THE STATE of ALASKA
GOVERNOR BILL WALKER

Department of Commerce, Community, and Economic Development

ALCOHOL AND MARIJUANA CONTROL OFFICE

550 West 7th Ave, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

MEMORANDUM

TO:	Marijuana Control Board	DATE:	January 24, 2018
FROM:	Erika McConnell, Director	RE:	Licenses in "Pending Inspection Status"

Licenses issued by the board are expected to be operated. The board, the staff, and the industry recognize that there are steps that licensees need to take between board approval and becoming operational, and that these steps can take some time. However, an approval that does not lead to an operating establishment within a reasonable period of time should not stand indefinitely for the following reasons:

- A license approval from the board indicates that the board has determined the application to be compliant with the regulations that exist <u>at the time of review</u>, and particularly that the location of the proposed facility is compliant with regards to appropriate separation from protected land uses (3 AAC 306.010) <u>at that time</u>.
- There could be changes to the surrounding land uses over time leading to a possible conflict with protected land uses, and there can be changes to regulations.
- Licensees who are approved but are not operational for an extended period of time may not be staying familiar with the regulations and keeping up to date on regulatory changes.

What is "a reasonable period of time" can definitely vary depending on each licensee's situation.

The licenses listed in this section of the agenda have completed any requirements of board delegation, have been approved by their local government and any required review agency, and have been moved to "active-pending inspection" status, meaning their license has been issued by the licensing examiner and is ready to be given to the licensee after passing inspection. Each licensee in this section has been in "active-pending inspection" status for over six months without notifying AMCO that they are ready for an inspection.

I have requested that each licensee be present at the meeting (in person or telephonically) to discuss the status of their facility with the board. The board should determine on a case-by-case basis whether any board action is necessary or appropriate.