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

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

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

(1) samples provided to employees for quality control does not exceed a cumulative total of one ounce per 30-day period;

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

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

(4) no sample is resold to another licensee or consumer;

(5) each employee who receives a marijuana sample for the purpose of quality

control completes a quality control form prescribed by the board for each sample; and

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

(7) marijuana that leaves the licensed premises must be packaged in opaque,

resealable, child-resistent packaging and clearly marked or labeled "For Quality Control" and the packaging must be designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly. (Eff. __/_/___.

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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

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

3 AAC 306.557. **Quality Control sampling**. (a) A licensed marijuana product manufacturing facility may provide a sample of marijuana concentrate or other marijuana product to an employee of the facility, that is in possession of a valid marijuana handler card for the purpose of quality control only if:

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

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

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

(4) no sample is resold to another licensee or consumer;

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

(6) the marijuana cultivation facility licensee maintains copies of completed forms required under (5) of this subsection in accordance with 3 AAC 306.755.

(7) marijuana that leaves the licensed premises must be packaged in opaque, resealable, child-resistent packaging and clearly marked or labeled "For Quality Control" and the packaging must be designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly. (Eff. __/___.

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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

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3 AAC 306.660. Failed materials; retests (a) If a sample tested by a marijuana testing facility does not pass the required tests based on the standards set out in **3 AAC 306.645**, the marijuana establishment that provided the sample shall

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

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

(3) notify the director in writing within 24 hours if the amount destroyed

totals more than one ounce.

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

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

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

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

(e) A marijuana establishment will notify the Alcohol and Marijuana Control Office as soon as reasonably practical and in no case more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises. (Eff 2/21/2016, Register 217; am _/_/___, Register___)

3 AAC 306.740 Waste Disposal is amended to read:

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

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

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

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

(3) marijuana or marijuana product that has been deemed by the licensee unfit for sale or consumption;

(4) expired marijuana products; and

(5) other waste as determined by the board.

(c) A marijuana establishment shall

(1) in the marijuana inventory tracking system required under 3 AAC 306.730, give the board notice not later than three days before making the waste unusable and disposing of it; however, the director may authorize immediate disposal on an emergency basis; and

(2) keep a record <u>through the inventory tracking system</u> of the final destination of marijuana waste made unusable; <u>and</u>

(3) immediately notify the board in writing if requesting disposal of(A) more than 1 gram of marijuana concentrate; or

(B) more than one ounce of marijuana or marijuana product.

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

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

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

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(e) If marijuana or a marijuana product is found by, or surrendered to, a law enforcement officer including a peace officer or an airport security officer, the officer may dispose of the marijuana or marijuana product as provided in this section or by any method that is allowed under any applicable local ordinance. (Eff. 2/21/2016. Register 217, am _/_/___, Register___)

 Authority:
 AS 17.38.010
 AS 17.38.150
 AS 17.38.200

 AS 17.38.070
 AS 17.38.190
 AS 17.38.900

AS 17.38.121