



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

**\*Only 3 AAC 306.020(c) shows a proposed drafting change. All other sections and subsections are only included for discussion at this time and are not drafted with ANY amended changes.**

**3 AAC 306.020(c) is amended to read:** (Application for a new license)

(c) A marijuana establishment license application must include **a certification that the applicant has met or will meet the operating plan regulatory requirements applicable** [THE APPLICANT'S **OPERATING PLAN**, IN A FORMAT THE BOARD PRESCRIBES, DESCRIBING TO THE BOARD'S SATISFACTION THE PROPOSED MARIJUANA ESTABLISHMENT'S PLANS] for

- (1) security;
- (2) inventory tracking of all marijuana and marijuana products on the premises;
- (3) employee qualification and training;
- (4) waste disposal;
- (5) transportation and delivery of marijuana and marijuana products; and
- (6) signage and advertising.

(Eff. 2/21/2016, Register 217; am 8/11/2018, Register 227; am 12/10/2020, Register 236)

**3 AAC 306.045(e) is amended to read:** (Application for transfer of a license to another person)

(e) When a transferee intends to continue to operate a marijuana license with the **operating plan** approved by the board for the transferor, the transferee may submit a form approved by the board certifying that the transferee is making no changes to the **operating plan** or

licensed premises, instead of submitting information required by 3 AAC 306.020(b)(8), 3 AAC 306.020(c), 3 AAC 306.315(1)(B), 3 AAC 306.420, 3 AAC 306.520(2) and (3), and 3 AAC 306.615.

(Eff. 2/21/2016, Register 217; am 12/28/2017, Register 224; am 2/21/2019, Register 229; am 1/22/2023, Register 245)

3 AAC 306.046(c)(3) is amended to read: (Application for transfer of a marijuana establishment license to another location.)

(c) An application for transfer of a marijuana establishment license to another location must identify the name of the current license holder, the current location of the licensed premises, the current local government, the proposed location of the proposed licensed premises including global positioning system coordinates, and, if applicable, the local government for the proposed location, the endorsements applicable to the current location, and a statement of whether the license holder intends to transfer the endorsements. An application for a transfer of a license to another location must also contain

(1) the same information about each person 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 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 license has submitted a copy of the application of the transfer of location to all creditors if the transfer of a license to another location is concurrent with a transfer of a license to another person;

(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(1)(B), 3 AAC 306.420, 3 AAC 306.520(2) and (3), 3 AAC 306.615, 3 AAC 306.705(d), and 3 AAC 306.710(d), if applicable; (Eff. 1/22/2023, Register 245).

3 AAC 306.047(c) is amended to read: (License conversion)

(c) The license conversion application must contain

(1) an affidavit showing where and when the applicant posted notice of the application, when the applicant notified each local government with jurisdiction over the licensed premises, proof of advertising, and, if applicable, the community council, in compliance with 3 AAC 306.025(b);

(2) any changes proposed to the approved operating plan;

(Eff. 2/21/2019, Register 229; am 12/10/2020, Register 236; am 1/22/2023, Register 245; am 4/16/2023, Register 246)

3 AAC 306.080 is amended to read: (Denial of license or endorsement application)

(a) After review of the application, including the applicant's proposed operating plan and all relevant information, the board will deny an application for a new license or new onsite consumption endorsement if the board finds that

(1) the application is not complete as required under the applicable provisions of 3 AAC 306.020 – 3 AAC 306.055, or contains any false statement of material fact;

(2) the license or endorsement would violate any restriction in 3 AAC 306.010 or 3 AAC 306.015;

(3) the license or endorsement would violate any restriction applicable to the particular license type authorized under this chapter;

(4) the license or endorsement is prohibited under this chapter as a result of a ordinance or election conducted under AS 14.38.210, 3 AAC 306.200, or 3 AAC 306.230;

(5) the applicant's actions or the **operating plan does** not adequately demonstrate that the applicant will comply with applicable provisions of this chapter;

(6) the license or endorsement would not be in the best interests of the public; or

(7) a protest by the local government is not arbitrary, capricious, and unreasonable.

(b) After review of the application and all relevant information, the board will deny an application for renewal of a marijuana establishment license if the board finds

(1) any cause listed in (a) of this section;

(2) that the license or endorsement has been operated in violation of a condition or restriction the board previously imposed;

(3) that the applicant is delinquent in the payment of taxes due in whole or in part from operation of the licensed business;

(4) that a protest by the local government is not arbitrary, capricious, and unreasonable; or

(5) that the applicant has lost right to possession of the applicant's licensed premises.

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(g) After review of the application and all relevant information, the board will deny an application for a transfer of a marijuana establishment license to another location if the board finds that |

(1) the application contains any false statement of material fact;

- (2) the application is not complete as required under the applicable provisions of **3 AAC 306.020** – 3 AAC 306.055;
- (3) the license or endorsement would violate any restrictions in 3 AAC 306.010 or 3 AAC 306.015;
- (4) the license or endorsement would violate any restriction applicable to the particular license type authorized under this chapter;
- (5) the license or endorsement is prohibited under this chapter as a result of an ordinance or election conducted under AS 17.38.210 and 3 AAC 306.200 – 3 AAC 306.250;
- (6) the applicant's actions or the **operating plan does not adequately** demonstrate that the applicant will comply with applicable provision of AS 17.38 and this chapter;
- (7) the license or endorsement would not be in the best interest of the public;
- (8) a protest by the local government is not arbitrary, capricious, and unreasonable;
- (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; or
- (10) that the license 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 2/21/2019, Register 229; am 8/21/2019, Register 231; am 8/7/2021, Register 239; am 7/30/2022, Register 243; am 1/22/2023, Register 245)

**3 AAC 306.100 is amended to read: (Fees; refund)**

(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 proposed new marijuana product is \$250. A change fee does not apply to an application for transfer of a marijuana establishment license, transfer of controlling interest to another person, or transfer of a marijuana establishment license to another location.

(Eff. 2/21/2016, Register 217; am 7/19/2017, Register 223; am 8/11/2018, Register 227; am 2/21/2019, Register 229; am 4/11/2019, Register 230; am 5/1/2019, Register 230; am 5/9/2019, Register 230, am 3/25/2020, Register 233; am 7/30/2022, Register 243; am 1/22/2023, Register 245; am 4/16/2023, Register 246)

**3 AAC 306.315(1)(B) is amended to read: (Application for retail marijuana store license)**

A person seeking a new retail marijuana store license must

(1) submit an application on a form the board prescribes, including the information required under 3 AAC 306.020 and

(A) a copy of an active application for a required food safety permit under 18 AAC 31.020(a) from the Department of Environmental Conservation or a municipality with authority delegated under AS 17.20.072 and 18 AAC 31.945;

(B) a description of the way marijuana and marijuana products at the retail marijuana store will be displayed and sold in the **applicant's operating plan required** under 3 **AAC 306.020(c)**; and

(Eff. 2/21/2016, Register 217; am 7/27/2017, Register 223; am 1/22/2023, Register 245; am 8/13/2023, Register 247)

3 AAC 306.370 is amended to read: (Onsite consumption endorsement for retail marijuana stores)

(f) An applicant for an onsite consumption endorsement must file an application on a form the board prescribes, including the endorsement fee set out in 3 AAC 306.100, and

(1) the applicant's operating plan, in a format the board prescribes, describing the retail marijuana store's plan for

(A) security, in addition to what is required for a retail marijuana store, including

- (i) doors and locks;
- (ii) windows;
- (iii) measures to prevent diversion; and
- (iv) measures to prohibit access to persons under 21 years of age;

(B) ventilation, if consumption by smoking is to be permitted in an indoor area; ventilation plans must be

- (i) signed and approved by a licensed mechanical engineer;
- (ii) sufficient to remove visible smoke; and
- (iii) consistent with all applicable building codes and ordinances;

(C) monitoring overconsumption;

(D) unconsumed marijuana, by disposal or by packaging in accordance with 3 AAC 306.345; and

(E) preventing introduction into the marijuana consumption area of marijuana or marijuana products not sold by the retail marijuana store, and marijuana or marijuana products not sold specifically for onsite consumption;

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(g) The retail marijuana store holding an onsite consumption endorsement under this chapter shall

(1) destroy all unconsumed marijuana left abandoned or unclaimed in the marijuana consumption area in accordance with the operating plan and 3 AAC 306.740; (Eff. 4/11/2019, Register 230; am 8/7/2021, Register 239)

3 AAC 306.380 is amended to read: (Walk-up or drive through exterior window pick-up for retail marijuana stores)

(b) Before accepting orders for sales of marijuana or marijuana products through a walk-up or drive-through exterior window, a licensed retail marijuana store shall submit an operating plan or modification of an operating plan of the licensed premises to the board for approval. The operating plan or modified operating plan must depict the walk-up or drive-through exterior window area and the video surveillance of the walk-up or drive-through exterior window area. (Eff. 8/13/2023, Register 247)

3 AAC 306.420(2) is amended to read: (Application for marijuana cultivation facility license)

An applicant for a new standard marijuana cultivation facility license or a new limited marijuana cultivation 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 cultivation facility's operating plan, including, in addition to the information required under 3 AAC 306.020(c),

(A) the size of the space intended to be under cultivation;

- (B) the growing medium to be used;
- (C) fertilizers, chemicals, gases, and delivery systems, including carbon dioxide, management, to be used;
- (D) the irrigation and waste water systems to be used;
- (E) waste disposal arrangements;
- (F) odor control; and
- (G) the testing procedure and protocols the marijuana cultivation facility will follow. (Eff. 2/21/2016, Register 217)

3 AAC 306.520(1)(C) is amended to read: (Application for marijuana product manufacturing facility license)

An applicant for a marijuana product manufacturing facility license must

(1) file an application on a form the board prescribes, including the information required under 3 AAC 306.020 and

(A) 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;

(B) a diagram of the proposed licensed premises required in 3 AAC 306.020(b), identifying the area where

- (i) in-house testing, if any, will occur;
- (ii) marijuana and any marijuana product, including marijuana concentrate, will be stored;

(C) the applicant's operating plan required under 3 AAC 306.020(c),

which includes a description of

- (i) the equipment, solvents, gases, chemicals, and other compounds used to create concentrates and the processes to be used;
- (ii) each marijuana product the applicant intends to process at this location;
- (iii) the color, shape, texture, ingredients and standard production procedure to be used;
- (iv) the additional information required for product approval in 3 AAC 306.525;

(Eff. 2/21/2016, Register 217; am 7/27/2017, Register 223; am 1/22/2023, Register 245; am 4/16/2023, Register 246)

3 AAC 306.525 is amended to read: (Approval of concentrates and marijuana products)

(b) An applicant for a marijuana product manufacturing facility license may request the board's approval of its intended products with a new license application by including, in its operating plan

- (1) a photograph, drawing, or graphic representation of the expected appearance of each final product; and
- (2) the proposed standard production procedure and detailed manufacturing process for each product.

(Eff. 2/21/2016, Register 217; am 4/16/2023, Register 246)

3 AAC 306.615 is amended to read: (Application for marijuana testing facility license)

An applicant for a new marijuana testing facility license must

- (1) file an application on a form the board prescribes, including
  - (A) the information required under 3 AAC 306.020;
  - (B) the proposed marijuana testing facility's operating plan, including, in addition to the information required under 3 AAC 306.020(c),
    - (i) each test the marijuana testing facility will offer;
    - (ii) the marijuana testing facility's standard operating procedure for each test the marijuana testing facility will offer; and
    - (iii) the acceptable range of results for each test the marijuana testing facility will offer, and

(Eff. 2/21/2016, Register 217; am 1/22/2023, Register 245 language moved from .605)

3 AAC 306.703 is amended to read: (Operations)

A licensed marijuana establishment shall operate in accordance with the operating plan approved by the board. The licensee may request an operating plan change in accordance with 3 AAC 306.100(c). (Eff. 5/9/2019, Register 230)