

Kevin Meyer  
Lieutenant Governor  
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Juneau, Alaska 99811  
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Anchorage, Alaska 99501  
907.269.7460  
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**OFFICE OF THE LIEUTENANT GOVERNOR  
ALASKA**

**M E M O R A N D U M**

**TO:** Linda Mattson  
Department of Commerce, Community and Economic Development

**FROM:** April Simpson, Office of the Lieutenant Governor *AS*  
465.4081

**DATE:** January 23, 2019

**RE:** Filed Permanent Regulations: Marijuana Control Board

Marijuana Control Board regulations re: renewal applications, expiration of licenses, submission by transferee in an ownership change, and wholesale transfer of marijuana concentrates (3 AAC 306.035; 3 AAC 306.045(e); 3 AAC 306.565(c))

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Attorney General File:	2018200818
Regulation Filed:	1/22/2019
Effective Date:	2/21/2019
Print:	229, April 2019

cc with enclosures: Linda Miller, Department of Law  
Judy Herndon, LexisNexis

ORDER CERTIFYING THE CHANGES TO  
REGULATIONS OF MARIJUANA CONTROL BOARD

The attached three pages of regulations, dealing with ownership change, expiration of renewal, and wholesale transfer of concentrates, is certified to be a correct copy of the regulation changes that the Marijuana Control Board adopted at its October 17, 2018 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.

Date: 11/13/18

Erika McConnell  
Erika McConnell, Director

FILING CERTIFICATION

Kevin Meyer  
I, ~~Valerie Nuri araaluk Davidson~~, Lieutenant Governor for the State of Alaska, certify that on January 22, 2019 at 10:31 Am., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.

Kevin Meyer  
Lieutenant Governor

Effective: February 21, 2019.

Register: 229, April 2019.

3 AAC 306.035(a) is amended to read:

(a) On or before May 1 of each year, the director shall send notice that a marijuana establishment **with a license in active and operating status** must file a renewal application not later than June 30 of the current year. The director shall send the notice to the marijuana establishment's electronic mailing address on file with the board. In the notice the director shall include a hyperlink for the marijuana establishment to access the electronic renewal application by means of the Internet, along with instructions on using and submitting the form. ~~THE~~ Any <sup>to trans-  
form</sup> marijuana establishment **with a license in active and operating status on or before June 30 of the current year** must submit the completed renewal application electronically, along with the license renewal fee, to the director not later than June 30 of each year. If June 30 falls on a Saturday or Sunday, the deadline is extended to 4:30 p.m. on the first business day following June 30. A marijuana establishment must maintain a current electronic mailing address on file with the director. A marijuana establishment is not excused from filing a renewal application as required in this section even if the marijuana establishment fails to receive a renewal notice from the director.

3 AAC 306.035(b)(3) is repealed. <sup>2019</sup>

(3) repealed 2/21/2019;

3 AAC 306.035(e) is amended to read:

(e) A licensee **required to submit a renewal application under (a) of this section** that does not deliver a renewal application to the director on or before June 30 of each year is delinquent and must pay the late renewal application fee under 3 AAC 306.100(b) with the renewal application.

3 AAC 306.035(f) is amended to read:

(f) On or before August 15 of each year, the director shall deliver a notice of expiration to each marijuana establishment **required to submit a renewal application under (a) of this section** that has not filed a complete application for renewal of a license, along with any applicable affidavit and the required fee, unless the marijuana establishment has notified the director that it does not intend to seek a renewal of its license. The director shall deliver the notice of expiration to the electronic mail address the marijuana establishment has provided to the director. A marijuana establishment is not excused from filing a license renewal application not later than August 31 of each year even if the marijuana establishment does not receive the notice of expiration described in this section.

3 AAC 306.035(g) is amended to read:

(g) If a marijuana establishment **required to submit a renewal application under (a) of this section** fails to deliver a complete license renewal application or fails to pay the required renewal fee and the late renewal application fee on or before August 31 of each year, that marijuana establishment license expires at 12:00 midnight on August 31 of that year. A holder of an expired license shall immediately surrender the license to the board. Any holder of an expired license that seeks authority to operate must file a complete new application under 3 AAC 306.020, and 3 AAC 306.025, along with the required fees. (Eff. 2/21/2016, Register 217; am 12/28/2017, Register 224; am 2/21/2019, Register 229)

<b>Authority:</b>	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 306.045 is amended by adding a new subsection to read:

(e) When a transferee intends to continue to operate a marijuana license with the operating plan approved by the board for the transferor, the transferee may submit a form approved by the board certifying that the transferee is making no changes to the operating plan or licensed premises, instead ~~in lieu~~ of submitting information required by 3 AAC 306.020(b)(8), 3 AAC 306.020(c), 3 AAC 306.315(2), 3 AAC 306.420, 3 AAC 306.520(2) and (3), and 3 AAC 306.615. (Eff. 2/21/2016, Register 217; am 12/28/2017, Register 224; am 2/21/2019, Register 229)

**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

concentrates in wholesale packages not to exceed five pounds

3 AAC 306.565(c) is amended to read:

(c) Except as prohibited in 3 AAC 306.555(b)(2), a[A] licensed marijuana product manufacturing facility may transfer marijuana [PRODUCTS THAT ARE NOT EDIBLE MARIJUANA PRODUCTS] concentrates to another licensed marijuana product manufacturing facility or to a licensed retail marijuana store in wholesale packages not to exceed five pounds. (Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229)

**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

# MEMORANDUM

## State of Alaska Department of Law


**To:** The Honorable Kevin Meyer  
Lieutenant Governor

**Date:** December 11, 2018

**File No.:** 2018200818

**Thru:**

**Tel. No.:** 465-3600

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

**Re:** Marijuana Control Board regulations  
re: renewal applications, expiration of  
licenses, submissions by transferee in  
an ownership change, and wholesale  
transfer of marijuana concentrates  
(3 AAC 306.035; 3 AAC 306.045(e);  
3 AAC 306.565(c))

The Department of Law has reviewed the attached regulations of the Marijuana Control Board against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. I have reviewed this project under a delegation dated December 3, 2018 from the regulations attorney. 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. The regulations were adopted by the Marijuana Control Board after the close of the public comment period. The regulations concern requirements for a marijuana establishment applying to renew a license that is in active and operating status, and expiration of that license if it is not timely renewed. The regulations reduce paperwork requirements for an ownership change if the transferee is making no changes to a marijuana establishment's operating plan or licensed premises. The regulations also allow a licensed marijuana product manufacturing facility to transfer set amounts of marijuana concentrates wholesale not only to another licensed marijuana product manufacturing facility but also to a licensed retail marijuana store.

The September 5, 2018 public notice and the November 13, 2018 certification of adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

We have made some technical corrections to conform the regulations in accordance with AS 44.62.125. The corrections are shown on the attached copy of the regulations.

SCW

cc w/enc: Hon. Julie Anderson, Commissioner  
Department of Commerce, Community and Economic Development

Erika McConnell, Director  
Alcohol and Marijuana Control Office  
Department of Commerce, Community and Economic Development

Linda Mattson, Regulations Contact  
Department of Commerce, Community and Economic Development

Jedediah Smith  
Alcohol and Marijuana Control Office  
Department of Commerce, Community and Economic Development

Harriet Dinegar-Milks, Senior Assistant Attorney General  
Commercial, Fair Business, and Child Support Section

# MEMORANDUM

State of Alaska  
Department of Law

To: The Honorable Kevin Meyer  
Lieutenant Governor

Date: December 3, 2018

Tel. No.: 465-3600

From: Susan R. Pollard *SRP*  
Chief Assistant Attorney General  
and Regulations Attorney  
Legislation and Regulations Section

Re: Delegation of Authority for  
Regulations Matters  
(2018200636)

In my absence, when I am traveling or otherwise out of the office, Senior Assistant Attorney General and Assistant Regulations Attorney Steven C. Weaver is designated as Acting Regulations Attorney. Under this delegation, Steve Weaver has my full authority under AS 44.62 to conduct the legal review of regulations or take necessary actions as Acting Regulations Attorney.

This delegation is effective immediately and is in effect until revoked by me.

If you have any questions, please let me know.

SRP/hjh

cc: April Simpson, AAC Coordinator  
Office of the Lt. Governor

Ed Sniffen, Deputy Attorney General  
Civil Division

Joanne Grace, Statewide Office Chief  
Civil Division

Steven C. Weaver, Senior Assistant Attorney General  
Legislation and Regulations Section

Linda Miller, Legal Editor  
Legislation and Regulations Section

Laura Duval, Legal Editor  
Legislation and Regulations Section



NOTICE OF PROPOSED CHANGES TO THE REGULATIONS OF THE MARIJUANA  
CONTROL BOARD REGARDING OWNERSHIP CHANGE, EXPIRATION OF RENEWAL,  
AND WHOLESALE TRANSFER OF MARIJUANA CONCENTRATES

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with ownership change, expiration of renewal, and wholesale transfer of concentrates.

- 1) 3 AAC 306.035(a) is amended to clarify license in active and operating status
- 2) 3 AAC 306.035(b)(3) is proposed to be repealed
- 3) 3 AAC 306.035(e) is amended to include licensees required to submit renewal applications.
- 4) 3 AAC 306.035(f) is amended to clarify establishments required to submit renewal applications.
- 5) 3 AAC 306.035(g) is amended to clarify establishments required to submit renewal applications.
- 6) 3 AAC 306.045 is amended to add a new subsection regarding operating plan change requirements.
- 7) 3 AAC 306.565 is amended to allow for wholesale transfer of marijuana concentrates

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 the Alcohol & Marijuana Control Office at 550 West 7<sup>th</sup> Avenue, Suite 1600, Anchorage, AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at [amco.regs@alaska.gov](mailto:amco.regs@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 not later than 4:30 pm on October 7, 2018.

You may submit written questions relevant to the proposed action to the Marijuana Control Board by email at [amco.regs@alaska.gov](mailto:amco.regs@alaska.gov) or at 550 West 7<sup>th</sup> Avenue, Suite 1600, Anchorage, AK 99501. The questions must be received at least 10 days before the end of the public comment period. The Alcohol & Marijuana Control Office will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact [amco.regs@alaska.gov](mailto:amco.regs@alaska.gov) or (907) 269-0350 not later than September 27, 2018, to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol & Marijuana Control Office at (907) 269-0350 or [amco.regs@alaska.gov](mailto:amco.regs@alaska.gov).

After the public comment period ends, the Marijuana Control Board will either adopt the

proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

**Statutory authority:** AS 17.38.010, AS 17.38.070, AS 17.38.121, AS 17.38.150, As 17.38.190, AS 17.38.200, AS 17.38.900

**Statutes being implemented, interpreted, or made specific:** AS 17.38.200, AS 17.38.210, AS 17.38.900

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

Date: Sept. 4, 2018

A handwritten signature in black ink that reads "Erika McConnell". The script is cursive and fluid, with the first name "Erika" and last name "McConnell" clearly distinguishable.

---

Erika McConnell, director

ADDITIONAL REGULATION NOTICE INFORMATION  
(AS 44.62.190(d))

1. Adopting agency: Marijuana Control Board
2. General subject of regulation: ownership change, expiration dates for renewal, and wholesale transfer of concentrates
3. Citation of regulation (may be grouped): 3AAC 306.035; 3 AAC 306.045; 3 AAC 306.565
4. Department of Law file number, if any: 2018200818

5. Reason for the proposed action:

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

6. Appropriation/Allocation: \$0

7. Estimated annual cost to comply with the proposed action to:

A private person: \$0  
Another state agency: \$0  
A municipality: \$0

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

	Initial Year FY <u>18</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>
Other (identify)	<u>\$ 0</u>	<u>\$ 0</u>

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

Name: Jedediah Smith  
Title: Local Government Specialist  
Address: 550 West 7<sup>th</sup> Ave, Suite 1600 Anchorage, AK 99501  
Telephone: (907) 269-0350  
E-mail address: amco.regs@alaska.gov

10. The origin of the proposed action:

☐ Staff of state agency  
☐ Federal government  
☐ General public  
☐ Petition for regulation change  
☒ Other (identify): Marijuana Control Board

11. Date: August 30, 2018

Prepared by:



Name (printed): Jedediah Smith  
Title (printed): Local Government Specialist  
Telephone: (907) 269-0350

AFFIDAVIT OF NOTICE OF PROPOSED REGULATION  
AND FURNISHING OF ADDITIONAL INFORMATION

I, Erika McConnell, director of the Marijuana Control Board, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to 3 AAC 306.035-.565 regarding ownership change, expiration of renewal, and wholesale transfer of concentrates has been given by being

- (1) published in a newspaper or trade publication;
- (2) furnished to every person who has filed a request for notice of proposed action with the state agency;
- (3) furnished to appropriate state officials;
- (4) furnished to interested persons;
- (5) furnished to the Department of Law, along with a copy of the proposed regulation;
- (6) furnished electronically to incumbent State of Alaska legislators;
- (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).

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 (2), (4) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: 11/13/18

Erika McConnell  
Erika McConnell, Director

Subscribed and sworn to before me at Anchorage, Alaska, on 11/13/18.



[Signature]  
Notary Public in and for the State of Alaska

AFFIDAVIT OF AGENCY RECORD OF PUBLIC COMMENT

I, Erika McConnell, director of the Marijuana Control Board, being duly sworn, state the following:

The Marijuana Control Board did not receive any factual or other substantive information that was submitted in writing or orally as public comment and that was relevant to the accuracy, coverage, or other aspect of the Marijuana Control Board regulations on ownership change, expiration of renewal and wholesale transfer of concentrates.

Date: 11/13/18

Erika McConnell

Erika McConnell, Director

Subscribed and sworn to before me at Anchorage, Alaska, on 11/13/18.

[Signature]

Notary Public in and for the State of Alaska





# ANCHORAGE DAILY NEWS

## AFFIDAVIT OF PUBLICATION

Account #: 270221

ST OF AK/ALCOHOL AND MARIJUANA  
CONTROL BOARD  
550 W 7TH AVE #1600  
ANCHORAGE AK 99501

Order#

0001427202

Product

ADN-Anchorage Daily News

Cost

\$368.52

Placement

0300

Position

0301

### STATE OF ALASKA THIRD JUDICIAL DISTRICT

Joleesa Stepetin

being first duly sworn on oath deposes and says that he/she is a representative of the Anchorage Daily 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

September 05, 2018

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

Joleesa Stepetin

Subscribed and sworn to before me  
this 5th day of September, 2018

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 CHANGES TO THE REGULATIONS OF THE MARIJUANA CONTROL BOARD REGARDING OWNERSHIP CHANGE, EXPIRATION OF RENEWAL, AND WHOLESALE TRANSFER OF MARIJUANA CONCENTRATES

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with ownership change, expiration of renewal, and wholesale transfer of concentrates.

- 1) 3 AAC 306.035(a) is amended to clarify license in active and operating status
- 2) 3 AAC 306.035(b)(3) is proposed to be repealed
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After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010, AS 17.38.070, AS 17.38.121, AS 17.38.150, AS 17.38.190, AS 17.38.200, AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.200, AS 17.38.210, AS 17.38.900

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

Date: Sept. 4, 2018  
Erika McConnell, director

Published: September 5, 2018

AFFIDAVIT OF MARIJUANA CONTROL BOARD ACTION

I, Erika McConnell, director of the Marijuana Control Board, being duly sworn, state the following:

The attached motion dealing with ownership change without licensee change, license expiration for renewal, and wholesale concentrate to retail license regulations was passed by the Marijuana Control Board during its October 17, 2018, meeting.

Date: 11/13/18

Erika McConnell  
Erika McConnell, Director

Subscribed and sworn to before me at Anchorage, Alaska, on 11/13/18.



[Signature]  
Notary Public in and for the State of Alaska





**Marijuana Control Board**  
**DRAFT EXCERPT Meeting Minutes**  
**October 17, 2018**  
**Third Judicial District**  
**145 Main Street Loop**  
**Kenai, Alaska**

● **REGULATIONS**

**1. Ownership Change Without Licensee Change; License Expiration for Renewal; Wholesale Concentrates to Retail Licensee** **3:53pm** **TAB 21**

Status: Public comment period closed October 7, 2018  
Potential Board Actions: Vote to adopt; OR  
Substantially amend and put out for public comment

*No public comments received.*

*Brandon Emmett moves to adopt ownership change without licensee change.*

*Nick Miller seconds the motion.*

*Brandon Emmett amends his motion to adopt ownership change without licensee change which would amend 3 AAC 306.045 by adding a new subsection (e).*

*No public comments received.*

*Motion carries unanimously.*

*Brandon Emmett moves to adopt the five changes to 3 AAC 306.035 for the regulations project regarding the license expiration for renewal.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

*Brandon Emmett states that he will recuse himself from discussion and voting of the last project in this group due to a business interest.*

*Jeff Ankerfelt moves to adopt the amendment to 3 AAC 306.565(c) for the project regarding wholesale concentrates to retail licensee.*

*Nick Miller seconds the motion.*

*Mark Springer states that this does not allow a retail marijuana store to fill vape pens.*

*Motion carries, 3-1 (Loren Jones votes No).*

*Brandon Emmett rejoins the meeting.*