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## OFFICE OF THE LIEUTENANT GOVERNOR ALASKA

#### MEMORANDUM

TO:

Micaela Fowler

Commerce, Community, and Economic Development

FROM:

Scott Meriwether, Office of the Lieutenant Governor

465.4081

DATE:

June 20, 2017

RE:

Filed Permanent Regulations: Marijuana Control Board

Marijuana Control Board regulations re: reporting of ownership changes in the controlling interest of a marijuana establishment license (3 AAC 306.040; 3 AAC

306.100(c))

Attorney General File:

JU2016200837

Regulation Filed:

6/19/2017

Effective Date:

7/19/2017

Print:

223, October 2017

cc with enclosures:

Linda Miller, Department of Law

Judy Herndon, LexisNexis

# ORDER CERTIFYING THE CHANGES TO REGULATIONS OF THE ALCOHOL & MARIJUANA CONTROL OFFICE

The attached two pages of regulations, dealing with ownership change requirements for licensed marijuana establishments is certified to be a correct copy of the regulation changes that the Marijuana Control Board adopted at its April 5, 2017, meeting, under the authority of AS 17.38.121 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

Although no public comments were received, the Marijuana Control Board paid special attention to the cost to private persons of the regulatory action being taken.

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

Erika McConnell, Director

Claire Richardyn + FILING CERTIFICATION

1, Byron Mallott, Lieutenant Governor for the State of Alaska, certify that on 3:4%0.m., I filed the attached regulat , 2017 at 3:480 .m., I filed the attached regulations according to

the provisions of AS 44.62.040 - 44.62.120.

Effective:

Register:

### FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

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

Claire Richardson, Special Assistant

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on January 7<sup>th</sup> 2015.

OF THE STATE OF TH

BYRON MALLOTT LIEUTENANT GOVERNOR Register 223, October 2017 COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT (repealed and readopted)

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

establishment shall, not later than 10 days after an ownership change, report the change on a form prescribed by the board.

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

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

- (d) In this section, "ownership change" means
- (1) if the licensee is a partnership, including a limited partnership, any change in the identity of the partners, or in the ownership percentages held by any partners;
- (2) if the licensee is a limited liability company, any change in the identity of the members, or in the ownership percentage held by any member; or
- (3) if the licensee is a corporation, any sale of corporate stock to a person not currently an owner, or any change of the percentage ownership of an existing shareholder. (Eff. 2/21/2016, Register 217; am 7/19/2017, Register 223)

 Authority:
 AS 17.38.010
 AS 17.38.150
 AS 17.38.200

 AS 17.38.070
 AS 17.38.190
 AS 17.38.900

 AS 17.38.121

3 AAC 306.100(c) is amended as follows: to read:

### 3 AAC 306.100. Fees; refund.

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



(Eff. 2/21/2016, Register 217; am 7/19/2017, Register 223)

**Authority**: AS 17.38.010 AS 17.38.150 AS 17.38.200

AS 17.38.070 AS 17.38.190 AS 17.38.900

AS 17.38.121