



## MEMORANDUM

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

DATE: July 12, 2017

FROM: Erika McConnell, Director  
Marijuana Control Board

RE: Regulations Project – Local  
Government Jurisdiction

**Summary:** Local government jurisdiction is not straightforward. 3 AAC 306.025(d)(2) requires the director to give written notice of complete applications to “the local government with jurisdiction over the applicant’s proposed license.” This has been interpreted to be the most local form of government: the city. However, Title 29 of Alaska Statute grants planning and platting powers to the borough government, and with a few exceptions, that power is not delegated to city governments. The intention of the proposed draft is to allow the local government, whether it be city or borough, that has jurisdiction over a particular issue to be able to protest regarding that issue. For instance, a borough government may protest based on a land use issue but the city inside the borough may protest based on a tax issue.

The regulations changes require notification to all applicable local governments (will be no more than two) when notification to a local government is required.

**Recommendation:** Put out for public comment.

MCB Draft Regulation: **Local Government Jurisdiction**

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.025(d) is amended to read:

(d) When the director receives an application for a marijuana establishment license, the director shall determine if the application is complete. Any application for a marijuana establishment license that the director receives without the application fee is incomplete. If the director determines the application is complete, the director shall immediately give written notice to[;]

(1) the applicant;

(2) **each local government** [THE LOCAL GOVERNMENT] with jurisdiction over the applicant's proposed licensed premises.

(3) the community council if the proposed licensed premises are located within the boundary of a community council established by municipal charter or ordinance; and

(4) any nonprofit community organization that has requested notification in writing.

3 AAC 306.035(c)(2) is amended to read:

3 AAC 306.035 (c) If the director determines that the renewal application is complete, the director shall give written notice of a renewal application to

(1) the applicant;

(2) **each local government with jurisdiction over the applicant's proposed licensed premises** [IN THE AREA IN WHICH THE APPLICANT'S PROPOSED LICENSED PREMISES ARE LOCATED].

(3) the community council if the proposed licensed premises are located within the boundary of a community council established by municipal charter or ordinance; and

MCB Draft Regulation: **Local Government Jurisdiction**

(4) any nonprofit community organization that has requested notification in writing.

3 AAC 306.045(c) is amended to read:

(c) When the board receives a complete application for transfer of a license to another person, the director shall immediately send written notice of the proposed transfer to

(1) each listed creditor of the current holder of the marijuana establishment license, along with the amount shown as owed to that creditor;

(2) **each local government with jurisdiction over the applicant's proposed licensed premises** [IN THE AREA IN WHICH THE LICENSED PREMISES ARE LOCATED];

(3) the community council if the licensed premises are located within the boundary of a community council established by municipal charter or ordinance; and

(4) any nonprofit community organization that has requested notification in writing.

3 AAC 306.060 is amended by adding a new subsection to read:

(d) **For the purpose of this section, "local government" means each government with jurisdiction over the licensed premises.**