

Chapter 306. Marijuana Control Board

Words in **boldface and underlined** indicate language to be added

Words [CAPITALIZED AND BRACKETED] indicate language being deleted

3 AAC 306.365. Onsite consumption endorsement for retail marijuana stores. (a)

An applicant for an onsite consumption endorsement must file an application on a form the board prescribes, including the documents and endorsement fee set out in this section.

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

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

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

(A) security;

(B) ventilation. **Ventilation plans for consumption that includes**

inhaling must be signed and approved by a licensed mechanical engineer;

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

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

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

(3) a detailed premises diagram showing the location of

(A) serving area or areas;

- (B) ventilation exhaust points if applicable;
- (C) doors, windows or other exits;
- (D) access control points; and
- (E) adequate separation from non-consumption area(s) of the marijuana

retail store.

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

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

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

(1) marijuana bud or flower in quantities not to exceed one gram to any one person in a single transaction;

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

(3) marijuana concentrates intended for inhalation in quantities not to exceed .25 grams to any one person in a single transaction;

(4) food or beverages not containing marijuana;

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

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

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

- (1) allow any employee or agent to consume marijuana or marijuana product during the course of a work shift;
- (2) allow intoxicated or drunken persons to enter or to remain on premises;
- (3) sell, give or barter marijuana or marijuana product to an intoxicated or drunken person;
- (4) allow a person to consume marijuana or marijuana product not purchased for consumption in the consumption endorsement area licensed retail facility;

(5) allow a person to introduce marijuana or marijuana products onto the premises of a retail marijuana store which was obtained off of the licensed premises

(6) offer or deliver, as a marketing device to the general public, free marijuana or marijuana product to a patron;

(7) deliver marijuana or marijuana product to a person already possessing marijuana or marijuana product that was purchased for consumption on the premises;

(8) sell, offer to sell, or deliver marijuana or marijuana product at a price less than the price regularly charged for the marijuana or marijuana product during the same calendar week;

(9) sell, offer to sell, or deliver an unlimited amount of marijuana or marijuana product during a set period of time for a fixed price;

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

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

(12) advertise or promote in any way, either on or off the premises, a practice prohibited under 3 AAC 306.365(f)(5) – 3 AAC 306.365(f)(10) of this section.

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

(h) Local governments retain a right to protest the issuance or renewal of individual retail marijuana store onsite consumption endorsements that is separate from the right to protest the

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

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

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

3 AAC 306.990 (b)

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

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

