



MEMORANDUM

TO: Chair Mlynarik and Members of the Board

DATE: May 15, 2017

FROM: Erika McConnell, Director

RE: Cannabaska #10236
Retail Marijuana Store

Cannabaska was issued a Notice of Violation (AB17-0130) on March 28, 2017, for violation of 3 AAC 306.310, Acts prohibited at retail marijuana store. The licensee advertised free marijuana on Facebook: with every purchase of \$100, a free marijuana cigarette of \$19 value was given. 3 AAC 306.310(b)(3) states the following:

- (3) offer or deliver to a consumer, as a marketing promotion or for any other reason,
 - (A) free marijuana or marijuana product, including a sample; or
 - (B) alcoholic beverages, free or for compensation.

The licensee's response to the NOV was that they "did not realize it was a violation."

This violation is particularly concerning due to the clear and unambiguous language in the regulation prohibiting the offering or delivering of free marijuana. This particular regulation is not in any way obscure or open to a variety of interpretations. In the license application (MJ-00: Application Certifications), the applicant declares that they have read and are familiar with AS 17.38 and 3 AAC 306, but the nature of this violation gives rise to doubt as to whether the licensee really has made herself familiar with the regulations.

Before the NOV was issued, the licensee gave away three free marijuana cigarettes in two transactions totaling \$363.32. I recommend that under the authority of the board provided in 3 AAC 306.840, Civil fines, to impose a civil fine on Cannabaska of \$1089.96, which is three times the amount of the transactions in which marijuana was provided to customers for free in violation of 3 AAC 306.310(b)(3).

In addition, I recommend that the board stress to the licensee that familiarity with AS 17.38 and 3 AAC 306 is a serious responsibility of a licensee and should not be neglected.



Alcohol & Marijuana Control Office
550 W. 7th Ave, Suite 1600
Anchorage, AK 99501

Date: 3-28-17
Case Number: AB17-0130
Page 1 of 1 Page

Notice of Violation

(3AAC 306.805)

Licensee AlaskaSense, LLC.	License Number 10236	Type of License Retail Marijuana Store
D.B.A. AlaskaSense, LLC. 521 W. Tudor Road	How Delivered VIA USPS 7013 2250 0000 9617 5194	Law Enforcement Agency Anchorage Police Department
Street or P.O. Box 3600 Oregon Drive	City, State Anchorage, AK	Zip 99517

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

After reviewing social media, Face Book, it was observed that Alaskasense, aka Cannabaska was advertising a free \$19.00 marijuana cigarette with every purchase of a \$100.00. Upon reviewing your receipts, you did give out three marijuana cigarettes free. This is a violation.

Your attention is referred to 3AAC306.310: Acts prohibited at retail marijuana store

You are directed to respond to the Director of the Marijuana Control Board in writing to this Notice of Violation within 10 days of receipt to explain what action you have taken to prevent a reoccurrence of this violation. FAILURE TO RESPOND TO THIS NOTICE OF VIOLATION WITHIN 10 DAYS WILL RESULT IN YOUR APPEARANCE, EITHER IN PERSON OR TELEPHONICALLY, BEFORE THE MARIJUANA CONTROL BOARD AT THEIR NEXT REGULARLY SCHEDULED BOARD MEETING.

***Please include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement Unit
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501

A Response is Required

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A Licensee shall respond, either orally or in writing, to the Notice.

Receipt:	Violation Observed By:
Filed By:	Title: Investigator III

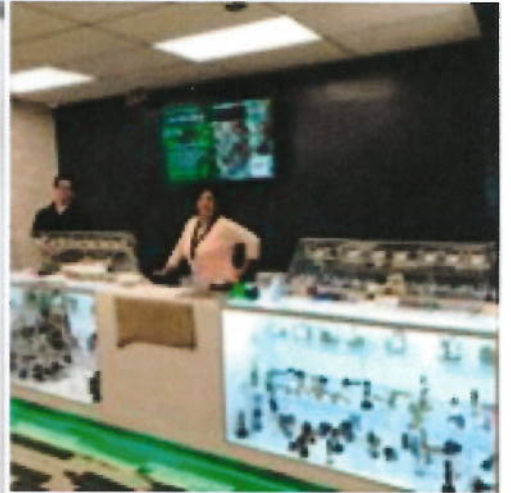


Cannabaska added 4 new photos.

Like Page

30 mins ·

Come see us today for our one week anniversary!! If you spend at least 100 \$ worth of product, get a preroll at 19\$ for free or a 20\$ pipe for free!!!



6

Like

Comment

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Cannabaska

3 hrs · 

Today we are celebrating our ONE WEEK ANNIVERSARY!!!

Just as a reminder: we will be offering a free pre-roll or glass pipe (up to \$20 value) with any flower purchase of \$100 or more. WHILE SUPPLIES LAST!

As always, we're located @ 521 W. Tudor Rd. Anchorage. Open 10AM-8PM.... See More

  4

1 Share

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Alaska Sense, LLC

God's Gift
17863369

4.94g x \$182.00

Humidity Packs
27276768

1 x \$1.00

Humidity Packs
27276768

1 x \$1.00

Cinderella
82771816

4.70g x \$184.72

3088 grinder
34653361

1 x \$30.00

Cookies&cream pre roll 1g (1 8G)

62443318

1 x \$19.00

Agent orange pre roll 1g (1 8G)

11716500

1 x \$19.00

Subtotal	\$276.80
Discount	\$18.00
Cannabis Tax	\$0.00
Other Tax	\$0.00

Total \$238.80

Tendered Amount \$240.00

Change \$1.20

Transaction Type SALE

Receipt # 80F820C06813

Register Register 4

Time 3/24/17, 12:23 PM

521 West Tudor Rd.
Anchorage, AK 99503
9073759333

Alaska Sense, LLC

Chew dog
16308525

3.98g x \$78.76

Cookies and Cream
50602448

2.08g x \$45.70

Gods gift pre roll 1g (1 8G)

80524570

1 x \$19.00

Subtotal	\$143.52
Discount	\$19.00
Cannabis Tax	\$0.00
Other Tax	\$0.00

Total \$124.52

Tendered Amount \$125.00

Change \$0.48

Transaction Type SALE

Receipt # 91A64B37C468

Register Register 1

Time 3/24/17, 1:54 PM

521 West Tudor Rd.
Anchorage, AK 99503
9073759333



Alcohol & Marijuana Control Office,

ATTN: Enforcement Unit.


License number - 10236

This is a respond to a Notice of Violation Alaskasense, LLC aka Cannabaska received. To promote our business, we did offer Free pre-roll with \$100 purchase or more, at the time of this specific special we did not realize it was a violation, once we were told by Enforcement unit we immediately discontinued the special and removed all social media advertising that had any indication of the free roll special.

We apologize for the misunderstanding this won't happen again.

We appreciate your attention.

Sincerely,

 Smadar Warden / CEO - OWNER

CANNABASKA

521 West Tudor rd.

Anchorage, AK 99503

907-903-3534