



MEMORANDUM

TO: Peter Mlynarik, Chair
and Members of the
Marijuana Control Board

DATE: October 18, 2016

FROM: Cynthia Franklin, Director

RE: Director's Report

Licensing Section

The Licensing Section is struggling. On August 24, 2016, a BRE retired unexpectedly. The recruitment to replace that examiner is still working its way through DCCED processes. AMCO does not expect to have another licensing examiner until liquor license renewal season is well under way. The administrative team has begun training to reclaim administrative aspects of processing permits, new and transfer applications, and renewals in an attempt to allow the three remaining examiners to examine more applications in the same time period.

Sarah Oates will provide a detailed licensing section report at a later spot on the agenda.

Administration Section

AMCO Administrative Officer Craig Douglas began work on August 22, 2016. Craig comes to AMCO from DPS, where he trained on state programs and taught classes on IRIS. Craig is a quick learner and brings energy and a great sense of humor to the administrative team and the 16th floor.

Craig is spearheading the 16th floor remodel project for AMCO. The licensing and administrative teams, along with the director, have moved into temporary quarters next door in 1610 while 1600 is remodeled to accommodate a new staff member. When 1600 is finished and we have moved back in, the enforcement team will move to 1610 and we will all be together on 16.

Enforcement Section

Enforcement has been focusing on inspections and an investigation regarding making false statements on application documents. Enforcement has continued to issue marijuana handler permits. AMCO hopes that by 2017 the administrative section can assist in issuing permits, allowing permits to be issued in Anchorage on a walk-in basis rather than during specified hours.

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



Criminal History Update

SB 165 became effective October 4, 2016. This allowed AMCO to begin sending fingerprint cards for marijuana licenses to DPS for a criminal history check. No reports have been returned at this time. The typical time frame for a report from DPS and the FBI is 4-6 weeks from receipt of the fingerprint cards. The director will continue to update the board on this issue as needed.

Director Presentations

I am presenting updates on the commercial marijuana licensing process at meetings of the Municipal Attorneys Association, the Municipal Clerk's Association, the Municipal Planner's Association and the Alaska Municipal League the week of November 14. I will continue to cover requests for group meetings and presentations regarding commercial marijuana establishments until the Program Coordinator and Local Government Specialist (see below) are ready to begin taking over some of the requests for presentations.

AMCO's New Local Government Specialist

In the FY17 budget, AMCO received an addition of a Local Government Specialist IV to the staff. This addition was in response to a heightened need for explanation for local governments for both alcohol and marijuana licensing issues, as well as a request from the Title 4 stakeholders group that AMCO have appropriate staff to take on DCCED duties of educating the public, local governments and other stakeholders in liquor licensing issues. The LGS IV will work under the supervision of AMCO's Program Coordinator, Sarah Oates. Recruitment is well under way, with a posting for state employees only due to the minimum qualifications requirement of at least one year experience as a Local Government Specialist III. AMCO expects to have the new hire on board between November 15 and December 1, 2016.

In addition to education issues and responding to questions, the AMCO LGS will take on the regulations projects. It is our hope that this will enable us to more thoroughly and systematically meet the requirements of the Administrative Procedure Act for regulations projects.