



MEMORANDUM

TO: Robert Klein, Chair
and Members of the ABC Board

DATE: July 13th, 2016

FROM: Cynthia Franklin, Director

RE: Director's Report

Licensing Section

The Licensing Section is humming along busily on both liquor and marijuana license and permit applications. New license and permit forms are posted online and will be addressed in the director's policy discussion tab later in the meeting. Sarah Oates has been reclassified to Program Coordinator based on the extra duties and assignments she has taken on over the past two years. Ms. Oates currently supervises four Business Registration Examiners. The FY2017 budget contains a new position that will report to Ms. Oates, a Local Government Specialist. This position will greatly help with local government questions and concerns and will fulfill the education component for the office requested in the Title 4 stakeholder work group.

Enforcement Section

Enforcement has begun working with the 47 marijuana cultivation facilities licensed by the MCB so far in addition to continuing to steadily inspect and be present for our liquor licensees'. The enforcement unit continues to answer liquor licensing questions on a daily basis as well as participating in and staying aware of local law enforcement investigations involving Title 4.

A briefing of activities from Enforcement Supervisor James Hoelscher is attached to this report.

Administration Section

Administrative Officer John Calder's last day in the office is July 21, 2016. Mr. Calder is leaving state service for an outdoor job. We appreciate Mr. Calder's dedication and guidance through a very difficult and busy period for the AMCO team. We continue to be inspired by his sense of humor and matter-of-fact approach to problem solving. We ask the board to recognize Mr. Calder's service as we will all miss him.

Legislative Session

SB 165 was signed on June 6, 2016. The bill affects AS 04.16.049 and 04.16.050 as well as the composition of the ABC Board. We appreciate the efforts of the Title 4 stakeholders work on the bill. Senator Micciche, the sponsor of the bill, has expressed his intention to sponsor the remainder of the groups work with a pre-filed bill this next session, if possible.

Cindy,

Here is a briefing of my activities, if needed for the report during the ABC meeting on July 20th.

I have been focusing on building a rapport with the alcohol and marijuana community by getting out as much as I can in the field. I have traveled to numerous alcohol licensees premises across the state over the past two months. I have traveled to the Mat-Su Borough, Kenai Peninsula Borough, Denali Borough and to Bethel. Training and guidance is being provided to our two recent hired Investigators, we are confident that they are being brought up to speed on alcohol and marijuana statutes, regulations and standard operating procedures involving both.

I have contacted licensees, agents, employees and members of the public to hear any concerns or listen to positive feedback.

The Enforcement Team and I have conducted numerous walk-throughs, inspections and investigations. In my experience, the licensees have been extremely happy to have us available to answer questions and provide feedback. The majority of the licensees are willing to remedy any issues quickly.

We have assisted numerous local Police Departments and the Alaska State Troopers in investigations when needed. We are hoping that this will lead to positive partnerships with State, local and Federal Law Enforcement.

We have worked closely with licensing on permits, background investigations and conducting inspections of alcohol licensed premises. We have also attended meeting in person or telephonically for both alcohol and marijuana boards.

We all have been active in working on marijuana inspections and forms along with the protocol that will be taken during our contacts with future licensees. We also have been answering numerous questions and listening to comments and responding to complaints. We have issued 175 marijuana handler cards to this date.

Lastly, we have been working with Licensing and Admin on streamlining inspections and communication in hopes to streamline our effectiveness in dealing with both alcohol and marijuana.

Respectfully,

James



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