| Violation          | Code   | <u>Description</u>   | Туре                              | 1st Violation             | 2nd Violation             | 3rd violation             | 4th Violation             | Verbal/Written<br>Warning<br>Options | Self Reporting<br>Variance |
|--------------------|--------|--|-----------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|--------------------------------------|----------------------------|
|                    |        |  |                                   | Not to exceed<br>\$10,000 | Not to exceed<br>\$30,000 | Not to exceed<br>\$50,000 | Not to exceed<br>\$50,000 |                                      |                            |
| <u>Title 17 St</u> | tatute | Chapter 38. The Regulation of<br>Marijuana - Title 17. Food and Drugs<br>Restrictions on personal cultivation, |                                   | In Statute                |                           |                           |                           |                                      |                            |
| <u>Sec. 17.38</u>  | 8.030  | penalty  | violation                         | \$750                     |                           |                           |                           |                                      |                            |
| <u>Sec. 17.38</u>  | 8.040  | Public consumption banned, penalty   | violation                         | \$100                     |                           |                           |                           |                                      |                            |
| Sec. 17.38         | 8.050  | False identification, penalty<br>retail - displaying products in a   | violation                         | \$400                     |                           |                           |                           |                                      |                            |
| <u>Sec. 17.38</u>  |        | manner visible to the general public<br>right of way   |                                   |                           |                           |                           |                           | ې                                    |                            |
| Article 1          |        | Licensing; Fees  |                                   |                           |                           |                           |                           |                                      |                            |
| <u>3 AAC 306</u>   | 6.005  | License required   | Administrative<br>Violation       | \$4,000                   | \$10,000                  | \$20,000                  |                           |                                      |                            |
| 3 AAC 306          | 6.035  | Application for renewal of license   | Administrative<br>Violation       | \$200                     | \$500                     | \$1,000                   |                           |                                      |                            |
| <u>3 AAC 306</u>   | 6.040  | Ownership change   | Administrative<br>Violation       | \$250                     | \$500                     | \$1,000                   |                           |                                      |                            |
| <u>3 AAC 306</u>   | 6.045  | Application for transfer of a license to another person  | Administrative<br>Violation       | \$100                     | \$500                     | \$850                     |                           |                                      |                            |
| <u>3 AAC 306</u>   | 6.047  | License conversion   | Administrative<br>Violation       | \$220                     | \$585                     | \$1,108                   |                           |                                      |                            |
| <u>3 AAC 306</u>   | 6.050  | Relocation of licensed premises not allowed  | Administrative<br>Violation       | \$220                     | \$585                     | \$1,108                   |                           |                                      |                            |
| <u>3 AAC 306</u>   | 6.055  | Criminal justice information and<br>records  | Administrative<br>Violation       | \$220                     | \$585                     | \$1,108                   |                           |                                      |                            |
| Article 2          |        | Local Options  |                                   |                           |                           |                           |                           |                                      |                            |
| <u>3 AAC 306</u>   | 6.240  | Prohibition of importation or purchase after election  | Public Health/Safety<br>Violation | <mark>\$106</mark>        | \$298                     | \$523                     |                           |                                      |                            |
|                    |        |  |                                   |                           |                           |                           |                           |                                      |                            |

Article 3 Retail Marijuana Stores

| <u>3 AAC 306.300</u> | Retail marijuana store license required                          | Public Health/Safety<br>Violation | \$4,000                  | \$10,000                                | \$20,000  |
|----------------------|--|-----------------------------------|--------------------------|---|---|
| 3 AAC 306.305        | Retail marijuana store privileges                                | Public Health/Safety<br>Violation | ***                      | ***                                     | ***   |
| <u>3 AAC 306.310</u> | Acts prohibited at retail marijuana<br>store                     | Public Health/Safety<br>Violation | \$250                    | \$500 plus<br>suspension for<br>30 days | \$1000<br>permanent<br>revocation of<br>license |
|                      |  |                                   | NOV in front of board    | 500 NOV in front of board               | \$1,000   |
|                      |  |                                   | \$213                    | \$563                                   | \$1,056   |
| <u>3 AAC 306.315</u> | Application for retail marijuana store license                   | Administrative<br>Violation       | \$100                    | \$250                                   | \$500   |
| <u>3 AAC 306.320</u> | Marijuana handler permit required                                | Public Health/Safety<br>Violation | \$100                    | \$250                                   | \$500   |
| <u>3 AAC 306.325</u> | Access restricted at retail marijuana<br>store                   | Public Health/Safety<br>Violation | \$100                    | \$225                                   | \$500   |
| <u>3 AAC 306.330</u> | Marijuana inventory tracking system                              | Administrative<br>Violation       | \$100                    | \$225                                   | \$500   |
| <u>3 AAC 306.335</u> | Health and safety requirements                                   | Public Health/Safety<br>Violation | \$100                    | \$250                                   | \$500   |
| <u>3 AAC 306.340</u> | Testing required for marijuana and marijuana products            | Public Health/Safety<br>Violation | \$1,000                  | \$2,000                                 | \$4,500   |
| <u>3 AAC 306.345</u> | Packaging and labeling   | Public Health/Safety<br>Violation | \$100                    | \$500                                   | \$850   |
| <u>3 AAC 306.350</u> | Identification requirement to prevent<br>sale to person under 21 | Public Health/Safety<br>Violation | \$250                    | \$500 plus<br>suspension for<br>30 days | \$1000<br>permanent<br>revocation of<br>license |
| <u>3 AAC 306.350</u> | Identification requirement to prevent<br>sale to person under 21 |                                   | NOV in front<br>of board | 500 NOV in<br>front of board            | \$1,000   |
| <u>3 AAC 306.350</u> |  |                                   | \$500                    | \$1,000                                 | \$2,000   |
| <u>3 AAC 306.355</u> | Limit on quantity sold   | Public Health/Safety<br>Violation | \$100                    | \$500                                   | \$1,000   |
| <u>3 AAC 306.365</u> | Required consumer notices for retail marijuana stores            | Public Health/Safety<br>Violation | \$100                    | \$200                                   | \$500   |
| <u>3 AAC 306.370</u> | Onsite consumption endorsement for retail marijuana stores       | Public Health/Safety<br>Violation | \$100                    | \$275                                   | \$500   |

| <u>Article 4</u><br><u>3 AAC 306.400</u> | Marijuana Cultivation Facilities<br>Marijuana cultivation facility license<br>required | Public Health/Safety<br>Violation | \$4,000                           | \$10,000 | \$20,000 |   | $\overline{\sigma}_{2}$ |  |
|--|--|-----------------------------------|-----------------------------------|----------|----------|---|-------------------------|--|
| <u>3 AAC 306.405</u>                     | Standard marijuana cultivation facility:<br>privileges and prohibited acts             | Public Health/Safety<br>Violation | \$175                             | \$625    | \$750    |   |                         |  |
| <u>3 AAC 306.410</u>                     | Limited marijuana cultivation facility:<br>privileges and prohibited acts              | Public Health/Safety<br>Violation | \$113                             | \$375    | \$750    | 8 |                         |  |
| <u>3 AAC 306.420</u>                     | Application for marijuana cultivation<br>facility license                              | Administrative<br>Violation       | \$220                             | \$585    | \$1,108  |   |                         |  |
| <u>3 AAC 306.425</u>                     | Marijuana handler permit required  | Public Health/Safety<br>Violation | \$100                             | \$250    | \$500    |   |                         |  |
| <u>3 AAC 306.430</u>                     | Restricted access area (odor)  | Public Health/Safety<br>Violation | written<br>warning - 12<br>months | \$150    | \$500    |   | Yes                     |  |
|  |  |                                   | \$50                              | \$100    | \$200    |   |                         |  |
| <u>3 AAC 306.435</u>                     | Marijuana inventory tracking system  | Administrative<br>Violation       | 0-50                              | 0-\$100  | \$250    |   | Yes                     | 50% or more<br>reduction if<br>self reported |
|  |  |                                   | \$100                             | \$225    | \$500    |   |                         |  |
| <u>3 AAC 306.440</u>                     | Health and safety requirements   | Public Health/Safety<br>Violation | \$100                             | \$250    | \$500    |   |                         |  |
| <u>3 AAC 306.445</u>                     | Standards for cultivation and<br>preparation   | Administrative<br>Violation       | \$250                             | \$500    | \$750    |   |                         |  |
| <u>3 AAC 306.450</u>                     | Production of marijuana concentrate<br>prohibited                                      | Public Health/Safety<br>Violation | \$4,000                           | \$10,000 | \$20,000 |   |                         |  |
| <u>3 AAC 306.455</u>                     | Required laboratory testing  | Public Health/Safety<br>Violation | \$1,000                           | \$2,000  | \$4,500  |   |                         |  |
| <u>3 AAC 306.460</u>                     | Samples  | Public Health/Safety<br>Violation | \$300                             | \$625    | \$2,250  |   |                         |  |
| <u>3 AAC 306.465</u>                     | Random sampling  | Public Health/Safety<br>Violation | \$300                             | \$625    | \$2,250  |   |                         |  |
| <u>3 AAC 306.470</u>                     | Packaging of marijuana   | Public Health/Safety<br>Violation | \$100                             | \$500    | \$700    |   |                         |  |
| <u>3 AAC 306.475</u>                     | Labeling of marijuana  | Public Health/Safety<br>Violation | \$100                             | \$300    | \$500    |   |                         |  |

|            |                     |   |                                   | Taxes are in<br>Default                          | Taxes are still in<br>default  | Taxes are still in<br>default   | Taxes are<br>delinquent & a<br>payment plan<br>is in place   |
|------------|---------------------|---|-----------------------------------|--|--|---|--|
| <u>3 /</u> | A <u>AC 306.480</u> | <u>Marijunan Taxes to be paid</u>                                   | Administrative<br>Violation       | Minimum of<br>10% of taxes<br>owed up to<br>10K; | request for the<br>suspention of<br>license and/or<br>fine up to<br>\$30,000 | request for<br>license<br>revocation<br>and/or fine up<br>to \$50,000 | <ul> <li>(1) no new</li> <li>licenses (2) no</li> <li>new</li> <li>endorsements;</li> <li>(3) no</li> <li>conversion</li> <li>(limited to</li> <li>standard); (4)</li> <li>no transfers;</li> <li>(5) no MJ14</li> <li>expansions of</li> <li>cultivation</li> </ul> |
|            |                     |   |                                   | \$125  | \$563  | \$1,000   |  |
| Ar         | ticle 5             | Marijuana Product Manufacturing<br>Facilities                       |                                   |  |  |   |  |
| <u>3 A</u> | AC 306.500          | Marijuana product manufacturing<br>facility license required        | Public Health/Safety<br>Violation | \$4,000  | \$10,000   | \$20,000  |  |
| <u>3 A</u> | AC 306.505          | Marijuana product manufacturing<br>facility privileges              | Public Health/Safety<br>Violation | ***  | ***  | ***   |  |
| <u>3</u> A | AC 306.510          | Acts prohibited at marijuana product<br>manufacturing facility      | Public Health/Safety<br>Violation | \$175  | \$500  | \$1,000   |  |
| <u>3 A</u> | AC 306.515          | Marijuana concentrate manufacturing facility license                | Public Health/Safety<br>Violation | \$220  | \$585  | \$1,108   |  |
| <u>3</u> / | AC 306.520          | Application for marijuana product<br>manufacturing facility license | Administrative<br>Violation       | \$220  | \$585  | \$1,108   |  |
| <u>3 A</u> | AC 306.525          | Approval of concentrates and<br>marijuana products                  | Public Health/Safety<br>Violation | \$125  | \$500  | \$1,000   |  |
| <u>3 A</u> | AC 306.530          | Marijuana handler permit and food<br>safety worker training         | Public Health/Safety<br>Violation | \$100  | \$250  | \$500   |  |
| <u>3</u> / | AC 306.535          | Restricted access and storage areas                                 | Public Health/Safety<br>Violation | \$100  | \$500  | \$1,000   |  |
| <u>3 A</u> | AC 306.540          | Marijuana inventory tracking system                                 | Administrative<br>Violation       | \$100  | \$225  | \$500   |  |
|            |                     |   |                                   |  |  |   |  |

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| <u>3 AAC 306.545</u> | Health and safety standards  | Public Health/Safety<br>Violation | \$100   | \$250   | \$500   |
|----------------------|--|-----------------------------------|---------|---------|---------|
| <u>3 AAC 306.550</u> | Required laboratory testing  | Public Health/Safety<br>Violation | \$1,000 | \$2,000 | \$4,500 |
| <u>3 AAC 306.555</u> | Production of marijuana concentrate  | Public Health/Safety<br>Violation | \$363   | \$750   | \$1,500 |
| <u>3 AAC 306.557</u> | Quality control sampling   | Public Health/Safety<br>Violation | \$100   | \$250   | \$500   |
| <u>3 AAC 306.560</u> | Potency limits per serving and<br>transaction for edible marijuana<br>products | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,000 |
| <u>3 AAC 306.565</u> | Packaging of marijuana products  | Public Health/Safety<br>Violation | \$125   | \$500   | \$700   |
| <u>3 AAC 306.570</u> | Labeling of marijuana products   | Public Health/Safety<br>Violation | \$250   | \$500   | \$1,000 |
|                      |  |                                   |         |         |         |
| Article 6            | Marijuana Testing Facilities   | Public Health/Safaty              |         |         |         |
| <u>3 AAC 306.605</u> | Marijuana testing facility license<br>required                                 | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| <u>3 AAC 306.610</u> | Marijuana testing facilities: privileges<br>and prohibitions                   | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| 3 AAC 306.615        | Application for marijuana testing<br>facility license                          | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| <u>3 AAC 306.620</u> | Approval of testing facility   | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| <u>3 AAC 306.622</u> | Marijuana handler permit required  | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| <u>3 AAC 306.625</u> | Proficiency testing program  | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| <u>3 AAC 306.630</u> | Scientific director  | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| <u>3 AAC 306.635</u> | Testing methodologies  | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| <u>3 AAC 306.640</u> | Standard operating procedure manual  | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
| 3 AAC 306.645        | Laboratory testing of marijuana and  | Public Health/Safety              | \$500   | \$1,000 | \$2,500 |
| 0.010000000          | marijuana products   | Violation                         |         | , _,    |         |
| <u>3 AAC 306.650</u> | Chain of custody   | Public Health/Safety<br>Violation | \$500   | \$1,000 | \$2,500 |
|                      |  |                                   |         |         |         |

| <u>3 AAC 306.655</u> | Marijuana inventory tracking system                        | Public Health/Safety<br>Violation | \$500 | \$1,000 | \$2,500 |  |
|----------------------|--|-----------------------------------|-------|---------|---------|--|
| <u>3 AAC 306.660</u> | Failed materials; retests                                  | Public Health/Safety<br>Violation | \$500 | \$1,000 | \$2,500 |  |
| <u>3 AAC 306.665</u> | Supplemental marijuana quality<br>testing                  | Public Health/Safety<br>Violation | \$500 | \$1,000 | \$2,500 |  |
| <u>3 AAC 306.670</u> | Reporting; verification                                    | Public Health/Safety<br>Violation | \$500 | \$1,000 | \$2,500 |  |
| <u>3 AAC 306.675</u> | Records retention  | Public Health/Safety<br>Violation | \$500 | \$1,000 | \$2,500 |  |
| Article 7            | Operating Requirements for All<br>Marijuana Establishments | Public Health/Safety              |       |         |         |  |
| <u>3 AAC 306.700</u> | <u>Marijuana handler permit</u>                            | Violation                         | \$100 | \$250   | \$500   |  |
| <u>3 AAC 306.703</u> | <u>Operations</u>  | Public Health/Safety<br>Violation | \$100 | \$250   | \$500   |  |
| <u>3 AAC 306.705</u> | Licensed premises; alteration                              | Public Health/Safety<br>Violation | \$100 | \$300   | \$500   |  |
| <u>3 AAC 306.710</u> | Restricted access areas                                    | Public Health/Safety<br>Violation | \$100 | \$250   | \$500   |  |
| 3 AAC 306.715        | Security alarm systems and lock<br>standards               | Public Health/Safety<br>Violation | \$100 | \$250   | \$1,000 |  |
| <u>3 AAC 306.720</u> | <u>Video surveillance</u>                                  | Public Health/Safety<br>Violation | \$200 | \$500   | \$1,000 |  |
| <u>3 AAC 306.725</u> | Inspection of licensed premises                            | Public Health/Safety<br>Violation | \$500 | \$1,000 | \$2,000 |  |
| <u>3 AAC 306.730</u> | Marijuana inventory tracking system                        | Administrative<br>Violation       | \$25  | \$50    | \$100   | Yes, self<br>reported -<br>officer<br>descretion |
|                      |  |                                   | \$100 | \$225   | \$500   |  |
| <u>3 AAC 306.735</u> | Health and safety standards                                | Public Health/Safety<br>Violation | \$100 | \$250   | \$500   |  |
| <u>3 AAC 306.740</u> | Waste disposal   | Public Health/Safety<br>Violation | \$100 | \$250   | \$500   |  |
|                      |  |                                   |       |         |         |  |

| <u>3 AAC 306.745</u> | Standardized scales                                | Public Health/Safety<br>Violation | \$100 | \$250 | \$500   |
|----------------------|--|-----------------------------------|-------|-------|---------|
| <u>3 AAC 306.750</u> | Transportation                                     | Public Health/Safety<br>Violation | \$50  | \$200 | \$300   |
| 3 AAC 306.755        | Business records                                   | Administrative<br>Violation       | \$150 | \$500 | \$900   |
| <u>3 AAC 306.760</u> | Trade Shows  | Administrative<br>Violation       | \$100 | \$500 | \$500   |
| <u>3 AAC 306.770</u> | Signs, merchandise, advertisements, and promotions | Administrative<br>Violation       | \$100 | \$250 | \$500   |
| Article 8            | Enforcement; Civil Penalties                       |                                   |       |       |         |
| Article 9            | General Provisions                                 |                                   |       |       |         |
| <u>3 AAC 306.915</u> | Exercise of authority                              | Public Health/Safety<br>Violation | \$220 | \$585 | \$1,108 |