

Department of Commerce, Community, and Economic Development

Alcohol and Marijuana Control Office

550 West 7th Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

MEMORANDUM

TO: Marijuana Control Board DATE: January 12, 2022

FROM: Jane P. Sawyer, Regulations Specialist RE: Regulations Project – Transfer

of License to Another Location

At the August 2021 meeting, the board opened a regulations project to address relocation of a license. The draft contemplates the relocation of a license to another local government, not just within the current local government's jurisdiction, but it can be removed if the board chooses.

This project is 30 some pages long because the amendments affect several sections and provisions of 306.

Options for the board: to be discussed at meeting

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(Words in boldface	and underlined in	ndicate language being added; words [CAPITALIZED AND
BRACKETED] ind	icate language be	ing deleted.)

3 AAC 306.010 is amended to read:

3 AAC 306.010. License restrictions. (a) The board will not issue a new marijuana establishment license, or approve the transfer of an existing license to another location, [A MARIJUANA ESTABLISHMENT LICENSE] if the licensed premises will be located within 500 feet of a school ground, a recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility. The distance specified in this subsection must be measured by the shortest pedestrian route from the public entrance of the building in which the licensed premises would be located to the outer boundaries of the school ground, the outer boundaries of the recreation or youth center, the main public entrance of the building in which religious services are regularly conducted, or the main public entrance of the correctional facility. This section does not prohibit the renewal of an existing marijuana establishment license, a license conversion under 3 AAC 306.047, or the transfer of an existing marijuana establishment license to another person if the licensed premises were in use before the school ground, recreation or youth center, the building in which religious services are regularly conducted, or a correctional facility began use of a site within 500 feet. If an existing marijuana establishment license for premises located within 500 feet of a school ground, a recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility is revoked or expires, the board will not issue another marijuana establishment license for the same premises unless the school ground, the recreation or youth center, the building in

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which religious serv	vices are regularly	conducted, or the correctional facility no longer occupies
the site within 500 f	eet.	

- (b) The board will not issue <u>a new marijuana establishment license</u>, or approve the <u>transfer of a license to another location</u>, [A MARIJUANA ESTABLISHMENT LICENSE] if the licensed premises will be located in a liquor license premises.
- (c) The board will not issue a new marijuana establishment license, or approve the transfer of a license to another location, [A MARIJUANA ESTABLISHMENT LICENSE] when a local government protests an application under 3 AAC 306.060 on the grounds that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.
 - (d) The board will not issue a marijuana establishment license to a person who [THAT]
- (1) is prohibited under AS 17.38.200(i) from receiving a marijuana establishment license because of a conviction of a felony; if the applicant is a partnership, limited liability company, or corporation, the board will not issue a license if any person named in 3 AAC 306.020(b)(2) is prohibited under AS 17.38.200(i) from obtaining a license; in this paragraph, "conviction of a felony" includes a suspended imposition of sentence;
 - (2) has been found guilty of
 - (A) selling alcohol without a license in violation of AS 04.11.010;
 - (B) selling alcohol to an individual under 21 years of age in violation of AS 04.16.051 or 04.16.052; or

Commented [SJP(1]: Housekeeping

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	(C) a misde	emeanor crime involvin	g a controlled substance, violence
agains	st a person, use of a	weapon, or dishonesty	within the preceding five years; or
	(3) has, within two	years before submittin	g an application, been convicted of a
class A misde	emeanor relating to s	selling, furnishing, or di	stributing marijuana or operating an
establishment	where marijuana is	consumed contrary to s	state law. (Eff. 2/21/2016, Register 217;
am 2/21/2019	, Register 229; am _	/, Registe	r)
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 306.015 is repealed and readopted to read:

3 AAC 306.015. License Conditions. (a) The board will issue each marijuana establishment license to a specific individual, to a partnership, including a limited partnership, to a limited liability company, to a corporation, or to a local government. A person other than a licensee may not have a direct or indirect financial interest in the business for which a marijuana establishment license is issued.

- (b) Except as allowed in 3 AAC 306.035(h), the board will not issue, renew, or transfer a marijuana establishment license to
- an individual or a sole proprietorship unless the individual or proprietor is a resident of the state;
 - (2) a partnership unless each partner is a resident of the state;

Commented [SJP(2]: 306.015 repealed and readopted for logical progression but the new language is (d) on this draft. d-changed to-e. e-changed to-f.

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- (3) a limited liability company unless the limited liability company is qualified to do business in the state and each member of the limited liability company is a resident of the state; or
- (4) a corporation unless the corporation is incorporated or qualified to do business in the state and each corporate officer, director, and shareholder is a resident of the state.
- (c) The board will issue each license for a specific location identified on the application [LICENSE] as the licensed premises. A marijuana establishment must have a right to possession of its licensed premises at all times, and may not lease its licensed premises to another person for any reason. If a marijuana establishment wishes to reduce or expand the area of the licensed premises used for a marijuana establishment, the marijuana establishment must submit a new line drawing showing the proposed changes to the premises, and must obtain the board's written approval. [A MARIJUANA ESTABLISHMENT MAY NOT RELOCATE ITS LICENSED PREMISES TO A DIFFERENT PLACE WITHOUT OBTAINING A LICENSE FOR THE NEW PREMISES AS REQUIRED UNDER 3 AAC 306.050.]
- (d) A person may not transfer an existing marijuana establishment license to another location without the applicant applying for and receiving written consent of the board. Subject to any applicable provisions of AS 17.38 and this chapter, the board may approve a transfer of a license to another location in a different local government.
- (e) The board will impose other conditions or restrictions on a license or endorsement issued under this chapter when it finds that it is in the interests of the public to do so.
 - (f) In this section,
 - (1) "direct or indirect financial interest" means

Commented [SJP(3]: Housekeeping amendment.
"license" makes no sense here.

Commented [SJP(4]: The change here is that this specifically allows the board to transfer the location to another LG jurisdiction.

Board discussion

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	(A) a legal o	r equitable interest in	the operation of a business licensed	
under this	chapter;			
	(B) does not	include a person's rig	ht to receive	
	(i) re	ntal charges on a grad	luated or percentage lease-rent	
agı	reement for real e	state leased to a licens	see; or	
	(ii) co	onsulting fee from a l	icensee for services that are allowed	
un	der this chapter;			
(2)	"resident of the s	state" means a person	who is eligible at the time of application	
for the most recen	nt permanent fund	dividend under AS 4	3.23. (Eff. 2/21/2016, Register 217;	
add'l am 2/21/201	6, Register 217; a	nm 2/21/2019, Registe	er 229; am 4/11/2019, Register 230; am	
10/18/2020, Regis	ster 236; am/	/, Register _)	
Authority: AS	3 17.38.010	AS 17.38.150	AS 17.38.200	
AS	3 17.38.070	AS 17.38.190	AS 17.38.900	
AS	3 17.38.121			
3 AAC 306.020(a)(8) is amended to	o read:		
(8)	the address of th	e location [PREMISE	to include global positioning system	Commented [SJP(5]: Housekeeping.

(GPS) coordinates where the applicant intends to operate a marijuana establishment, and a

premises that the board may approve under 3 AAC 306.705(d) and 3 AAC 306.710(d);

detailed diagram of the proposed licensed premises; the diagram must show all entrances and

boundaries of the premises, restricted access areas, storage areas, and, if applicable, overlapping

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(Eff. 2/21/20	016, Register 217; an	n 8/11/2018, Register	227; am 12/10/2020, Register 236;	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			
3 AAC 306.	030(a) is amended to	read:		Commented [SJP(6]: Petition for a license in an area with no local government
(a) T	he board will not app	rove a new license, a	[OR] new onsite consumption	
endorsement	or a transfer of a li	cense to another loca	tion in an area outside, but within s	50
miles of, the	boundary of a local g	government unless the	board receives a petition to issue the	ne
license or en	dorsement signed by	a majority of the pern	nanent residents residing within one	e mile
of the propos	sed premises.			
3 AAC 306.	030(b) is amended to	read:		Commented [SJP(7]: Petition for a license in an area with no local government
(b) T	he board will not app	rove a new license, a	[OR] new onsite consumption	
endorsement	or a transfer of a li	cense to another loca	ntion in an area that is 50 miles or n	nore
from the bou	indary of a local gove	ernment unless the boa	ard receives a petition to issue the li	cense
or endorsem	ent containing the sig	gnatures of two-thirds	of the permanent residents residing	within
a radius of fi	ve miles of the Unite	ed		
premises. If	there is no United Sta			
proposed lice	ensed premises, the p	etition must be signed	by two-thirds of the permanent res	idents
residing with	nin a five-mile radius	of the proposed licens	sed premises.	
(Eff. 2/21/20	016, Register 217; am	8/7/2021, Register 23	89; am/, Register	
		6		

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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	

AS 17.38.121

3 AAC 306.045. Application for transfer of a license to another person

(a) A person may not receive or transfer a marijuana establishment license or a controlling interest in a marijuana establishment license issued to a partnership, including a limited partnership, a limited liability company, a corporation, or a local government, without applying for and receiving the written consent of the board. Transfer of a license includes a sale of all or part of the interest of an individual owner.

(b) An application for transfer of a marijuana establishment license, or of a controlling interest in a marijuana establishment license issued to a partnership, a limited liability company, a corporation, or a local government, must be filed in writing on a form the board prescribes, in compliance with the application procedure set out in 3 AAC 306.025. The application must name the current holder of the marijuana establishment license and the proposed transferee, including all persons listed in 3 AAC 306.020 if the transferee is a partnership, limited liability company, a corporation, or a local government. The application must contain

(1) the same information about each transferee as is required of an applicant for a new license under 3 AAC 306.020;

(2) a statement, under oath, executed by the current holder of the marijuana establishment license, listing all debts of the business, all taxes the business owes, current contact information for each creditor, and an affirmation that the current holder of the marijuana establishment license has submitted a copy of the transfer application to all creditors; and

(3) any other information required by the board for the type of marijuana establishment license sought to be transferred.

(c) When the board receives a complete application for transfer of a license to another person, the director shall immediately send written notice of the proposed transfer to

 each listed creditor of the current holder of the marijuana establishment license, along with the amount shown as owed to that creditor;

(2) each local government with jurisdiction over the applicant's proposed licensed premises;

(3) the community council if the licensed premises are located within the boundary of a community council established by municipal charter or ordinance; and

(4) any nonprofit community organization that has requested notification in writing.

3 AAC 306.045(d) is amended to read:

(d) A current holder of a marijuana establishment license must submit a license renewal application before or at the same time as an application for a transfer of a marijuana

Commented [SJP(8]: Note for me: need to remove the yellow language here before p.c.

Commented [SJP(9]: This is an MJ-19 the transferor fills out and signs when transferring the license to another person/entity. AMCO's process is to send notices to listed persons/entities on this form to "sign" off on the transfer. If the transferor states "none", AMCO does not do research to find otherwise. In rare occasions do we get notified of a creditor not listed who found out about the transfer application during the public notice/news paper ad.

Commented [JMW10R9]: Are you proposing any changes here to minimize the hold up?

Commented [SJP(11R9]: Sorry, no, this is current regulation on a license transfer to another person, I was just making a note for me. Was trying to decide whether to have the same requirement under transfer of license to another location but it sounds like we should not if the location is not concurrent with a transfer of license to another person.

Commented [SJP(12]: Application for transfer of a license to another person

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establishmen	t license <u>to another p</u>	erson that is submitted	after April 30 and before August 31.
[JULY 1.]			
(Eff. 2/21/20	16, Register 217; am 1	2/28/2017, Register 22	4; am 2/21/2019, Register 229; 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		

Commented [SJP(13]: Housekeeping: It makes no sense to say "before July 1" when the grace period to submit a renewal application is August 31, 2021.

3 AAC 306 is adding a new section to read:

3 AAC 306.046. Application for transfer of a license to another location. (a) A person may not transfer to another location a license issued under AS 17.38 and this chapter without applying for and receiving the written consent of the board.

- (b) An application for transfer of a license to another location must be filed in writing on a form or forms the board prescribes, in compliance with the applicable application procedures set out in 3 AAC 306.025.
- (c) An application for transfer of a license to another location must name the current license holder, the current location of the licensed premises, the current local government, and, if applicable, the new local government, the endorsements applicable to the current location _ and a statement of whether the license holder intends to transfer the endorsements, the new

Commented [SJP(14]: "Applicable" because not ALL procedures under 306.025 apply to a transfer of license to another location. Example: the application for transfer of location would not be initiated online. It would be completely paper based.

Commented [SJP(15]: This is for when the LG
is different.
What do you think?

Commented [JMW16R15]: Good

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location of th	ne propose	ed licensed prea	mises includ	ling global pos	itioning	system	coordin	ates, a	nd
contain									
	(4)					1 0		. 0	

(1) the same information about each person as is required of an applicant for a new license under 3 AAC 306,020.

- (2) only if the transfer of a license to another location is concurrent with a transfer of a license to another person, a statement, under oath, executed by the current holder of the marijuana establishment license, listing all debts of the business, all taxes the business owes, current contact information for each creditor, and an affirmation that the current holder of the marijuana establishment license has submitted a copy of the application of the transfer of location to all creditors;
- (3) an operating plan and proposed licensed premises as described under 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), 3 AAC 306.615, and if applicable, 3 AAC 306.705(d) and 3 AAC 306.710(d);
- (4) an affidavit showing where and when the applicant posted notice of the application; when the applicant notified each local government with jurisdiction over the

Commented [SJP(17]: I understand listing all the people again when the ownership is not changing is repetitive, but the transfer to a new location is the same concept of letting the public know of a new marijuana establishment as with a new application.

Commented [SJP(19]: Is this whole provision necessary in an application to transfer the location of the license IF the ownership and ownership structure is the exact same one? This provision has the potential to hold up the transfer of location.

See: denial of license.

Commented [JMW20R19]: I don't believe so.

Commented [SJP(21R19]: What do you think of the underlined/bolded change instead of removing altogether? This provision would not be required if the transfer of location is strictly that (same ownership structure).

Commented [JMW22R19]: good

Commented [SJP(23]: We/AMCO would request approval from Revenue to transfer the location even if the applicant didn't list Revenue as an entity owed taxes to on MJ-19. This is a regular procedure with transfer of license to another person/entity.

Register _____, _____20__ COMMERCE, COMMUNITY, AND EC. DEV. proposed licensed premises; and, if applicable, the community council, and proof of advertising. All in compliance with 3 AAC 306.025(b);

- (5) the title, lease, or other documentation showing the applicant's sole right to possession of the proposed licensed premises;
 - (6) the application fee under 3 AAC 306.100; and
- (7) any other information required by the board for the type of marijuana establishment license sought to be transferred.
- (d) When the board receives a complete application for transfer of a license to another location, the director shall send notice of the proposed transfer to
- (2) the community council with jurisdiction over the current location and, if different, the community council with jurisdiction over the proposed new location if the new location is located within the boundary of a community council established by municipal charter or ordinance;
- (3) any nonprofit community organization that has requested the notice in writing; and
- (4) any other state or local government entity whose approval is necessary to transfer location, as the board deems necessary.
- (e) If the transfer of a license to another location is concurrent with the transfer of the license to another person as described under 3 AAC 306.045, the application must be filed in writing on a form or forms the board prescribes, in compliance with this section, the applicable

Commented [JMW25R24]: Try this

Commented [SJP(26R24]: good

Commented [SJP(27]: What would the purpose of sending the notice to the current community council be?..for discussion....

Commented [SJP(28]: Board, what do you think about this provision? For example, in a new application, we/AMCO as a matter of policy, notify and request approval from DEC and Fire. For a license transfer, we notify and request approval from DEC, fire, Revenue, any creditor's listed.

For a location transfer, does the board want a specific, written regulation that requires notification to and approval from DEC, Fire, Revenue? and what other agencies? Or does the board want to keep the DEC, Fire, and Revenue an office policy rather than in regulation?

What about when the transfer of location is to a different LG? would the board want to make sure that the current local government is paid taxes owed, for example?.

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application p	rocedures set out in	3 AAC 306.025, and 3	AAC 306.045, and submit the person'	S
fingerprints a	and fees as required	under 3 AAC 306.055(a	n).	
(f) A	current holder of	a marijuana establishmer	nt license shall submit a license renewa	ıl
application b	efore or at the same	e time as an application f	or a transfer of a license to another	
location that	is submitted after A	april 30 and before Augu	sst 31. (Eff/, 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			

Commented [SJP(29]: This provision is currently under transfer of license to another person. I'm assuming is to make sure that there is an existing license TO transfer. I copied the provision to this section.

3 AAC 306.047 is amended to read:

- **3 AAC 306.047. License conversion.** (a) An application to convert an existing limited marijuana cultivation facility license to a standard marijuana cultivation facility license, an existing standard marijuana cultivation facility license to a limited marijuana cultivation facility license, an existing marijuana concentrate manufacturing facility license to a marijuana product manufacturing facility license, or an existing marijuana product manufacturing facility license to a marijuana concentrate manufacturing facility license must be filed in writing on a form the board prescribes, in compliance with the **applicable** application procedure set out in 3 AAC 306.025.
- (b) To qualify for a license conversion under this section, neither the licensee nor the license location may change.
 - (c) The license conversion application must contain

Commented [SJP(30]: Added 'applicable' because not all application procedures set out under 025 apply to a license conversion. For example, a license conversion is not initiated online which is one of the requirements under 025.

(1) an affidavit showing where and when the applicant posted notice of the	Commented [SJP(31]: Housekeeping amendmen to make the removed language [CAPS]
application; when the applicant notified each local government with jurisdiction over the	clear.
licensed premises; proof of advertising; and, if applicable, the community council. All in	
compliance with 3 AAC 306.025(b): [(1) AN AFFIDAVIT SHOWING WHERE AND WHEN	
THE APPLICANT POSTED NOTICE OF THE APPLICATION, AND PROOF OF	
ADVERTISING AS REQUIRED IN 3 AAC 306.025(b);]	
(2) any changes proposed to the approved operating plan;	
(3) a detailed diagram of the proposed licensed premises; the diagram must show	
all entrances and boundaries of the premises, restricted access areas, storage areas, and, if	
applicable, overlapping premises that the board may approve under 3 AAC 306.705(d) and 3 AAC	
306.710(d);	
(4) if applicable, the title, lease, or other documentation showing the licensee's	Commented [SJP(32]: Rewording: "Applicable
sole right to possession of the proposed licensed premises: I, IF THE PROPOSED LICENSED	because we may not always need an updated lease. Some licensees already have possession to the area where the
PREMISES FOR THE CONVERTED LICENSE DIFFER FROM THE EXISTING LICENSED	license conversion would be happening. (Proposed) removed [CAPS] language, not sure what it means.
PREMISES;]	
(5) the balance of the license fee, if the post-conversion license fee is greater than	
the pre-conversion license fee;	
(6) the application fee under 3 AAC 306.100; and	Commented [SJP(33]: Housekeeping
(7) any other information required by the board. (Eff. 2/21/2019, Register 229; am	
12/10/2020, Register 236; 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	
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	AS 17.38.121		
3 AAC 306.0	50 is repealed		
3 AA(C 306.050. Relocation	of licensed premises	not allowed. Repealed. (Eff.
2/21/2016, Re	egister 217; repealed _	_//, Registe	r)
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		

Language being repealed above [3 AAC 306.050. Relocation of licensed premises not allowed. A MARIJUANA ESTABLISHMENT LICENSE MAY NOT BE RELOCATED TO ANY OTHER PREMISES. A HOLDER OF A MARIJUANA ESTABLISHMENT LICENSE THAT WISHES TO OPERATE A MARIJUANA ESTABLISHMENT AT A DIFFERENT LOCATION MUST SUBMIT A NEW APPLICATION FOR ANY NEW PREMISES, AND MUST SURRENDER AN EXISTING LICENSE FOR ANY PREMISES WHERE THE MARIJUANA ESTABLISHMENT DOES NOT INTEND TO CONTINUE ITS OPERATION.]

3 AAC 306.055(a) is amended to read:

(a) When filing an application for a new marijuana establishment license, <u>transfer of a license to another person.</u> TRANSFER OF A LICENSE,] or ownership change, the applicant, including each individual listed in 3 AAC 306.020(b)(2), 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. An individual who has submitted fingerprints and fees under this section is not required to submit a new set of fingerprints and fees for a second or subsequent application for a

Commented [SJP(34]: Criminal justice information and records

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new license,	transfer of a license	e to another person, [TRANSFER,] or ow	nership change, if
the second or	subsequent application	tion is submitted not la	ter than 12 calendar	months after the date
criminal justi	ice information is red	ceived in response to the	ne initial submission	of fingerprints and
fees.				
(Eff. 2/21/20	16, Register 217; am	n 5/9/2019, Register 23	0; 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			

3 AAC 306.060 is amended to read:

3 AAC 306.060. Protest by local government. (a) Not later than 60 days after the director sends notice of an application for a new marijuana establishment license, a new onsite consumption endorsement, renewal of a marijuana establishment license, renewal of an onsite consumption endorsement, license conversion, endorsement, [OR] transfer of a marijuana establishment license to another person, or transfer of a license to another location, a local government with jurisdiction over the location requested in the application may protest the application by sending the director and the applicant a written protest and the reasons for the protest. If the transfer of a license is to a new location within the jurisdiction of another local government, the local government in the transfer location may raise as grounds of protest the concerns of the current local government. The director may not accept a protest received after the 60-day period. If the protest is a conditional protest, the board will require the applicant to show to the board's satisfaction that the requirements of the local government have

Commented [SJP(35]: I don't think this needs anything extra to accommodate transfer of location to another LG.

I think that if the board wants to allow the old/current local government to protest based on taxes owed, then I would need to add a separate provision here.

Allowing a protest period for the old/current LG due to taxes owed (at the time the licensee wants to move to another LG) might get complicated. The local government could also lodge an objection instead, not so much having the right to protest.

Thoughts from the board....

Commented [JMW36R35]: I think if there are real concerns of the prior local government the new local government should be able to raise this history as pertinent to its protest. The old local government does not get to protest, but the new one can somewhat step in their shoes by advancing concerns that might be applicable to their new location as well

Commented [SJP(37R35]: Okay... just a question for discussion with the board. How would the new local government know of any issues?. And, would the new local government need to enact local laws to be able to protest the application based on issues raised by the old/current local government?

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been met before the	director may iss	sue the license. If the protest is not a conditional protest, the
board will deny the a	pplication unle	ess the board finds that the protest is arbitrary, capricious, and
unreasonable		

- (b) A local government may recommend that the board approve an application for a new license, a new onsite consumption endorsement, renewal of a license, renewal of an onsite consumption endorsement, license conversion, [OR] transfer of a license to another person, or transfer of a license to another location subject to a condition. If the application is to transfer a license to a location under the jurisdiction of a new local government, the new local government may raise as conditions concerns raised by the current local government that are still relevant to the new location. The board will impose a condition a local government recommends unless the board finds the recommended condition is arbitrary, capricious, and unreasonable. If the board imposes a condition a local government recommends, the local government shall assume responsibility for monitoring compliance with the condition unless the board provides otherwise.
- (c) If the [A] local government with jurisdiction over the location of the licensed premises determines that a marijuana establishment has violated a provision of AS 17.38, this chapter, or a condition the board has imposed on the licensee, the local government may notify the board. Unless the director finds that the local government's notice is arbitrary, capricious, and unreasonable, the director shall prepare the determination as an accusation against the

Commented [SJP(38]: Just added this change
into the draft. What do you think?

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licensee under AS 44.62.360 and conduct proceedings to resolve the matter as provided under 3					
AAC 306.820	AAC 306.820.				
(d) In	this section,				
	(1) "local government	t" means each local go	overnment with jurisdiction over the		
licensed prem	ises <u>.[</u> ;] <u>In the case of a</u>	a transfer of location	to another local government, the		
local governr	nent is the new location	on's local governmen	<u>t.</u>		
	(2) "conditional prote	est" means a protest by	a local government based on the		
local governm	nent's requirements tha	t the applicant must m	eet before licensure, and that the		
applicant has	not yet met but that the	local government exp	ects the applicant will be able to meet		
within a reaso	nable period of time.				
(e) N	otwithstanding (d) of	this section, not later	than 60 days after the director		
sends notice	of an application for a	transfer of a license	to another location where the local		
government i	is different, the curre	nt local government n	nay protest the application only for		
the basis of ta	axes owed by the licen	see to the current loc	al government by sending the		
director and	the applicant a writte	n protest and the rea	sons for the protest. The director		
may not acce	pt and the board will	not consider a protes	t received under this provision after		
the 60-day po	<mark>eriod.</mark> (Eff. 2/21/2016,	Register 217; am 12/2	28/2017, Register 224; am 2/21/2019,		
Register 229;	am 4/11/2019, Registe	r 230; am 5/9/2019, Re	egister 230; 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				

Commented [SJP(39]: Joan, I just brought in these changes, what do you think?

Commented [SJP(40]: I don't think we need changes to this one.

Commented [SJP(41]: Joan: what do you think of this new subsection, this is in reference to a license being relocated to another LG

Commented [JMW42R41]: Yes, that's good.

Commented [SJP(43R41]: Joan: I just added
the notwithstanding, is it appropriate?

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3 AAC 306.0	065 is amended to rea	ad:			
3 AA	.C 306.065. Public p	articipation. A person	n may object to an application for a new		
license, rene	wal of a license, incl	uding reinstatement	of a license, endorsement, license		
conversion, [OR] transfer of a lic	ense to another person	, or transfer of a license to another		
<u>location</u> by s	submitting a written s	statement of reasons for	or the objection to the board and the		
applicant not	later than 30 days a	fter the director has de	termined that the application is complete		
and has give	n written notice to th	e local government in	accordance with 3 AAC 306.025. The		
objection mu	st be sent to the appl	licant at the mailing ad	dress or electronic mail address provided		
in the notice	of application and al	so to the board. If the	board determines to conduct a public		
hearing unde	er this section, an inte	erested person may giv	e oral testimony at the public hearing.		
(Eff. 2/21/20	16, Register 217; am	12/28/2017, Register	224; am 2/21/2019, Register 229; 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				
3 AAC 306.	075(a) is amended to	read:			nmented [SJP(44]: Procedure for action cense application
(a) T	he board will decide	whether to grant or de	ny an application for a license not later		nmented [SJP(45]: "for a license" becau all application types fall under
than 90 days	after receiving the c	omplete application. H	lowever, the board will not grant or deny	thi	s provision.

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the application before the time allowed for a protest under 3 AAC 306.060, unless the local	
government waives its right to protest.	
(Eff. 2/21/2016, Register 217; am 12/28/2017, Register 224; am 2/21/2019, Register 229, 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	
3 AAC 306.080(a)(7) is amended to read:	Commented [SJP(46]: IMPORTANT NOTE FOR ME: 306.080 (denial of a license) is being
(7) a protest by the local government [LOCAL GOVERNING BODY] is not	repealed and readopted under Reinstatement project currently in the works.
arbitrary, capricious, and unreasonable.	Commented [SJP(47]: Housekeeping.
3 AAC 306.080(b)(4) is amended to read:	
(4) that a protest by the local government [LOCAL GOVERNING BODY] is not	
arbitrary, capricious, and unreasonable; or	
3 AAC 306. <mark>080(d)(5) is amended to read:</mark>	Commented [SJP(48]: Denial of a license
(d) After review of the application and all relevant information, the board will deny an	
application for transfer of license to another person if the board finds	
(1) any cause listed in (a) of this section;	
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(2) that the transferor has not paid all debts or taxes arising from the operation of the business licensed under this chapter unless the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority;

- (3) that transfer of the license to another person would result in violation of the provisions of this chapter relating to identity of licensees and financing of licensees;
- (4) that the prospective transferee does not have the qualifications of an original applicant required under this chapter; or
- (5) that a protest by the <u>local government</u> [LOCAL GOVERNING BODY] is not arbitrary, capricious, and unreasonable.

3 AAC 306.080(e) is amended to read:

(e) If the board denies an application for a new license, renewal of a license, reinstatement of license, license conversion, [OR] transfer of a license to another person, or transfer of a license to another location, the board will, not later than 15 days after the board meeting at which the application was denied, furnish a written statement of issues to the applicant, explaining the reason for the denial in clear and concise language, and identifying any statute or regulation on which the denial is based. In the notice of denial the board will inform the applicant of the right to an informal conference under 3 AAC 306.085 and to a formal hearing under 3 AAC 306.090.

3 AAC 306.080(f)(5) is amended to read:

Commented [SJP(49]: This is current language on the regs. This triggers us to notify Revenue. A lack of approval from Revenue would hold up the transfer to another person. Should the transfer of location have the same requirement?? I don't know...The License Conversion application does not have this requirement BUT the license conversion also does not allow for license transfer to another person or to another location concurrently.

Commented [SJP(51R49]: k

Commented [SJP(52]: Denial of a license application

Commented [SJP(53]: Denial of license
application

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	(5) a protest by the l d	ocal government [LOCAL GOVERNING BODY] is not			
arbitrary, ca	pricious, and unreasona	ble;			
3 AAC 306.	080 is amended by addi	ng a <mark>new subsection</mark> to read:			
(g) A	After review of the appl	ication and all relevant information, the board will deny an			
application t	for a transfer of a license	e to another location if the board finds that			
	(1) the application c	ontains any false statement of material fact;			
	(2) the application is	not complete as required under the applicable provisions of 3			
AAC 306.02	20 – 3 AAC 306.055;				
	(3) the license or end	dorsement would violate any restriction in 3 AAC 306.010 or			
3 AAC 306.	015;				
	(4) the license or end	dorsement would violate any restriction applicable to the			
particular lic	cense type authorized ur	der this chapter;			
	(5) the license or end	dorsement is prohibited under this chapter as a result of an			
ordinance or	r election conducted und	ler AS 17.38.210 and 3 AAC 306.200 - 3 AAC 306.250;			
	(6) the applicant's a	ctions or the operating plan does not adequately demonstrate			
that the appl	that the applicant will comply with applicable provision of AS 17.38 and this chapter;				
	(7) the license or end	dorsement would not be in the best interest of the public; or			
	(8) a protest by the l	ocal government is not arbitrary, capricious, and			
unreasonabl	e;				

Commented [SJP(54]: Denial of license application

Register _____, COMMERCE, COMMUNITY, AND EC. DEV. (9) a protest by the current local government in the case of a transfer of location of the license to a different local government is based on taxes owed to the current local government; and (10) that the licensee has not paid all debts or taxes arising from the operation of the business licensed under this chapter unless the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority. (Eff. 2/21/2016, Register 217; am 2/21/19, Register 229; am 8/21/2019, Register 231; am Eff. _, Register ____; 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

3 AAC 306.085(a) is amended to read:

AS 17.38.121

(a) If an applicant for a new license, endorsement, renewal of a license, license reinstatement, license conversion, [OR] transfer of a license to another person, or transfer of a license to another location is aggrieved by an action of the board denying the application, the applicant may, not later than 15 days after the date of the written notice of denial, request an informal conference with the director or the board. An informal conference requested under this section must be held at a time and place convenient to the applicant and the board, but not later than the next scheduled meeting of the board. An informal conference may be conducted telephonically.

Commented [SJP(55]: Joan: what do you think of this????.

Commented [JMW56R55]: So, I think you are saying the new local government can raise all concerns, including those I added, and the current local government can only raise taxes and the denials would follow as you describe. If so,

Commented [SJP(57R55]: Correct. Okay.

Commented [SJP(58]: This triggers us to notify Revenue. A lack of approval from Revenue would hold up the transfer of location.

To leave this here or not to leave this here..... license conversion doesn't require this.

I need to make sure that under application for transfer of location

this makes sense. I also need to add that if the transfer of location is concurrent with a transfer of ownership, we need approval from DOR.

Note for me: if this provision gets removed, I need to go back to 306.046 and remove this requirement.

Commented [SJP(60R58]: okay

Commented [SJP(61]: Note for me: except for the amendments made here, the language here is from the Reinstatement project currently in the works. 306.085 is informal conference

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(Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229; am/; Register					
; am / / , Register)	Commented [SJP(62]: Note for me: this section is for the Reinstatement project currently in the works.				
Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200	(currently in the world)				
AS 17.38.070 AS 17.38.190 AS 17.38.900					
AS 17.38.121					
3 AAC 306.090(a) is amended to read:	Commented [SJP(63]: Formal hearing				
(a) If an applicant for a new license, endorsement, renewal of a license, license					
reinstatement, license conversion, [OR] transfer of a license, or transfer of license to another					
<u>location</u> is aggrieved by an action of the board denying the application, the applicant may					
request a formal hearing by filing a notice of defense in compliance with AS 44.62.390 not later					
than 15 days after the date of the written notice of the denial, or as provided in 3 AAC					
306.085(b) if the applicant requested and participated in an informal conference. Failure to file a					
notice of defense as provided in this section constitutes a waiver of the right to a formal hearing.					
(Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229; 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					
3 AAC 306.095 is amended to read:	Commented [SJP(64]: Note for me: this section includes the language as (proposed) amended in Reinstatement. 306.095 is Appeals				

Register	,20	COMMEI	RCE, COMMUNIT	Y, AND EC. DEV.
(a) A	n aggrieved applica	ant or marijuana establis	shment license hold	er may appeal to the
board regardi	ng any action of the	e director, or an employ	ree or agent of the b	oard regarding an
application fo	or a new license, a l	icense renewal, license	reinstatement, a lice	ense conversion, [OR]
a transfer of l	icense to another p	erson, or a transfer of	license to another	location.
		uana establishment lice		•
		nsfer of license to anoth	-	
another loca	tion may appeal to	the superior court unde	r AS 44.62.560. (Et	ff. 2/21/2016, Register
217; am 2/21	/2019, Register 229	9; am/	, Register; 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			

3 AAC 306.100(a) is amended to read:

- (a) The non-refundable application fee for a new marijuana establishment license, an application for license conversion, [OR] an application to transfer a license to another person, or an application to transfer a license to another location is \$1,000. The non-refundable application fee for a new onsite consumption endorsement is \$1,000.
- 3 AAC 306.100(c) is amended to read:
- (c) The non-refundable fee to request board approval of a change in a licensed marijuana establishment's business name, ownership, licensed premises diagram, operating plan, or

Commented [SJP(65]: Note for me: this spot
is for Reinstatement project currently
in the works.

Register		COMMERC	CE, COMMUNITY, AND EC. DEV.	
proposed new	v marijuana product is			
transfer of a l	icense or a transfer of	controlling interest to	another person, or an application to	
transfer a lic	cense to another locat	ion.		
(Eff. 2/21/20	16, Register 217; am 7	7/19/2017, Register 223	3; am 8/11/2018, Register 227; am	
2/21/2019, R	egister 229; am 4/11/2	019, Register 230; am	5/1/2019, Register 230; am 5/9/2019,	
		er 233; am//	, Register ; am	Commented [SJP(66]: For me: this spot is for Reinstatement for amendment to (b) currently in the works.
//	, 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			
3 AAC 306. <mark>1</mark>	10 is amended by addi	ing a new subsection to	o read:	Commented [SJP(67]: Endorsements generally
(d) S	Subject to the applical	ble provisions of this	chapter, an endorsement may only be	
transferred to	another location if	the license for which	h the endorsement was issued is also	
transferred to	that location. An end	dorsement does not sta	and alone and it is not transferable to	1
another licens	se. (Eff. 4/11/2019, Re	egister 230; 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			
3 AAC 306.2	50 is amended to read	:		
3 AA	C 306.250. Effect on l	licenses of restriction	on sale. If a majority of the voters	Commented [SJP(68]: Article 200 is local option.

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vote under 3 AA	AC 306.200(a) to prol	nibit sale of marijuana	and marijuana products or the	
operation of man	rijuana establishment	ts, or if the assembly o	or city council passes an ordinance to	
the same effect,	the board will not iss	sue, renew, <u>including</u>	reinstate a license, or transfer to	
another person o	or location a license	for a marijuana establ	ishment, or issue or renew an	
endorsement, wi	ith premises located v	within the boundary of	f the local government. A license for a	
marijuana establ	lishment or endorsem	nent within the bounda	ary of the local government is void 90	
days after the re	sults of the election a	are certified, or after th	ne effective date of an ordinance to the	
same effect if th	e local government o	opted out by ordinance	e. A license or endorsement that	
expires during tl	he 90 days after the c	ertification of a local	option election, or during the period of	
time between pa	assage of an ordinance	e to the same effect ar	nd the effective date of that ordinance,	
may be extended until it is void under this section, by payment of a prorated portion of the				
annual license o	r endorsement fee. (l	Eff. 2/21/2016, Regist	eer 217; am 7/27/2017, Register 223;	
am 4/11/2019, R	Register 230; am/	//, Register _)	
Authority: A	AS 17.38.020	AS 17.38.200	AS 17.38.900	
Α	AS 17.38.190	AS 17.38.210		

Commented [SJP(69]: Retail marijuana store license required

3 AAC 306.300(a) is amended to read:

(a) Except as permitted under AS 17.38.020, a person may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or any marijuana product to a consumer unless the person has obtained a retail marijuana store license from the board in compliance with this chapter, or is an employee or agent acting for a licensed retail marijuana

Register	,20	COMME	RCE, COMMUNITY, AND EC. DE	V.			
store operation	store operating in compliance with this chapter. [A PERSON SEEKING A RETAIL						
MARIJUAN	A STORE LICENSE	E MUST					
	(1) SUBMIT AN APPLICATION FOR A RETAIL MARIJUANA STORE						
LICENSE O	N A FORM THE BO	OARD PRESCRIBES,	INCLUDING THE INFORMATIO	N			
SET OUT U	NDER 3 AAC 306.02	20 AND 3 AAC 306.3	15; AND				
	(2) DEMONSTRA	TE, TO THE BOARD	O'S SATISFACTION, THAT THE				
APPLICAN	Γ WILL OPERATE I	IN COMPLIANCE W	ITH				
	(A) EACH	APPLICABLE PROV	VISION OF 3 AAC 306.300 - 3 AAC				
306.3	70 AND 3 AAC 306	6.700 - 3 AAC 306.770); AND				
	(B) EACH	APPLICABLE PUBL	IC HEALTH, FIRE, SAFETY, ANI	D			
TAX	CODE AND ORDIN	NANCE OF THE STA	TE AND THE LOCAL				
GOV	ERNMENT IN WHI	CH THE APPLICAN	T'S PROPOSED LICENSED				
PRE	MISES ARE LOCAT	ED.]		Commented [SJP(70]: Moving this language down to 306.315			
(Eff. 2/21/20	16, Register 217; am	10/17/2018, Register	228; am 9/1/2021, Register 239; 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						
3 AAC 306.3	3 AAC 306.315 is amended to read:						
3 AA	C 306.315. Applicat	tion for retail marijua 26	ana store license. A person seeking	g a			

new retail ma	arijuana store license	e must submit an applic	cation on a form the board prescribes,	
including the	information require	d under 3 AAC 306.02	20 and	
	(1) a copy of an ac	ctive application for a r	required food safety permit under 18	
AAC 31.020	(a) from the Departm	nent of Environmental	Conservation or a municipality with	
authority del	egated under AS 17.	20.072 and 18 AAC 31	1.945; [AND]	
	(2) in the operating	g plan required under 3	3 AAC 306.020(c), a description of the	
way marijuai	na and marijuana pro	oducts at the retail mari	ijuana store will be displayed and sold:[.]	
	(3) demonstrate,	to the board's satisfa	ection, that the applicant will operate in	
compliance	with_			
	(A) each	applicable provision o	of 3 AAC 306.300 – 3 AAC 306.370 and	
3 AAC 306.	700 – 3 AAC 306.77	0; and		
	(B) each a	applicable health, fire	, safety, and tax code and ordinance of	
the state and	d the local governm	ent in which the appl	icant's proposed licensed premises is	
<u>located.</u> (Eff	2/21/2016, Registe	r 217; am 7/27/2017, F	Register 223; 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			
3 AAC 306.	330(a) is amended to	read:		Commented [SJP(71]: Marijuana inven
(a) A	retail marijuana stor	e shall use a marijuana	a inventory tracking system as provided	tracking system - retail
in 3 AAC 30	6.730 to ensure all n	narijuana and marijuan	a product in the retail marijuana store's	

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possession is	identified and tracked	from the time the retail	I marijuana store receives any batch of			
marijuana or	lot of marijuana produc	ct through the sale, trar	nsfer to another licensed marijuana			
establishment	, <u>including the reloca</u>	tion of marijuana or	marijuana product to the new			
licensed pren	nises in the case of a t	ransfer of license to a	nother location approved by the			
board, or dis	posal of the batch of m	arijuana or lot of marij	uana product.			
(Eff. 2/21/201	6, Register 217; am _	_//, Register	:)			
Authority:	athority: 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 306.435(a) is amended to read:						
(a) A marijuana cultivation facility shall use a marijuana inventory tracking system in						

Commented [SJP(72]: Marijuana inventory tracking system - cultivation

compliance with 3 AAC 306.730 to ensure all marijuana propagated, grown, or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is propagated through transfer to another licensed marijuana establishment, including when marijuana or marijuana product is relocated to the new licensed premises in the case of a transfer of license to another location approved by the board, or destruction. The marijuana cultivation facility shall assign a tracking number to each plant over eight inches tall and each package of marijuana to be transferred to another facility. A package of marijuana may not exceed 10 pounds. The marijuana cultivation facility shall also assign a plant batch name or number to each batch of clones or cuttings. A batch may not consist of more than 50 clones or cuttings.

(Eff. 2/21/2016, Register 217; am 03/13/2020, Register 233; am ___/___, Register _____)

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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				
	AS 17.38.121						
3 AAC 306.5	3 AAC 306.500(b) is repealed:						
(b) R	(b) Repealed/ (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						
Repealed language. (b) A PERSON SEEKING ANY TYPE OF MARIJUANA PRODUCT							

Repealed language. (b) A PERSON SEEKING ANY TYPE OF MARIJUANA PRODUCT MANUFACTURING FACILITY LICENSE MUST

- (1) SUBMIT AN APPLICATION FOR A MARIJUANA PRODUCT MANUFACTURING FACILITY LICENSE ON A FORM THE BOARD PRESCRIBES, INCLUDING THE INFORMATION SET OUT UNDER 3 AAC 306.020 AND 3 AAC 306.520; AND
- (2) DEMONSTRATE TO THE BOARD'S SATISFACTION THAT THE APPLICANT WILL OPERATE IN COMPLIANCE WITH
 - (a) Each applicable provision of 3 AAC 306.500 3 AAC 306.570 and 3 AAC 306.700 3 AAC 306.770; and
 - (B) EACH APPLICABLE PUBLIC HEALTH, FIRE, SAFETY, AND TAX CODE AND ORDINANCE OF THE STATE AND THE LOCAL GOVERNMENT IN WHICH THE APPLICANT'S PROPOSED LICENSED PREMISES ARE LOCATED.]
- 3 AAC 306.520 is amended to read:
 - 3 AAC 306.520. Application for marijuana product manufacturing facility license.

An applicant for a marijuana product manufacturing facility license, including a marijuana

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concentrate manufacturing facility licens	se, must file an application on a form the board
prescribes, and provide the information r	required under 3 AAC 306.020 and

- (1) a copy of an active application for a required food safety permit under 18 AAC 31.020 from the Department of Environmental Conservation or a municipality with authority delegated under AS 17.20.072 and 18 AAC 31.945;
- (2) a diagram of the proposed licensed premises required in 3 AAC 306.020(b), identifying the area where
 - (A) in-house testing, if any, will occur; and
 - (B) marijuana and any marijuana product, including marijuana concentrate, will be stored;
- (3) in the applicant's operating plan required under 3 AAC 306.020(c), a description of
 - (A) the equipment and solvents, gases, chemicals, and other compounds used to create concentrates and the processes to be used;
 - (B) each marijuana product the applicant intends to process at this location; the product description must include the color, shape, texture, ingredients and standard production procedure to be used and the additional information required for product approval in 3 AAC 306.525;
 - (C) the packaging to be used for each type of product;
 - (D) sample labels showing how the labeling information required in 3 AAC 306.570 will be set out; and
 - (E) the applicant's plan for disposal of waste; and[.]

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	(4) demonstrate to	the board's satisfac	tion that the applicant will operate in	
<u>compliance</u>	with_			
	(A) each ap	plicable provision of	f 3 AAC 306.500 – 3 AAC 306.570 and	
<u>3 AA</u>	C 306.700 – 3 AAC 30	06.770; and		
	(B) each ap	plicable public healt	h, fire, safety, and tax code and	
<u>ordin</u>	ance of the state and	the local governmen	nt in which the applicant's proposed	
licens	sed premises are locat	ted. (Eff. 2/21/2016, 1	Register 217; am 7/27/2017, Register	
223; a	am/, Re	egister)		
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.	640(a) is amended by a	dding a new paragrap	oh to read:	Commented [SJP(74]: Marijuana inventory tracking system - manufacturer.
	(4) relocation of m	narijuana or marijua	ana product to the new licensed	
premises in	the case of a transfer	of a license to anoth	er location approved by the board.	
(Eff. 2/21/20	16, Register 217; am _	/, Regis	ter)	
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 306.6	605(b) is repealed:			

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(b) R	epealed//	(Eff. 2/21/2016, Re	gister 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		

Repealed language. [(b) A PERSON SEEKING A MARIJUANA TESTING FACILITY LICENSE MUST

- (1) SUBMIT AN APPLICATION FOR A MARIJUANA TESTING FACILITY LICENSE ON A FORM THE BOARD PRESCRIBES, INCLUDING THE INFORMATION SET OUT UNDER 3 AAC 306.020 AND 3 AAC 306.615; AND
- (2) DEMONSTRATE TO THE BOARD'S SATISFACTION THAT THE APPLICANT
 - (A) WILL OPERATE IN COMPLIANCE WITH EACH APPLICABLE PROVISION OF 3 AAC 306.600 3 AAC 306.675 AND 3 AAC 306.700 3 AAC 06.770;
 - (B) WILL OPERATE IN COMPLIANCE WITH EACH APPLICABLE PUBLIC HEALTH, FIRE, SAFETY, AND TAX CODE AND ORDINANCE OF THE STATE AND THE LOCAL GOVERNMENT IN WHICH THE APPLICANT'S PROPOSED LICENSED PREMISES ARE LOCATED;
 - (C) DOES NOT HOLD A MARIJUANA ESTABLISHMENT LICENSE IN THIS STATE OTHER THAN A MARIJUANA TESTING FACILITY LICENSE, OR HAVE A FINANCIAL INTEREST IN COMMON WITH A PERSON WHO IS A LICENSEE OF A MARIJUANA ESTABLISHMENT IN THIS STATE OTHER THAN A MARIJUANA TESTING FACILITY LICENSE; AND
 - (D) MEETS THE BOARD'S STANDARDS FOR APPROVAL AS SET OUT IN 3 AAC 306.620 3 AAC 306.625.]
- 3 AAC 306.615 is amended to read:
 - 3 AAC 306.615. Application for marijuana testing facility license. An applicant for a

Commented [SJP(75]: Repealed from 306.605. Language moved to 615 which is the section referenced under 020 an applicant needs to comply with.

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new marijuana testing facility license must file an application on	a form the board prescribes,					
including						
(1) the information required under 3 AAC 306.020	; [AND]					
(2) the proposed marijuana testing facility's operation	ing plan, including, in addition					
to the information required under 3 AAC 306.020(c),						
(A) each test the marijuana testing facility	will offer;					
(B) the marijuana testing facility's standard	operating procedure for each					
test the marijuana testing facility will offer; and						
(C) the acceptable range of results for each	test the marijuana testing					
facility will offer: and[.]						
(3) demonstrate to the board's satisfaction that	the applicant					
(A) will operate in compliance with each	applicable provision of 3					

- AAC 306.600 3 AAC 306.675 and 3 AAC 306.700 3 AAC 306.770;
- (B) will operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located;
- (C) does not hold a marijuana establishment license in this state other than a marijuana testing facility license, or have a financial interest in common with a person who is a licensee of marijuana establishment in this state other than a marijuana testing facility license; and

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	(D) meets	the board's standard			
<u>306.</u>	.620 – 3 AAC 306.625	5 <u>. (</u> Eff. 2/21/2016, Reg	ister 217; am/, Registo	ter	
)				
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	655 is amended by ad	lding a new subsection	to read:		Commented [SJP(76]: Marijuana inventory tracking system - Testing
(b)	a marijuana testing fac	cility shall use its marij	juana inventory tracking system, as		cracing officers reported
required un	der this section, to trac	ck all marijuana transp	orted to the new licensed premises in	n the	
case of a tra	nsfer of license to and	other location approved	d by the board. (Eff. 2/21/2016, Regis	ster	
217; am	_/, Reg)				
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	750 is amended by ad	lding a new subsection	to read:		Commented [SJP(77]: Transportation
		 		uets	Commented [3F(77]. Hansportation
(i) A marijuana establishment shall keep records of all marijuana or marijuana products					
relocated to the new licensed premises in the case of transfer of a license to another location					
approved by the board. (Eff. 2/21/2016, Register 217; am 10/11/2017, Register 224; am					
8/11/2018, Register 227; am/, Register)					
Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200		
		34			

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	AS 17.38.070	AS 17.38.190	AS 17.38.900		
	AS 17.38.121				
3 AAC 306. <mark>7</mark>	55(a) is amended by a	adding a <mark>new paragrap</mark>	<mark>h</mark> to read:		Commented [SJP(78]: Business records.
	(10) transportation	records for marijuana	or marijuana product being relo	cated in	
the case of a	transfer of a license to	another location appr	roved by the board.		
(Eff. 2/21/20	16, Register 217; am	12/10/2020, Register 2	236; am/, Register	r)	
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. <mark>9</mark>	30(c) is amended to re	ad:			Commented [SJP(79]: Staff
(c) T	he director shall have	available to the pub	olic [PRESCRIBE] forms for ap	plication	Commented [SJP(80]: The change here is to
for new licenses, transfers, [AND] renewals, [AND] endorsements, petitions, and other necessary					make the provision consistent with what other provisions cite which is 'form/application approved by the
documents as approved by the board. (Eff. 12/28/2016, Register 220; am/,					board'.
Register	_)				
Authority:	AS 17.38.140	AS 17.38.150	AS 17.38.190		