custom AK boat with several

TO THE HONORABLE
JAMES H. HARRIS
GOVERNOR
OF THE STATE OF ALABAMA
FROM
BETHEL L. THOMPSON
NOTARY PUBLIC
MY COMMISSION EXPIRES FEB 28, 2013

Walter Thompson

MAY 28 '15 PM 1:23

05/23/15

NOTARY PUBLIC
BETHEL L. THOMPSON
State of Alabama
My Commission Expires Feb 28, 2013