

Tab 29



MEMORANDUM

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

DATE: April 20, 2015

FROM: Cynthia Franklin, Director

RE: Director's Report – Marijuana Business

Legislative Session

The legislative session for marijuana issues appears to be at an end. HB 123 creating a Marijuana Control Board passed both houses and is awaiting transmittal to the Governor. Your director will be presenting a bill summary later in the agenda describing the other marijuana bills and actions taken, as well as specific information about the amount of time spent testifying in this session.

Marijuana Control Board (MCB)

HB 123 created a 5-member volunteer Marijuana Control Board that will share a director and staff with the ABC board. The initial addition to the staff for FY 2015 and FY 2016 is a total of six employees. The six positions include 2 licensing staff, 3 investigators, and 1 administrative officer. Meetings for the MCB will align with ABC meetings so that staff can share travel costs for both meetings.

Timeline for Regulations and Meeting

The first set of draft regulations appears at the end of the agenda for today's meeting. Your director will present a timeline later in the agenda. Because the timing of the law requires board action within nine months from the effective date of the new statute, I will be asking the board to set its meeting dates for the remainder of the year at today's meeting.

Tab 30



Marijuana Legislation Summary April 22, 2015

Bills That Have Passed

HB-123 "An Act establishing the Marijuana Control Board; relating to the powers and duties of the Marijuana Control Board; relating to the appointment, removal, and duties of the director of the Marijuana Control Board; relating to the Alcoholic Beverage Control Board; and providing for an effective date."

- **Passed both Houses April 19, 2015.**

- Awaiting transmittal to the Governor
- Currently held in Unfinished Business

Summary: Creates 5 volunteer member Marijuana Control Board
Assigns ABC director and staff the same duties with regard to MCB it has for ABC

- Two boards, one agency
- Gives authority to ABC/MCB enforcement officers
- No enforcement authority in AS 17.38
- Allows sharing of personnel across substances
- Marijuana Control Board sunsets **June 30, 2018**
- Fiscal note removed from bill, funding contained in capital budget

HB 116 "An Act extending the termination date of the Alcoholic Beverage Control Board; and providing for an effective date."

- **Passed both Houses April 19, 2015.**

- Awaiting transmittal to the Governor
- Currently held by House

Summary: ABC Agency now sunsets **June 30, 2018**

Bills That *Have Not* Passed

HB 79/SB 30 Criminal Bill

Summary: Controlled substance v. regulated substance

- Former versions removed MJ from state controlled substances act
- Senate Finance version puts MJ back in CS act (Title 11)
- House Judiciary version removes MJ from Controlled Substances Act
- Amendment opts out unorganized boroughs
Currently held in [House Judiciary](#)

HB 133/SB 62 Regulatory Bill

Summary: Details regulatory scheme in statute

- Locks in license types
- Current version does not include testing facilities as license type although AS 17.38 contemplates testing facilities license
- Current version includes ability to get license for excess personal grow harvest, a concept to which we are opposed

SB 62 is in [Senate State Affairs Committee](#)

HB 133 is in [House Labor and Commerce](#)

HB 75 Municipal Marijuana Bill

Summary: Clarified AS 17.38 personal use/grow provisions

- Limits to 24 plants personal grows in households with two or more adults
- Clarifies what “assisting” means to prevent cultivation centers
- Clarifies role of local government from AS 17.38
 - Includes established villages in opt-out
 - Supported by municipal attorneys
 - Addresses marijuana clubs as a type of establishment that may be prohibited

Failed passage April 18, 2015.

Reconsidered and sent back to [Rules Committee](#)

HB 59 Marijuana Concentrates Bill

Summary: Defines marijuana concentrates separately from marijuana

- Creates extended timeline for marijuana concentrates regulations
 - Bans establishments from making or selling marijuana concentrates
 - Repeals ban 11/24/16 or when regulations are established
- Sponsored by Seaton
- Referred to House Judiciary

**SUMMARY OF ACTIONS ON MARIJUANA-RELATED BILLS IN 1ST SESSION,
29TH LEGISLATURE, 2015**

1) HB 59 Marijuana concentrates; licenses

H&SS Committee Meetings:

2/3/15 Cindy Franklin testified

2/26/15 Cindy Franklin testified

3/10/15 No Minutes yet

Significant Floor Action:

3/11/15 **House**

2) HB 75 Municipal Regulation of Marijuana

HCRA Committee Meetings:

2/24/15 No Franklin testimony

3/3/15 " "

3/5/15 " "

HJUD Committee Meetings:

3/11/15 No Franklin testimony

3/27/15 " "

SCRA Committee Meetings: **No minutes yet**

4/7/15

4/14/15

SJUD Committee Meetings: **No minutes yet**

4/15/15

4/17/15

Significant Floor Action:

3/6/15, 3/30/15, 4/2/15 **House**

4/15/15, 4/18/15, 4/19/15 **Senate**

**3) HB 79 Marijuana Regulation; controlled substances; crimes;
defenses (companion bill to SB 30)**

Joint H & SJUD includes SB 30:

1/28/15-Franklin testified

HJUD Committee Meetings:

2/6/15 No Franklin testimony

2/11/15 " "

2/13/15 " "

2/18/15 " "

2/25/15 Franklin testified

3/6/15 No Franklin testimony

**SUMMARY OF ACTIONS ON MARIJUANA-RELATED BILLS IN 1ST SESSION,
29TH LEGISLATURE, 2015**

No significant floor action after first reading.

4) HB 123 Establish Marijuana Control Board (passed)

HL&C Committee Meetings:

3/4/15 Franklin available for Q's & did speak
3/11/15 Franklin testified & answered Q's
3/16/15 Franklin available for Q's (not called on)
3/20/15 Franklin available for Q's (participation
unknown/no minutes)
3/23/15 Franklin available for Q's (not called on)
3/27/15 Franklin available for Q's (participation
unknown/no minutes)

HJUD Committee Meetings:

3/30/15 Franklin testified & answered Q's
4/6/15, 4/8/15-No minutes yet

HFIN Committee Meetings: 4/10, 4/13/15-No minutes yet

SL&C " " 4/16/15-No minutes yet

SFIN " " 4/17/15-No minutes yet

Significant Floor Action:

2/23/15, 3/30/15, 4/9/15, 4/13/15, 4/14/15 **House**
4/17/15, 4/18/15, 4/19/15 **Senate**

5) HB 133 Regulation of Marijuana Businesses; Board

Referred to HL&C; no hearings were scheduled.

**6) SB 30 Marijuana Regulation; controlled substances; crimes;
defenses (companion bill to HB 79)**

Joint S & HJUD Committee Meetings:

1/26/15 No Franklin testimony
1/28/15 Franklin testified (see HB 79)

SJUD Committee Meetings:

2/9/15 No Franklin testimony
2/11/15 " " "
2/13/15 Franklin testified
2/18/15 No Franklin testimony
2/20/15 " " "

SFIN Committee Meetings:

2/24, 3/3, 3/5, 3/9, 3/10, 3/12, 3/13, 3/23/15-No minutes
yet

**SUMMARY OF ACTIONS ON MARIJUANA-RELATED BILLS IN 1ST SESSION,
29TH LEGISLATURE, 2015**

3/11/15 No Franklin testimony

HJUD Committee Meetings:

4/6/15 Franklin testified

4/7/15 No minutes yet

4/10/15 No minutes yet

4/16/15 No Franklin testimony

Significant Floor Action:

2/23/15, 3/23/15, 3/25/15, 3/27/15, 3/30/15 **Senate**

7) SB 60 Establish Marijuana Control Board

SL&C Committee Meetings:

3/10/15 Franklin testified

3/12/15 Franklin testified

No significant floor action after first reading (included Governor's transmittal letter).

8) SB 62 Regulation of Marijuana Businesses; Board

SSTA Committee Meetings:

3/5/15 No minutes yet

3/10/15 No Franklin testimony

4/7/15 Franklin testified

No significant floor action after first reading.

Senate State Affairs Committee meetings on Marijuana Ballot Measure not specific to any bill:

1/29/15 Franklin available for questions but not called on

2/3/15 Franklin available for questions and did speak.

TOTALS

Total Committee Meetings: 59

Total Floor Sessions: 20

House: 9

Senate: 11

Total No. of Meetings Participated in by Cynthia Franklin: 19

No. in which she testified: 12

SUMMARY OF ACTIONS ON MARIJUANA-RELATED BILLS IN 1ST SESSION,
29TH LEGISLATURE, 2015

No. in which she answered questions: 2

No. in which she was available for questions but not
called on: 5

Total No. of meetings with no minutes on BASIS (as of 4/23/15),
no LIO offnet sign-in sheets or Digital Witness System logs: 22

Tab 31

HOUSE BILL NO. 116

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 2/18/15

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act extending the termination date of the Alcoholic Beverage Control Board; and**
2 **providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 44.66.010(a)(1) is amended to read:

5 (1) Alcoholic Beverage Control Board (AS 04.06.010) - June 30, **2018**
6 [2015];

7 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).

Tab 32

SENATE CS FOR CS FOR HOUSE BILL NO. 123(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/18/15

Referred: Rules

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Marijuana Control Board; relating to the powers and duties of**
2 **the Marijuana Control Board; relating to the appointment, removal, and duties of the**
3 **director of the Marijuana Control Board; relating to the Alcoholic Beverage Control**
4 **Board; and providing for an effective date."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1.** AS 04.06.070 is amended to read:

7 **Sec. 04.06.070. Appointment and removal of director.** The governor shall
8 appoint a director to serve as the executive officer of the board **and the Marijuana**
9 **Control Board created under AS 17.38.080. The director may be removed by a**
10 **majority vote of the full membership of the board and a majority vote of the full**
11 **membership of the Marijuana Control Board.** The [BOARD MAY REMOVE THE
12 DIRECTOR AT ITS PLEASURE, AND THE] governor may remove the director for
13 misconduct, misfeasance, or malfeasance in office. The governor may not remove the
14 director unless the director is given a copy of the charges and afforded an opportunity

1 to be publicly heard, in person or by counsel, in defense against the charges upon at
 2 least 10 days' notice. If the director is removed for cause, the governor shall file with
 3 the lieutenant governor a complete statement of all charges made against the director
 4 and the findings based on the charges, together with a complete record of any hearing.

5 * **Sec. 2.** AS 17.38.080 is repealed and reenacted to read:

6 **Sec. 17.38.080. Marijuana Control Board; appointment and qualifications.**

7 (a) The Marijuana Control Board is established in the Department of Commerce,
 8 Community, and Economic Development as a regulatory and quasi-judicial agency.
 9 The board is in the Department of Commerce, Community, and Economic
 10 Development for administrative purposes only.

11 (b) The board members shall be appointed by the governor and confirmed by a
 12 majority of the members of the legislature in joint session. A member of the board
 13 may not hold any other state or federal office, either elective or appointive. The board
 14 consists of five voting members as follows:

15 (1) one person from the public safety sector;

16 (2) one person from the public health sector;

17 (3) one person currently residing in a rural area;

18 (4) one person actively engaged in the marijuana industry; and

19 (5) one person who is either from the general public or actively
 20 engaged in the marijuana industry.

21 (c) Not more than two members of the board may be engaged in the same
 22 business, occupation, or profession.

23 (d) A board member representing the general public, the public safety sector,
 24 the public health sector, or a rural area, or the member's immediate family member
 25 may not have a financial interest in the marijuana industry.

26 (e) In this section,

27 (1) "financial interest" means holding, directly or indirectly, a legal or
 28 equitable interest in the operation of a business licensed under this chapter;

29 (2) "immediate family member" means a spouse, child, or parent;

30 (3) "marijuana industry" means a business or profession related to
 31 marijuana in which the person is lawfully engaged and that is in compliance with the

1 provisions of state law, including this chapter and regulations adopted under this
2 chapter;

3 (4) "public health sector" means a state, federal, or local entity that
4 works to ensure the health and safety of persons and communities through education,
5 policymaking, treatment and prevention of injury and disease, and promotion of
6 wellness;

7 (5) "public safety sector" means a state, federal, or local law
8 enforcement authority that provides for the welfare and protection of the general
9 public through the enforcement of applicable laws;

10 (6) "rural area" means a community with a population of 7,000 or less
11 that is not connected by road or rail to Anchorage or Fairbanks, or with a population of
12 2,000 or less that is connected by road or rail to Anchorage or Fairbanks.

13 * **Sec. 3.** AS 17.38 is amended by adding new sections to read:

14 **Sec. 17.38.081. Terms of office; chair.** (a) Members of the board serve
15 staggered three-year terms.

16 (b) Except as provided in AS 39.05.080(4), a member of the board serves until
17 a successor is appointed.

18 (c) A vacancy occurring in the membership of the board shall be filled within
19 30 days by appointment of the governor for the unexpired portion of the vacated term.

20 (d) A member who has served all or part of three successive terms on the
21 board may not be reappointed to the board unless three years have elapsed since the
22 person has last served on the board.

23 (e) The board shall select a chair from among its members.

24 **Sec. 17.38.082. Per diem and expenses.** Members of the board do not receive
25 a salary but are entitled to per diem and travel expenses authorized for boards and
26 commissions under AS 39.20.180.

27 **Sec. 17.38.083. Meetings.** (a) The board shall meet at the call of the chair. The
28 board shall also meet at least once each year in each judicial district of the state to
29 study this chapter and existing board regulations in light of statewide and local issues.
30 Unless impracticable, the board shall hold its regular meetings at the same location as
31 and within 24 hours of the regular meetings of the Alcoholic Beverage Control Board.

1 (b) Three members of the board constitute a quorum for the conduct of
2 business. A majority of the whole membership of the board must approve applications
3 for new licenses, renewals, transfers, suspensions, and revocations of existing licenses,
4 and product approvals as provided in regulations adopted by the board.

5 **Sec. 17.38.084. Powers and duties of the board.** (a) The board shall control
6 the cultivation, manufacture, and sale of marijuana in the state. The board is vested
7 with the powers and duties necessary to enforce this chapter.

8 (b) The board shall

9 (1) propose and adopt regulations;

10 (2) establish by regulation the qualifications for licensure including
11 fees and factors related to the applicant's experience, criminal justice history, and
12 financial interests;

13 (3) review applications for licensure made under this chapter and may
14 order the executive director to issue, renew, suspend, or revoke a license authorized
15 under this chapter; and

16 (4) hear appeals from actions of the director and from actions of
17 officers and employees charged with enforcing this chapter and the regulations
18 adopted under this chapter.

19 (c) When considering an application for licensure, the board may reduce the
20 area to be designated as the licensed premises from the area applied for if the board
21 determines that a reduction in area is necessary to ensure control over the sale and
22 consumption of marijuana on the premises or is otherwise in the public interest.

23 (d) The board shall adopt regulations under this chapter in accordance with
24 AS 44.62 (Administrative Procedure Act).

25 (e) The board may employ, directly or through contracts with other
26 departments and agencies of the state, enforcement agents and staff it considers
27 necessary to carry out the purposes of this chapter. The salaries of personnel of the
28 board in the exempt service shall be set by the Department of Administration.

29 (f) The board shall promptly notify all licensees and municipalities of major
30 changes to this chapter and to regulations adopted under this chapter. However, if
31 changes affect only specific classifications of licenses and permits, the board need

1 only notify those licensees and municipalities directly affected by the changes. Current
 2 copies of this chapter and current copies of the regulations adopted under this chapter
 3 shall be made available at all offices in the state of the Department of Commerce,
 4 Community, and Economic Development and the detachment headquarters and posts
 5 maintained by the division of Alaska state troopers in the Department of Public Safety.

6 **Sec. 17.38.085. Enforcement powers.** The director and the persons employed
 7 for the administration and enforcement of this chapter may, with the concurrence of
 8 the commissioner of public safety, exercise the powers of peace officers when those
 9 powers are specifically granted by the board. Powers granted by the board under this
 10 section may be exercised only when necessary for the enforcement of the criminally
 11 punishable provisions of this chapter, other criminal statutes relating to substances or
 12 activities regulated or permitted under this chapter, regulations of the board, and other
 13 criminally punishable laws and regulations relating to marijuana.

14 **Sec. 17.38.086. Appointment and removal of director; staff.** (a) The director
 15 of the Alcoholic Beverage Control Board appointed under AS 04.06.070 shall serve as
 16 the director of the board. The board may remove the director by a majority vote of the
 17 full membership of the board and a majority vote of the full membership of the
 18 Alcoholic Beverage Control Board. The governor may remove the executive director
 19 as provided in AS 04.06.070.

20 (b) The paid staff of the Alcoholic Beverage Control Board created in
 21 AS 04.06.010 shall also be the staff for the board.

22 **Sec. 17.38.087. Duties of director.** The director shall enforce this chapter and
 23 regulations adopted by the board. The director shall issue, renew, transfer, suspend, or
 24 revoke all licenses and permits and issue product approvals at the direction of the
 25 board. The board may delegate to the director the authority to temporarily grant or
 26 deny the issuance, renewal, or transfer of licenses and permits. The director's
 27 temporary grant or denial of the issuance, renewal, or transfer of a license or permit is
 28 not binding on the board. The board may delegate to the director any duty imposed by
 29 this chapter except its power to propose and adopt regulations.

30 * **Sec. 4.** AS 17.38.100 is amended by adding a new subsection to read:

31 (i) A marijuana establishment may not be registered under this chapter if a

1 person who is an owner, officer, or agent of the marijuana establishment has been
2 convicted of a felony and either

3 (1) less than five years have elapsed from the time of the person's
4 conviction; or

5 (2) the person is currently on probation or parole for that felony.

6 * **Sec. 5.** AS 17.38.900(1) is amended to read:

7 (1) "board" means the Marijuana Control Board established by
8 AS 17.38.080 [ALCOHOLIC BEVERAGE CONTROL BOARD ESTABLISHED
9 BY AS 04.06];

10 * **Sec. 6.** AS 17.38.900 is amended by adding new paragraphs to read:

11 (15) "director" means the director of the Marijuana Control Board and
12 the Alcoholic Beverage Control Board;

13 (16) "registration" means registration or licensure, as determined by
14 regulation.

15 * **Sec. 7.** AS 44.33.020(a)(45) is amended to read:

16 (45) supply necessary clerical and administrative services for the
17 Alcoholic Beverage Control Board and the Marijuana Control Board.

18 * **Sec. 8.** AS 44.62.330(a) is amended by adding a new paragraph to read:

19 (46) Marijuana Control Board.

20 * **Sec. 9.** AS 44.66.010(a) is amended by adding a new paragraph to read:

21 (13) Marijuana Control Board (AS 17.38.080) - June 30, 2018.

22 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
23 read:

24 MARIJUANA CONTROL BOARD; STAGGERED TERMS. (a) Notwithstanding
25 AS 39.05.055, the governor shall appoint the initial members of the Marijuana Control Board
26 to staggered terms as follows:

27 (1) two members shall be appointed to serve three years;

28 (2) two members shall be appointed to serve two years; and

29 (3) one member shall be appointed to serve one year.

30 (b) Notwithstanding AS 17.38.080(b)(4) and (5), the governor, in making the initial
31 appointments to the Marijuana Control Board, shall appoint two persons with experience in

1 the marijuana industry obtained through lawful participation in the marijuana industry or
2 participation in an academic or advocacy role relating to the marijuana industry.

3 * **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 TRANSITION: REGULATIONS. (a) Regulations adopted by the Alcoholic Beverage
6 Control Board to implement AS 17.38 remain in effect and may continue to be implemented,
7 enforced, amended, or repealed by the Marijuana Control Board established under
8 AS 17.38.080, as repealed and reenacted by sec. 2 of this Act.

9 (b) The Marijuana Control Board, established under AS 17.38.080, as repealed and
10 reenacted by sec. 2 of this Act, may adopt regulations necessary to implement the changes
11 made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act),
12 but not before the effective date of this Act.

13 (c) The Alcoholic Beverage Control Board may carry out the functions of the board
14 under AS 17.38 as they existed on the day before the effective date of this Act and continue
15 and complete the process for adoption of regulations proposed but not adopted before the
16 effective date of this Act until members of the Marijuana Control Board are appointed by the
17 governor under AS 17.38.080(b), as repealed and reenacted by sec. 2 of this Act.

18 * **Sec. 12.** This Act takes effect immediately under AS 01.10.070(c).

Tab 33



THE STATE
of **ALASKA**

GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

2400 Viking Drive
Anchorage, Alaska 99501
Main: 907.269.0350
TDD: 907.465.5437
Fax: 907.334.2285

MEMORANDUM

TO: Robert Klein, Chair and
Members of the Board

DATE: April 20, 2015

FROM: Cynthia Franklin
Director, ABC Board

RE: Timeline

Timeline to be provided at the April 30, 2015 ABC Board of Director's Meeting.

Tab 34

EMERGENCY REGULATION

Register __, ____ 2015 COMMERCE, COMMUNITY, AND EC. DEV.

3 AAC 304.990 is amended by adding a new subsection to read:

(b) In AS 17.38.040, "in public" means in a place to which the public or a substantial group of persons has access and includes highways, transportation facilities, schools, places of amusement or business, parks, playgrounds, prisons, and hallways, lobbies, and other portions of apartment houses and hotels not constituting rooms or apartments designed for actual residence.

(Eff. 4/28/84, Register 90; am 6/13/2003, Register 166; am __/__/__, Register __)

Authority: AS 04.06.090 AS 17.38.040 AS 17.38.090
 AS 04.06.100

Tab 35



Fairbanks North Star Borough Mayor's Office

809 Pioneer Road PO Box 71267 Fairbanks, Alaska 99707-1267 (907)459-1300 FAX (907)459-1102

March 31, 2015

Via email: cynthia.franklin@alaska.gov

Cynthia Franklin
Alcoholic Beverage Control Board
2400 Viking Drive
Anchorage, Alaska 99501

Re: Public Comment on Amendment to 3 AAC 304.990

Dear Ms. Franklin:

Please accept this letter as the Fairbanks North Star Borough administration's public comment in response to the Alcoholic Beverage Control (ABC) Board's Notice of Adoption of Emergency Regulation regarding consumption of marijuana "in public."

On February 24, 2015, the ABC Board voted to adopt the emergency regulation defining "in public" as that term is used within AS 17.38.040, which bans the consumption of marijuana in public. The emergency definition is now proposed to become a permanent amendment to 3 AAC 304.990. That definition includes "places of... business, parks" as places that are considered public and which are therefore included as places where the consumption of marijuana is banned. It is this portion of the definition of "in public" to which the Fairbanks North Star Borough respectfully objects.

As you are no doubt aware, since the passage of the voter's initiative implementing AS 17.38, the state and municipalities have been considering allowing marijuana smoking bars or private marijuana clubs for the legal, regulated consumption of marijuana outside of a person's home. The Alaska Legislature is currently considering HB 75, which expressly allows the establishment of "marijuana clubs." Such marijuana clubs or bars would, of course, be businesses and would thus be preempted by the ABC Board's definition of "in public."

Similarly, the ABC Board's definition of "in public" removes local control of municipalities' own parks with respect to the consumption of marijuana. Whether consumption of marijuana might be appropriate at a municipal park facility, which are often available to be leased or reserved for private use, is a determination that the Fairbanks North Star Borough believes should be made by each municipality for each specific facility.

AS 17.38 has expressly given municipal government a great amount of local control with respect to the commercial operations of marijuana facilities. Each municipality is in the unique position of being able to tailor commercial marijuana establishment regulation in a way that makes the most sense for its community. Municipalities are able to determine what type of marijuana facility comports with its constituents' inclinations and comports with each specific area within the municipality. Given these factors, the Fairbanks North Star Borough believes that it is more appropriately left to the municipalities to make determinations with respect to consumption of marijuana in licensed facilities and parks.

Finally, the initiative was promoted as the “Campaign to Regulate Marijuana like Alcohol.” Where there are licensed venues for the consumption of alcohol outside of one’s home, the Fairbanks North Star Borough believes that a sweeping ban on the consumption of marijuana in a controlled, regulated setting outside of a private home is not appropriate. AS 17.38 did not allow the state to make sweeping bans on commercial marijuana facilities,¹ but did allow the local governments to implement such bans.² A broad state-level ban on marijuana consumption facilities or consumption at local parks is not appropriate. Instead, municipalities should maintain their local control.

The Fairbanks North Star Borough respectfully requests that the ABC Board narrow its definition of “in public” such that the ban on consumption in businesses or parks as public places does not include those places that are operating under proper commercial licensure expressly authorizing the consumption of marijuana. The Fairbanks North Star Borough proposes that the following language be added to the definition of 3 AAC 304.990’s definition of “in public:”

“Except that, as used in AS 17.38.0940, ‘in public’ does not include a place which properly holds a commercial registration expressly allowing the consumption of marijuana on the premises.”

With such an amendment, the Fairbanks North Star Borough supports the permanent adoption of the proposed amendment to 3 AAC 304.990.

Thank you for your consideration of the Fairbanks North Star Borough’s input on this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Luke Hopkins".

Luke Hopkins
Mayor

¹ AS 17.38.070.

² AS 17.38.110.

Tab 36



THE STATE
of **ALASKA**

GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

2400 Viking Drive
Anchorage, Alaska 99501
Main: 907.269.0350
TDD: 907.465.5437
Fax: 907.334.2285

MEMORANDUM

TO: Robert Klein, Chair and
Members of the Board

DATE: April 20, 2015

FROM: Cynthia Franklin
Director, ABC Board

RE: Draft Regulations

Draft regulations will be presented to the board at the April 30, 2015 meeting.