

# Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West Seventh Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

### **MEMORANDUM**

TO: Marijuana Control Board

DATE: Thursday, October 14, 2021

FROM: James Hoelscher, Enforcement Supervisor

RE: Enforcement Report, Marijuana

AMCO Enforcement's Investigator Chiesa has successfully transferred to the Mat-Su Valley and has become our new MATSU Valley Investigator. We are pleased that the Mat-Su valley has a dedicated Investigator, especially one of Chiesa's caliber, working full-time in the Mat-Su borough.

AMCO has also hired a new Fairbanks Investigator, Parrish Moses. Investigator Moses has over 23 years of experience in local and state law enforcement. He attended the Alaska Law Enforcement Training Academy and holds a current Basic Police Officer Certificate from the Alaska Police Standards Council. He most recently served as a Peace Officer for the Alaska Department of Environmental Conservation. Investigator Moses spent two weeks on hands on training in Anchorage and the Mat-Su Valley. He will have continued training and assistance from other AMCO Investigators.

We have been conducting numerous inspections, ranging from new licenses to follow-up inspections of licenses that were inspected virtually in the past year and half. We have identified quite a few issues and oversights that we can only attribute to conducting the virtual based inspections. We will only have virtual inspections as a last option for new licenses and will consider doing virtual inspections of current licensed premises on a case-to-case basis.

AMCO Enforcement has continued to work on the principles set by both boards and have continued to partner with other agencies to achieve mutual goals of compliance and enforcement. We continue to combat illegal sales of marijuana and marijuana product sales in Alaska.

AMCO received a report of an armed robbery the beginning of this month, no injuries were reported and local authorities were notified and responded. AMCO Director and Enforcement Supervisor has given guidelines to AMCO Enforcement regarding notification of robberies to the Enforcement Supervisor and the AMCO Director immediately. Unless the investigating law enforcement agency indicates otherwise the AMCO Enforcement Unit will prepare a written advisory and will send it to all appropriate licensees in a reasonable amount of time communicating enough information to allow licensees to make their own assessment of their security posture and safety of their staff given the situation.

AMCO Enforcement has also been made aware of some issues related to signs on licensed premises. Enforcement has given clear consistent interpretation that each licensed premises is allowed:

- three signs, two of which need to be may only be placed in the marijuana facility's window or attached to the outside of the licensed premises.
- A third sign can be on the building or on a "roadside", "monument" or "pylon" type sign. Enforcement has also informed licensees that the "roadside", "monument" or "pylon" would only count as 1 sign.
- That the signs must not exceed 4,800 square inches.

We have seen that on some "roadside", "monument" or "pylon" signs are applying the measurements to the boarder of the cut sign. We have witnessed some licensees have utilized two or more smaller signs to make a larger sign (see examples), these have been done after inspection.

Nothing in the regulation prevents this, however, the previous interpretation from the board was that smaller signs could not be used to make a larger sign as this would violate the intention of the regulation. Simply, you could not use two or more smaller signs to make one larger sign.

I also have seen that some licensees are having signs made in a 3-dimensional manner, how is enforcement to apply a 2-dimentional measurement to this type of sign (square inches versus cubic inches)?

What is a "sign" if a logo, leaf, green cross, etc. is considered a "sign". Also, what is permitted with a LED/Digital sign that has changing lettering, wording, and/or messages?

- 3 AAC 306.770. Signs, merchandise, advertisements, and promotions
  - (b) A licensed marijuana establishment may have not more than three signs that are visible to the general public from the public right-of-way. Two of the three signs may only be placed in the marijuana facility's window or attached to the outside of the licensed premises. The size of each sign may not exceed 4,800 square inches. A sign meeting these requirements is not advertising or promotions.

I am recommending that the board create a definition for "signs" in 3 AAC 306.900



## Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West Seventh Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

### **MEMORANDUM**

TO: Marijuana Control Board

DATE: Friday, October 14, 2021

FROM: Glen Klinkhart, Director

**RE:** Special Investigator I, Parrish Moses

James Hoelscher, Enforcement Supervisor

AMCO has hired Parrish Moses to fill the vacant Special Investigator I position in Fairbanks. Investigator Moses has over 23 years of experience in local and state law enforcement. He attended the Alaska Law Enforcement Training Academy and holds a current Basic Police Officer Certificate from the Alaska Police Standards Council. He most recently served as a Peace Officer for the Alaska Department of Environmental Conservation – Environmental Crimes Unit as a Special Investigator I.

Pursuant to AS 17.38.131, I am requesting that you grant Investigator Moses the authority to exercise peace officer powers at such time as concurrence is received from the commissioner of public safety.

The Marijuana Control Board's regulations do not address the authority for investigators to carry firearms. I have asked the Alcoholic Beverage Control Board, pursuant to 3 AAC 304.505(b), to approve Investigator Moses to carry a firearm in the performance of his duties.

Thank you in advance for your consideration.









## **Department of Revenue**

TAX DIVISION

PO Box 110420 June au, Alaska 99811-0420 Main: 907.465.2320 Fax: 907.465.2375

August 19, 2021

Marijuana Control Board Alcohol & Marijuana Control Office 550 W. 7th Avenue, Suite 1600 Anchorage, AK 99501

#### Re: Failure to pay taxes under AS 43.61.010 by licensed marijuana cultivation facilities

Pursuant to Alaska Statutes and Regulations, AS 43.05.230(e), AS 43.61.030 and 15 AAC 61.020, the Department of Revenue will inform the Marijuana Control Board of licensed cultivators that have failed to pay tax due or file a return as required by law.

As of August 18, 2021, there were 33 cultivation facilities that failed to pay marijuana excise taxes as required under AS 43.61.010. The list below does not include accounts that are compliant on payment plans or that have past due balances under \$200. A license number with an asterisk next to it indicates that the license is no longer active. If we reported the total number of past due accounts for tax periods through June 30, 2021, we would report 56 licensed cultivators owing a total of \$1,785,751.

| AMCO Cultivator Name           | License | Balance    |  |
|--------------------------------|---------|------------|--|
| 50 SHADES OF GREEN LLC         | 14956   | \$ 25,071  |  |
| ABSOLEM'S GARDEN               | 12612   | \$ 4,744   |  |
| ACP, LLC                       | 20716   | \$ 79,801  |  |
| ALASKA CANNABIS PROPAGATION    | 11651*  | \$ 6,722   |  |
| ALASKA FRONTIER CANNABIS, LLC  | 14396*  | \$ 9,263   |  |
| ALASKA MARIJUANA GARDENS (AMG) | 12125   | \$ 2,435   |  |
| ALASKA PRECISION               | 10040   | \$ 12,659  |  |
| ALASKAN BLOOMS, LLC            | 10073   | \$ 691,897 |  |
| ALASKAN DEVILS LETTUCE         | 11556*  | \$ 4,578   |  |
| ALASKAN DREAM LLC              | 16276   | \$ 2,413   |  |
| BRO BRO BUDZ, LLC.             | 18516   | \$ 5,544   |  |
| BUBBA GREENS LLC               | 22369   | \$ 11,013  |  |
| DANISH GARDENS, LLC            | 10310*  | \$ 239,260 |  |
| FARMER JACK'S LLC              | 10142*  | \$ 18,929  |  |
| FIBERFLITE                     | 13577   | \$ 5,448   |  |
| FROZEN NORTH FARMS             | 10500   | \$ 1,980   |  |
| GOLDHILL GARDENS               | 10481   | \$ 1,148   |  |
| GREEN ACRES 907, LLC           | 19466   | \$ 7,378   |  |
| GREEN LEAF                     | 10066*  | \$ 79,639  |  |
| GREENSTAR, INC.                | 12872   | \$ 35,702  |  |

| AMCO Cultivator Name    | License | Balance |         |  |
|-------------------------|---------|---------|---------|--|
| GUEST SERVICES, LLC.    | 12461   | \$      | 1,053   |  |
| HERBAL INSTINCTS        | 10156*  | \$      | 164,163 |  |
| HERB'N LEGENDS LLC.     | 15209   | \$      | 250     |  |
| HIGH VIBES LLC          | 19485   | \$      | 11,421  |  |
| MAD MOTA                | 15025   | \$      | 4,911   |  |
| RAINFOREST FARMS, LLC   | 10026*  | \$      | 119,446 |  |
| ROCK HARD NUGZ AK       | 15223   | \$      | 776     |  |
| SNOW LOTUS GARDENS, LLC | 20642   | \$      | 5,982   |  |
| STONED SALMON FARMS     | 11605   | \$      | 46,150  |  |
| SUILNA                  | 11664   | \$      | 25,979  |  |
| TALKEETNA HERB COMPANY  | 10004   | \$      | 6,910   |  |
| THE GIVING TREE         | 13211*  | \$      | 853     |  |
| TLG GARDEN LLC          | 13344   | \$      | 9,656   |  |

Sincerely,

Emily Walker, Tax Auditor Department of Revenue – Tax Division



## **Department of Revenue**

TAX DIVISION

PO Box 110420 Juneau, Alaska 99811-0420 Main: 907.465.2320 Fax: 907.465.2375

September 16, 2021

Marijuana Control Board Alcohol & Marijuana Control Office 550 W. 7th Avenue, Suite 1600 Anchorage, AK 99501

Re: Failure to pay taxes under AS 43.61.010 by licensed marijuana cultivation facilities

Pursuant to Alaska Statutes and Regulations, AS 43.05.230(e), AS 43.61.030 and 15 AAC 61.020, the Department of Revenue will inform the Marijuana Control Board of licensed cultivators that have failed to pay tax due or file a return as required by law.

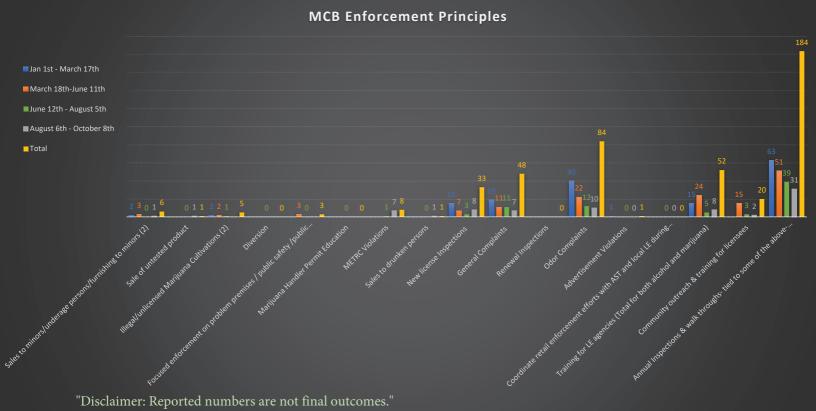
As of September 15, 2021, there were 29 cultivation facilities that failed to pay marijuana excise taxes as required under AS 43.61.010. The list below does not include accounts that are compliant on payment plans or that have past due balances under \$200. A license number with an asterisk next to it indicates that the license is no longer active. If we reported the total number of past due accounts for tax periods through July 31, 2021, we would report 53 licensed cultivators owing a total of \$1,802,080.

| AMCO Cultivator Name          | License | Balance |         |
|-------------------------------|---------|---------|---------|
| 50 SHADES OF GREEN LLC        | 14956   | \$      | 29,825  |
| ABSOLEM'S GARDEN              | 12612   | \$      | 6,691   |
| ACP, LLC                      | 20716*  | \$      | 82,119  |
| ALASKA CANNABIS PROPAGATION   | 11651*  | \$      | 6,722   |
| ALASKA FRONTIER CANNABIS, LLC | 14396*  | \$      | 9,294   |
| ALASKA PRECISION              | 10040   | \$      | 12,339  |
| ALASKAN BLOOMS, LLC           | 10073   | \$      | 694,209 |
| ALASKAN DEVILS LETTUCE        | 11556*  | \$      | 4,592   |
| BLUFFSIDE GARDENS             | 16015   | \$      | 842     |
| BRO BRO BUDZ, LLC.            | 18516   | \$      | 5,562   |
| DANISH GARDENS, LLC           | 10310*  | \$      | 240,221 |
| FAIRBANKS FIREWEED, LLC       | 11092   | \$      | 1,763   |
| FARMER JACK'S LLC             | 10142*  | \$      | 19,005  |
| FRISSON FARMS, LLC.           | 12616   | \$      | 321     |
| FROZEN NORTH FARMS            | 10500   | \$      | 1,201   |
| GOLDHILL GARDENS              | 10481   | \$      | 794     |
| GREEN ACRES 907, LLC          | 19466   | \$      | 4,168   |
| GREEN LEAF                    | 10066*  | \$      | 79,966  |
| GREENSTAR, INC.               | 12872   | \$      | 41,719  |
| HERBAL INSTINCTS              | 10156*  | \$      | 170,486 |

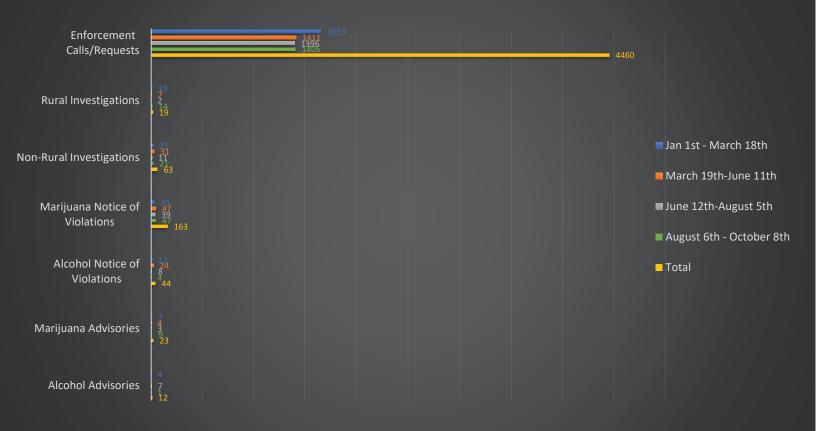
| AMCO Cultivator Name                | License | Balance       |
|-------------------------------------|---------|---------------|
| LAST FRONTIER JOINT OPERATIONS LLC. | 11957   | \$<br>7,999   |
| MAD MOTA                            | 15025   | \$<br>3,388   |
| NORTH STAR FIRE                     | 13479   | \$<br>1,156   |
| RAINFOREST FARMS, LLC               | 10026*  | \$<br>119,851 |
| RED FOX FARMS LLC                   | 17778   | \$<br>1,957   |
| STONED SALMON FARMS                 | 11605   | \$<br>75,600  |
| SUILNA                              | 11664   | \$<br>1,998   |
| TALKEETNA HERB COMPANY              | 10004   | \$<br>6,952   |
| THE GIVING TREE                     | 13211*  | \$<br>856     |

Sincerely,

Emily Walker, Tax Auditor Department of Revenue – Tax Division



## **Misc Enforcement Stats**



"Disclaimer: Reported numbers are not final outcomes."