

Ali, Maya M (CED)

From: Kristin Knetzer <k.knetzer@vicentesederberg.com>
Sent: Thursday, January 19, 2023 10:51 AM
To: Marijuana, CED ABC (CED sponsored)
Cc: Caitlin Wightman
Subject: Applicable Regulatory Requirements for Manufacturing a Cannabis (Marijuana) Product with a Hemp Ingredient

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Good afternoon,

I am looking for more information regarding any applicable regulatory requirements for manufacturing a marijuana product with a hemp ingredient. After reviewing the Alaska Marijuana Statutes and Regulations, I found the AMCO seems to be silent on this particular subject matter.

Specifically, we are looking for more information on whether a hemp ingredient may be incorporated into a cannabis product. If so, are there any restrictions on the acquisition (source) of the hemp ingredient by a cannabis licensee? Does the AMCO require any additional licensing, testing, transport, or tracking for a cannabis product with a hemp ingredient?

I greatly appreciate your assistance with this matter. If you have any guidance documents that may be helpful to answer my questions, please let me know, and I will be happy to take a look.

Thank you in advance for your help.

Kristin Knetzer

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[Confidentiality Notice](#)



To: AMCO Board Members

RE: Hemp derived THC products in Alaska markets

Honorable AMCO board members:

It is with great dismay that we are seeing the proliferation of hemp derived Delta-9 THC products for sale in marijuana and non-marijuana retail locations in Anchorage.

As a business group consisting of a marijuana retail, cultivation and product manufacturing facility, we have witnessed and strived to comply with the law and associated regulations governing the marijuana industry in Alaska. These regulations set a high bar for basic compliance and are difficult and extremely expensive to comply with. That being said, we understand that these regulations are in place to safeguard the legal consumer, to keep intoxicating products out of the hands of minors, to set standards of potency communication through testing and labeling, to create a business environment that encourages social harmony with other parts of the Alaskan community and to create "seed to sale" traceability that assures that marijuana products are neither acquired from nor sold to black market entities or persons. We also endure a significant tax burden that is increasingly painful as the number marijuana product suppliers increase, wholesale rates decrease and an unchanging weight based excise tax represents a greater and greater percentage of gross sales.

It has come as a shock to us to see Delta-9 THC products on shelves in Alaska that have virtually none of the regulations and safeguards in place that the marijuana industry must endure to produce an identical product. These hemp based products utilize hemp that is not grown in Alaska, that is concentrated outside of Alaska and is chemically converted as a last step, before going into edibles or other products. While purveyors of hemp derived THC products tout that these products are tested, this is just about the only element that approaches parity with the safeguards built into the marijuana industry.

This situation creates an incredibly uneven playing field when considering expense required to put an identical product on the shelf, to the point that it endangers the viability of a marijuana industry that has struggled and fought hard to become a viable part of the Alaskan economy. As these hemp derived THC products aren't even grown here, they provide few jobs and no tax benefit to the State or the municipality to create benefit for Alaskan residents.

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More importantly, these products create a dangerous environment and a terrible precedent due to the following:

- No “seed to sale” traceability. As there is no meaningful oversight, this makes it incredibly easy to insert distilled black market THC product into the manufacturing stream. As a Delta-9 THC test does not differentiate between marijuana derived THC and hemp derived THC, it leaves the door wide open for insertion of illegal product into the consumer stream. It also makes it very simple to test one product but sell another under the same test results / label.
- No child attraction product restrictions. The marijuana industry is prohibited from creating edible or other products that have shapes or representations that may be attractive to children. For example, the marijuana industry would not be allowed to create a “gummy bear”. This is not true for hemp based THC products. They are not restricted on product shape or packaging.
- Advertising – The hemp industry does not have the same restrictions on what may and may not be included in their advertising.
- Locations – Marijuana facilities may not be in proximity to schools, churches, daycare centers and select other community fixtures. This is not true for hemp THC producers.
- Transport – Marijuana producers are strictly required to manifest all movements and deliveries of THC containing items. Not so for hemp THC producers.
- Age restrictions – Marijuana sales are restricted to patrons 21 years of age or older. Hemp THC products can be sold to anyone.
- Packaging – All marijuana packaging must go through initial approval by the AMCO board of directors and final approval by AMCO enforcement prior to going on the shelf. All marijuana packaging must be childproof. Hemp THC has no such restrictions.
- Security – All marijuana establishments have strict regulations regarding video surveillance, lock and THC product storage and security, alarms and other forms of assurance that THC containing product can not be easily stolen. Video surveillance also aids AMCO enforcement in assuring that traceability and other rules are adhered to.

These are just a few of the rules and regulations that have been put in place to protect the public and assure a certain level of integrity within the marijuana industry that hemp derived THC producers don’t even have to think about. There are many, many more. From the beginning, the legal marijuana industry has been a willing partner and has worked with AMCO on the evolution of the regulations to find the most workable solutions for the industry while still maintaining a system of safety and accountability. This process is and should be ongoing for the wellbeing of the industry and the public. I would hope that the hemp industry would be an equally willing partner.

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If these regulations are truly in place for the protection of the public and to contribute to the welfare of Alaskans through taxation and use of that tax income for the public good, every single one of them should be in place for anyone who wants to put an intoxicating THC product on a retail shelf in Alaska. This should include the requirement that the product be initially grown in Alaska. If hemp THC producers are allowed to duck under these requirements, then the State must not find them to be truly important or valuable and the marijuana industry should be released from them. I don't think anyone is really looking for a wild west style unregulated environment, so I highly suggest the former. There should be a parity in relation to the final product. Same THC product, same effects, same rules.

Thanks and best regards,

A handwritten signature in cursive script that reads "Christopher J. Owens".

Chris Owens
Owner / General Manager
Denali Fire
Denali Fire Extracts
Alaska Weeds

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Ali, Maya M (CED)

From: Teri Zell <teri@badgramm3r.com>
Sent: Wednesday, December 14, 2022 5:57 PM
To: Marijuana, CED ABC (CED sponsored)
Subject: A couple of comments if I may?

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The MCB meeting this month was difficult for many...some of the Board members could not be heard due to microphone malfunction or just not speaking up.

It also seemed that we bounced around the agenda quite a bit, making it hard to follow.

I was very disheartened that the Exterior Window portion of the agenda was passed over because one of the board members was not in attendance. I have been on several boards while I worked for the state, and this is a new one on me. If you have a quorum, you vote unless there were extenuating circumstances. Just because that one person couldn't attend (we do have zoom capability) shouldn't delay action for another 3 months.

I was visited by three AMCO staff specifically regarding this item, and was found in total compliance with the new regulations. We were extremely happy that this FINALLY came up for a vote, especially in light of the severe weather we have been experiencing. Our goal is to serve our customers quickly, safely, and conveniently. We have been waiting quite awhile for this to come to fruition.

The presentation regarding the Delta 9 was extremely enlightening, and I really appreciate the information. We have chosen not to carry any of the products floating around the state until the determination is made on whether or not those products are safe for consumers.

One last comment; I understand why the "chat" capability was turned off after some inappropriate comments. However, may I suggest in future meetings, if an inappropriate comment is made, perhaps calling that person out publicly rather than disabling the chat. I needed to let the Board know that we could not hear certain people on the Board and the only way I knew to communicate that was to send Joan Wilson an email. That itself was inappropriate, but I had no other way to let the Board know. Please extend my apologies to her.

Thank you for allowing me to comment.

Teri Zell
Bad Gramm3r



Ali, Maya M (CED)

From: Greatland Ganja <info@greatlandganja.com>
Sent: Tuesday, December 13, 2022 9:06 AM
To: Marijuana, CED ABC (CED sponsored)
Subject: Application in the Queue for 6 months going on 9

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Hello Esteemed MCB,

Greatland Ganja has a License application in for a concentrate manufacturing. License # 32606. It has been paid for and in the Queue since June. We received a letter from staff saying it was put in the Queue as of 6.16.2022. The Fire Marshal and DEC both approved us to operate by July 2022. It is very concerning that we were not put on the December board agenda. It is hard for a business to plan and operate with the time and monetary investment with these types of timeframes. This should be considered an emergency by the MCB. We are a company who has been in operation from the start of the industry and have paid our taxes on time every time. Our license, and indeed the license of any business in good standing, should not be held up this long. Action needs to be taken by the board immediately to correct this.

Highest Regards,

Leif Abel

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