



## MEMORANDUM

TO: Peter Mlynarik, Chair, and Members of the Marijuana Control Board      DATE: November 9, 2017  
FROM: Sarah Oates, Program Coordinator      RE: Licensing Report

**Total Applications Received as of November 9, 2017** **932**

1) Applications by the Numbers	
a. Voided	146
b. New Status	83
c. Initiated Status	345
d. Under Review Status	55
e. Incomplete Status	12
f. Complete Status	29
i. Determined Complete by October 27	28
g. Active – Pending Inspection Status	42
h. Active – Operating	149
i. Delegated Status	45
j. Tabled Status	2
k. Rescinded Status	17
l. Failed to Complete Status	2
m. Denied Status	4
2) Applications by License Type	
a. Cultivation Facility applications	564
b. Testing Facility applications	14
c. Retail Marijuana Store applications	222
d. Product Manufacturing Facility applications	132

### **Staff Updates and Workloads**

On October 31, our team mailed out 965 liquor license renewal applications. As always, we expect that processing these will take up a significant amount of the licensing team's time over the next 4-5 months. As Director McConnell has already mentioned, two new Occupational Licensing Examiners, Anthony "TJ" Zielinski and Carrie Craig, will begin working with us on November 16. Throughout the liquor license renewal season, those two will be working exclusively on liquor license renewal and permit applications. I plan to have at least one examiner, Jane Sawyer, continue processing marijuana license applications throughout that period, unless it is absolutely necessary to have her help meet statutory deadlines.



### **Transfer Applications**

All licensees who have submitted copies of Form MJ-17a were emailed notifications on November 2 that transfer application documents are available online, and that transfer applications, including all required supplemental documents and fees, must be submitted to our office no later than Friday, December 8, 2017. The licensing team will be creating a separate queue and prioritizing transfer applications over the next couple months.

### **Proposed Regulation Project**

During the February 2, 2017 meeting, Investigator James Hoelscher asked if the Board wanted to define what a security system means, and if the Board would be supportive of licensees using audible alarms. Board members voiced support for the use of audible alarms, as long as the security system in-place matched what was on the licensee's approved operating plan. Board members also mentioned the possibility of opening a regulation project, but a motion was never made to do so.

Currently, 3 AAC 306.715(c)(4) reads as follows:

*A marijuana establishment **shall** have policies and procedures that... describe the actions to be taken by a licensee, employee, or agent of the marijuana establishment when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security.*

As you will see in Tab 10 of this agenda (Form MJ-01: Page 4, Question 3.5), the wording of that regulation is reflected in the operating plan (as in the current version of Form MJ-01). At the Board's direction, examiners have essentially been ignoring when that specific question has not been properly addressed in operating plans. I would request that if the Board still wishes to permit audible alarms and not require the automatic or electronic notification system that alerts local law enforcement, that it consider opening a regulation project to make that clear.

### **Updated Forms**

Over the last two years, the Board and the licensing team have identified substantial changes that could/should be made to many of the forms in order to remove redundancies, make them consistent with updated regulations, and include questions that are often verbally asked by the Board. Our team brainstormed with the director and received individual requests from members of the Board, and Tabs 10-15 are the resulting products. Upon Board approval, we will replace the existing forms on our website and require that any documents submitted after November 15 be on the updated forms.

### **Proposed Delegation**

The Alcoholic Beverage Control Board has delegated to the director and staff the authority to revise and update all forms as the staff and/or Board deems necessary. I would propose that this board consider doing the same.