

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

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MEMORANDUM

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

DATE: September 14, 2017

FROM: Erika McConnell, Director

Marijuana Control Board

RE: Regulations Project – Trade Shows

Summary: This proposed regulation would allow licensees to bring limited amounts of marijuana and/or marijuana product to trade shows. The marijuana and marijuana product would be tracked through the inventory tracking system and transported in accordance with the transportation regulations. No sales would be permitted at trade shows, and any marijuana or marijuana product brought to a trade show would be handled only by a licensee or employee or agent of a licensee.

Recommendation: Put out for public comment.

3 AAC 306.7XX is created to read:

- **3 AAC 306.7XX Trade Shows.** (a) Licensed marijuana establishments may participate in trade shows and similar industry events in compliance with the following:
- (1) Licensed cultivation facilities may bring one plant to the event as a display.

 The removal and return of the plant from the licensed premises shall be tracked in the inventory tracking system. Any marijuana removed from the plant at the event (for example, in a trimming demonstration) shall be retained by the licensee and returned to the licensed premises.
- (2) Licensed cultivation facilities and licensed retail facilities may bring up to one ounce of marijuana to the event as a display. The removal and return of the marijuana from the licensed premises shall be tracked in the marijuana inventory tracking system. The marijuana shall be contained in such a way that the marijuana is not accessible to the public.
- (3) Licensed product manufacturing facilities and licensed retail facilities may bring one sample package of each marijuana product made or sold to the event as a display. The removal and return of the marijuana product from the licensed premises shall be tracked in the marijuana inventory tracking system. The marijuana product shall remain packaged in the approved packaging throughout the duration of the event.
- (4) Licensed testing facilities may not perform required tests on samples from licensed facilities at any trade show or similar event.
- (5) No marijuana or marijuana product may be sold or distributed by a licensee at the event.

- (6) Marijuana and marijuana product displayed at an event by a licensee shall be handled only by a licensee, or employee or agent of a licensee, with a valid marijuana handler permit.
- (7) Advertising or promotions displayed or distributed at the event by a licensee shall comply with 3 AAC 306.xxx or 3 AAC 306.yyy. [intent is to reference proposed new advertising restrictions in Article 7]

3 AAC 306.750 is amended to read:

- **3 AAC 306.750. Transportation.** (a) Marijuana or marijuana product may only be transported to a licensed marijuana establishment by a licensee or an agent or employee of a licensee. [Note: subsection (a) is new language adopted by MCB but not effective yet.]
- (b) A marijuana establishment from which a shipment of marijuana or marijuana product originates is responsible for preparing, packaging, and securing the marijuana or marijuana product during shipment, for recording the transfer in the marijuana inventory tracking system, and for preparing the transport manifest. An individual transporting marijuana in compliance with this section shall have a marijuana handler permit required under 3 AAC 306.700.
- (c) When marijuana or a marijuana product is transported, the marijuana establishment that originates the transport shall use the marijuana inventory tracking system to record the type, amount and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle. A complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times.

- (d) During transport, the marijuana or marijuana product must be in a sealed package or container and in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product. The sealed package may not be opened during transport. A vehicle transporting marijuana or a marijuana product must travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and may not make unnecessary stops in between except to deliver or pick up marijuana or a marijuana product at another licensed marijuana establishment.
- (e) When a marijuana establishment receives marijuana or a marijuana product transported in compliance with this section, the recipient of the shipment shall use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received. The recipient shall refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.
- (f) A marijuana establishment shall keep records of all marijuana or marijuana products shipped from or received at that marijuana establishment as required under 3 AAC 306.755.
- (g) A marijuana establishment may transport marijuana or a marijuana product to and from a trade show or similar industry event in accordance with 3 AAC 306.7xx [trade show regulation] and this section.