



## MEMORANDUM

TO: Mark Springer, Chair, and  
Members of the Board

DATE: June 13, 2018

FROM: Erika McConnell, Director  
Marijuana Control Board

RE: Regulations Project – Date of Issuance  
of Handler Permits; Extend Video  
Storage Retention Time; Recreation or  
Youth Center Definition

These projects were noticed for public comment from April 19 to June 1, 2018.

**Date of Issuance of Handler Permits Summary:** This regulation clarifies that a handler permit is valid for three years from the date of completion of the marijuana handler permit course, and that a course must be re-taken and a course test re-passed before the permit will be renewed.

**Extend Video Storage Retention Time Summary:** This regulation extends the length of time that video surveillance footage must be kept, as the Enforcement Unit has found that 40 days is insufficient to properly investigate complaints. Mr. Hoelscher stated in his November 2017 enforcement report that AMCO receives reports after the 40 day retention period has passed of potential violations occurring on licensed premises. In the past year, there were at least five investigations of incidents that happened more than 40 days previously so that video was not available for review of the incident(s) under investigation.

**Definition of Recreation or Youth Center Summary:** This proposed regulation excludes a child care home from the definition of recreation or youth center. Child care home is defined in 7 AAC 57.990 as “a child care facility, usually in an occupied residence, for no more than eight children.”

**Potential Actions:** Any substantive amendments will require the project to be put out again for public comment. Otherwise, the projects may be adopted.

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

3 AAC 306.700(c) is amended to read:

(c) To obtain a marijuana handler permit, a person who has completed the marijuana handler permit education course described under (b) of this section shall present the course completion certificate to the director. The director shall issue a marijuana handler permit card valid for three years from the date of issue **of the course completion certificate**. A person may renew a card issued under this section by **re-taking a marijuana handler permit education course approved by the board and** passing a written test demonstrating an understanding of the course subjects. (Eff. 2/21/2016, Register 217; am \_\_\_\_\_, Register \_\_\_\_\_)

<b>Authority:</b>	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

3 AAC 306.720(e) is amended to read:

(e) Each surveillance recording must be preserved for a minimum of **120**[40] days, in a format that can be easily accessed for viewing. All recorded images must clearly and accurately display the time and date, and must be archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated. After **120**[40] days, a marijuana establishment may erase video recordings, unless the licensee knows or should know of any pending criminal, civil, or administrative investigation for which the video recording may contain relevant information. (am \_\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 17.38.010 AS 17.38.150 AS 17.38.200  
AS 17.38.070 AS 17.38.190 AS 17.38.900  
AS 17.38.121

3 AAC 306.990(b)(35) is amended to read:

(35) "recreation or youth center" means a building, structure, athletic playing field, or playground

(A) run or created by a local government or the state to provide athletic, recreational, or leisure activities for persons under 21 years of age; or

(B) operated by a public or private organization licensed to provide shelter, training, or guidance for persons under 21 years of age;

**(C) but excludes a child care home as defined in 7 AAC 57.990;**

**Authority:** AS 17.38.010 AS 17.38.150 AS 17.38.200  
AS 17.38.070 AS 17.38.190 AS 17.38.900  
AS 17.38.121

**From:** Stefani  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** Please do not redefine your facilities  
**Date:** Friday, April 20, 2018 6:12:50 AM

---

I am strongly opposed to redefining youth recreation facilities. This will allow greater access for marijuana companies to be present near youth. I work at a middle school and on campus use and possession of marijuana has risen greatly since it's legalization. It is irresponsible for us to not take greater measures to protect our youth. This proposal is going the wrong direction in keeping our youth safe. Let's do the right thing.

Sincerely,

Stefani Borrego  
Fairbanks, Ak



Stephen W. Brashear  
Chairman & CEO  
645 G Street, Suite 100-907  
Anchorage, Alaska 99501  
Phone: (907) 887-6543  
Email: [Steve@GreatNorthernCannabis.com](mailto:Steve@GreatNorthernCannabis.com)

May 7, 2018

Marijuana Control Board

Mark Springer

Loren Jones

Brandon Emmett

Nicholas Miller

Public Safety representative (TBA)

Alcohol & Marijuana Control Office

550 West Seventh Avenue, Suite 1600

Anchorage, Alaska 99501

RE: Proposed 3 AAC 306.700(c); 3 AAC 306.720(e); 3 AAC 306.990 (b)(35) – handler permits, video surveillance, definition of youth facility

Dear Sirs:

Great Northern Cannabis, Incorporated (GNC) is an Alaska corporation with approximately 45 full- and part-time employees, and a number of Alaskan shareholders from a wide variety of backgrounds. We currently own and operate a cultivation facility and a retail store, and we are in the process of permitting additional facilities. We thank you for the opportunity to comment on the proposed regulations for handler permits, video surveillance, and the definition of a youth facility.

GNC is neutral towards one proposed change to 3 AAC 306.700(c) and opposed to the other. While we do not object to clarifying that applicants seeking to renew their handlers card must re-take an education course, we do object to setting the date of issue as the date of the course completion certificate. Our reasoning is two-fold:

1. Due to the limited times and days available for issuance of handler's cards, and the restrictions on payment, many applicants will be unable to obtain their cards on the date they complete the course. This unnecessarily foreshortens the term of their handler's card without an appreciable gain in public safety or industry knowledge. As an alternative, the board could approve a regulation requiring that the course completion certificate date be within 90 days prior to the issuance of the handler's card, thereby ensuring the applicant has recently completed the course.

*GreatNorthernCannabis.com*

907.929.9333 • 645 G Street, Suite 100-907 • Anchorage, Alaska 99501



May 31, 2018

Alaska Marijuana Industry Association  
3003 Minnesota Dr. Suite 201  
Anchorage, AK 99503

Comment and position regarding:  
AAC 306.720(e)

(e) Each surveillance recording must be preserved for a minimum of 120[40] days, in a format that can be easily accessed for viewing. All recorded images must clearly and accurately display the time and date, and must be archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated. After 120[40] days, a marijuana establishment may erase video recordings, unless the licensee knows or should know of any pending criminal, civil, or administrative investigation for which the video recording may contain relevant information.

Members of the Marijuana Control Board,

On behalf of the Alaska Marijuana Industry Association (AMIA), this public comment is in reference to the proposed regulation amendment AAC 306.720(e) regarding video surveillance.

The AMIA is curious as to what the reasoning is for this proposed amendment. When referencing the other legalized cannabis industries in the nation it is apparent that if this amendment were to pass, Alaska's video surveillance regulation would greatly exceed that of what has been established in other legalized markets.

For example, Washington state requires 45 days, Colorado requires 40 days, and Oregon requires 90 days. The costs for implementing such additional requirements are substantial. For a small retail store, this additional requirement would be anywhere from \$5,000 – \$10,000 more in



capital investment. For a grow the size of 3,000 square feet, the expense could range upwards of an additional \$15,000 to \$25,000. If action is taken it should be done within the already set 40-day requirement. Alongside taxation (federal, state and local) being leveraged against these businesses at a range of fifty-five percent to seventy-five percent, depending on the license type and operation, our organization at a loss. These businesses simply cannot survive under this type of intensely burdensome regulation and expense. It's just not possible. A line needs to be drawn somewhere and enforcement requesting an arbitrary number of days of storage that will result in massive expenses on top of the existing expense and tax burdens these companies are already up against, it is not smart for the state or the new industry. If regulation continues to create burden after burden, cost after cost, and complexity on complexity, there will be no cannabis businesses left to collect inspection fees, license fees, and taxes from. Additionally, liquor licenses **have zero security requirements – none.**

The businesses that make up the Alaska marijuana industry are still in the process of growth and stabilization. The constant change in requirements leaves business owners feeling like they cannot rely on what is currently in print in the regulations – marijuana businesses do not feel that they engage in any meaningful business planning for their businesses, how would you feel if your house foundation kept shifting? Pretty unstable and insecure and that is not a healthy environment to grow sustainable businesses in. In altering this regulation those same developing companies, who have abided by the regulations provided, would have yet another expense in order to continue operating within the legal market. This amendment triples the amount of surveillance storage required by these businesses which greatly increases the already obscene cost of digital storage; not to mention maintenance and upgrades to these systems. We strongly believe that 40 days is a sufficient amount of time for businesses to be reviewed in the case of poor regulation practices.

Respectfully Submitted on Behalf of the AMIA Board,

Carroll E. Carrigan  
Executive Director  
Alaska Marijuana Industry Association

[www.alaskamarijuanaindustry.org](http://www.alaskamarijuanaindustry.org)



Stephen W. Brashear  
Chairman & CEO  
645 G Street, Suite 100-907  
Anchorage, Alaska 99501  
Phone: (907) 887-6543  
Email: [Steve@GreatNorthernCannabis.com](mailto:Steve@GreatNorthernCannabis.com)

2. More importantly, from an equal protection standpoint, the limited locations that issue handlers cards creates a legal liability for this regulation. Anyone outside of Anchorage and Fairbanks, and especially those off the road system, must either travel to or mail their applications to a processing facility. This necessarily causes a multiple day, or multiple week, gap between receiving the course completion certificate and issuance of the handler's card, unfairly foreshortening the term of their handler's card. Should this regulation be adopted as written we believe residents outside Alaska's two largest metropolitan areas would have a basis for legal action against the state.

While GNC appreciates that AMCO resources are limited and presumes longer terms of surveillance footage would assist their investigative efforts, we do not support the proposed change to 3 AAC 306.720(e). If AMCO becomes aware of or suspects a violation by an operator or consumer, surely staff can look into the matter within 40 days? Nevertheless, GNC has invested heavily in our security systems and it appears they would be compliant regardless of the change. We are of the understanding, however, that many of our fellow businesses would not be in compliance if this regulation were adopted and do not wish to cause them additional financial burden. To put a number on it, we recently tested our system in light of the proposed regulation and explored how we might change it if more storage were needed – rough costs for upgrading one system are in the neighborhood of \$4,000.

GNC does support the proposed change to 3 AAC 306.990(b)(35). While we do not envision a scenario where the change would affect any location where we would seek to operate, the restrictions on locating a cannabis facility are such that any amelioration is appreciated.

Finally, as always, GNC stands at the ready to collaborate with AMCO during rulemaking processes in either a formal or informal capacity. Simply contact us and we will respond to the best of our ability.

Thank you for the opportunity to provide input, and best of luck in your deliberation.

Best regards,

A handwritten signature in blue ink that reads 'Stephen W. Brashear'.

Stephen W. Brashear

*GreatNorthernCannabis.com*

907.929.9333 • 645 G Street, Suite 100-907 • Anchorage, Alaska 99501



**From:** Denny  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** PROPOSED VIDEO RETENTION POLICY  
**Date:** Thursday, May 24, 2018 1:01:39 PM

---

HIGH TIDE DISTRIBUTORS, LIC #12308

I WOULD ALSO LIKE TO SPEAK OUT ABOUT PROPOSED CHANGE OF VIDEO RETENTION FROM 40 DAYS, TO 120 DAYS. IN OUR LESS THAN 350 SQ. FT. FACILITY, WE HAVE 14 CAMERAS RUNNING 24 HRS A DAY. DUE TO LIMITED ACS INFRASTRUCTURE, WE ARE ALREADY NEAR CAPACITY FOR BANDWIDTH. ACS SHOWS NO INTEREST IN PROVIDING BETTER SERVICE, AND WE ARE VERY LIMITED ON OPTIONS. ADDING ADDITIONAL STORAGE WILL COST US APPROXIMATELY \$2500 FOR EQPT, NOT INCLUDING INSTALLATION COSTS. I SUBMIT THAT 40 DAYS SHOULD BE PLENTY OF TIME TO INVESTIGATE. WE ARE OPPOSED TO SUCH A RULE CHANGE. THANK YOU>  
DENNY & TENA HUMPHREY, HIGH TIDE DISTRIBUTORS.

Sent from [Mail](#) for Windows 10



May 29, 2018

Marijuana Control Board and  
Director Erika McConnell, AMCO  
The Atwood Building  
550 West 7th Ave., Suite 1600  
Anchorage, AK 99501

Dear AMCO,

I am writing to comment on proposed changes to 3 AAC 306.720(e) that video surveillance recordings must be kept for 120 days as opposed to the current 40 day requirement. For a thorough camera system such as is at our facility, this would mean tripling the amount of servers needed to store recorded data. According to our security supplier we would be only able to place six cameras per server. For a large facility such as ours this would mean adding many servers to comply with this proposed change. The ballpark cost per server including professional installation is about \$5K per server. So for every server we currently have, this means adding 2 additional ones at the cost of roughly \$10K each. Without divulging exactly how many cameras we currently have, the cost to us will be in the several tens of thousands of dollars. With the current wholesale cost of marijuana steeply declining without a corresponding decline in the tax rate, this is squeezing facilities profit margin considerably. A change in a regulation such as this would severely hamper our ability to operate financially. I would suggest that the state use the increasing revenues to hire more investigators rather than burden a fledgling industry with this cost.

Respectfully,

Michael Emers  
Rosie Creek Farm, License #10005

**From:** Green Rush Gardens LLC  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** Video retention public comment  
**Date:** Friday, May 25, 2018 9:23:43 PM

---

The current 40 day video retention should suffice the needs of the state regulatory system. Additional storage would require complete overhaul of currently licensed facilities, an obvious increase in cost to these systems, and no other legal state is requiring what the Alaska MCB is proposing.

Colorado requires 40 days of retention, Washington state has a video retention policy of 45 days, Oregon requires 30 days video retention. All of these states were legal before Alaska and individually have exponentially more licensees than Alaska.

The additional cost would be great, and another unnecessary financial burden for licensees. Please do not consider 120 days of video retention, no other legal state has found this to be necessary.

Thank you,  
Janna

**From:** Brad  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** Public comment on proposed changes  
**Date:** Friday, June 01, 2018 3:54:53 PM

---

Regarding Restrictions on advertising and promotions:

If I understand the proposed changes correctly, any license holder can make shirts with their name and logo on them that can contain obvious words and graphics referencing marijuana, where they are located and how to reach them. This is not defined as advertising and therefore is not subject to the disclaimer requirement. I've got no problem with that. But if they put a slogan, catchy saying, or even the word 'Hello' on it, it suddenly becomes advertising.

To put it another way: I can buy a t-shirt that says "marijuana" and has a graphic of a pot leaf on it (if those things are in the business name and logo), and no disclaimers taking up half the shirt. I'm fine with that as well. But if they add "Have a nice day" or "Stay Green", it is suddenly a danger to children and pregnant women and requires disclaimers.

Shirts, hats and other clothing, so long as it doesn't list inventory and prices, should fall under the same guidelines as what has been proposed. People don't buy shirts with disclaimers, and shirts with just name and location are boring, in my opinion.

Thank you for your consideration.

Brad Harper  
Isidore, AK Rime, AK Frost



**From:** Shannon Lowry  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** Public comment - video retention  
**Date:** Thursday, May 24, 2018 4:16:59 PM

---

AMCO,

The current 40 day video retention should suffice the needs of the state regulatory system. Additional storage would require complete overhaul of currently licensed facilities, an obvious increase in cost to these systems, and no other legal state is requiring what the Alaska MCB is proposing.

Colorado requires 40 days of retention, which they have determined adequate for 4 years running. They have exponentially more licensees than Alaska and still this time frame has not been changed.

Washington state has a video retention policy of 45 days, which they have determine adequate for 4 years as well. They too have exponentially more licensees than Alaska.

Oregon requires 30 days video retention, they also have exponentially more licensees than Alaska.

What is driving Alaska to propose these excessive video retention standards? The additional cost would be great, another unnecessary financial burden for licensees. Please do not consider 120 days of video retention, no other legal state has found this necessary.

If you have any questions please feel free to contact me at 907-440-4415

Shannon Lowry  
Terra House, LLC

**From:** lynn  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** Comments to proposed regulation change  
**Date:** Friday, May 25, 2018 9:33:04 AM

---

Re: 3 AAC 306.720(e) is proposed to extend the time in which surveillance recordings must be retained.

To whom it may concern:

I offer the following comments regarding the proposed changes:

- As a new cultivator, we have been working on a business plan for over a year and have yet to even get our first crop. Our renewal is coming up soon. This proposed change seems to be a knee-jerk reaction to a single incident. The logic seems to be; penalize all businesses for the action of one single business.
- The costs associated to make this change are enormous for a small business. A professional told me to expect to spend \$ 8,000 dollars to add a complete new system, cameras and a DVR in excess of 20 TB. If cloud storage is required, that will cost \$ 500.00 a month to comply. Not to mention the cost of installation and the labor to make that happen.
- What problem are we trying to solve? This proposed change appears to be arbitrary and capricious, based on a single incident.
- Where did the number 120 come from? Why is it necessary?
- As an offer of compromise, how about just recording motion activated recordings instead of 24/7? What does 24 hours of watching nothing provide to anyone? Its a waste of time and money.

In summary, this proposed change is going to harm a lot of small businesses. This proposed change is the poster child for the term; arbitrary and capricious. It must not be adopted.

Thanks for your consideration.

Evelyn Reich  
Down to Earth Farms

Submitted By	Comment
<p>6/1/2018 11:11:07 AM</p> <p>Joe Byrnes  <a href="mailto:jfbyrnes@alaska.edu">jfbyrnes@alaska.edu</a>  Fairbanks, AK, US  Anonymous User</p>	<p>June 1, 2018</p> <p>Erika McConnell  Alcohol and Marijuana Control Office  550 W. 7th Avenue, Suite 1600  Anchorage AK 99501  amco.regs@alaska.gov</p> <p>RE: Comments on proposed changes on handler permits, video storage retention, and definition of a recreation or youth center</p> <p>Thank you for the opportunity to provide comments to the proposed regulation changes regarding handler permits, video storage retention, and definition of a recreation or youth center.</p> <p>I am very concerned that the board is choosing to remove "child care home" as defined in 7 AAC 57.990 from the definition of "recreation or youth center."</p> <p>7 AAC 57.990 (8) states: "child care home" means a child care facility, usually in an occupied residence, for no more than eight children;"</p> <p>These facilities are businesses whose primary services are for children. Allowing marijuana facilities to open up near child care homes will unnecessarily subject impressionable youth to marijuana and is contravention of the State's goals to prevent underage marijuana use.</p> <p>I find nothing in AS 17.38.010, AS 17.38.150, AS 17.38.200, AS 17.38.070, AS 17.38.190, AS 17.38.900, AS 17.38.121 that would indicate the legislature's expressed or implied intention that child care homes are not to be considered recreation or youth centers. In fact, this proposed change contradicts the intentions of AS 17.38.190(5) preventing the sale or diversion of marijuana and marijuana products to persons under the age of 21. Without adding child care home into another area within the regulations to prevent the opening of marijuana establishments nearby, this change is very detrimental to our youth.</p> <p>Thank you,  Joe Byrnes</p>

**From:** dollynda Phelps  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** Public comment - video retention  
**Date:** Thursday, May 24, 2018 11:16:16 AM

---

The current 40 day video retention should suffice the needs of the state regulatory system. Additional storage would require complete overhaul of currently licensed facilities, an obvious increase in cost to these systems, and no other legal state is requiring what the Alaska MCB is proposing.

Colorado requires 40 days of retention, which they have determined adequate for 4 years running. They have exponentially more licensees than Alaska and still this time frame has not been changed.

Washington state has a video retention policy of 45 days, which they have determine adequate for 4 years as well. They too have exponentially more licensees than Alaska.

Oregon requires 30 days video retention, they also have exponentially more licensees than Alaska.

What is driving Alaska to propose these excessive video retention standards? The additional cost would be great, another unnecessary financial burden for licensees. Please do not consider 120 days of video retention, no other legal state has found this necessary.

Dollynda Phelps

907-252-8026



**Public comment from R.C. Tinderbox:**

**3 AAC 306.360. Restriction on advertising of marijuana and marijuana products:**

**We feel that Advertising and Promotions should be allowed with the same regulations as Alcohol.**

**3 AAC 306.405. Standard marijuana cultivation facility: privileges and prohibited acts:**

**We feel adding new strains are such an important part for the growth of this industry. If allowed, we feel that up to 10 different stains per month but only 6 plants or clones can be delivered. We feel this is reasonable request for the ever-changing strains that are being developed.**

**3 AAC 306.730. Marijuana inventory tracking system:**

**We have no problem for or against the inventory tracking system.**

**3 AAC 306.700. Marijuana handler permit:**

**We have no problem for or against this section.**

**3 AAC 306.720. Video surveillance:**

**We feel a compromise would be 80 days instead of 120. At some point the public needs to take some responsibility and when they see something that they feel is not in regulation, they report it right away, so enforcement can follow up with the complaint. 120 days is expensive for the business to purchase another DVR for the longer recording time frame. We also feel that the video surveillance should not be use as a tool for disgruntled employees or public to try to use against the industry because they got upset and decided they saw something 2 months ago and NOW want to use it to get the facility or store front in trouble. I understand if you have nothing to hide this would not be a problem, but it is the fact that it is quite an added expense to the industry.**

**3 AAC 306.990. Definitions of recreational or youth facility:**

**(35) "recreation or youth center" means a building, structure, athletic playing field, or playground  
(A) run or created by a local government or the state to provide athletic, recreational, or leisure activities for persons under 21 years of age; or  
(B) operated by a public or private organization licensed to provide shelter, training, or guidance for persons under 21 years of age;**

**We have no problem with the definition as it stands**

**3 AAC 306.990. Definitions of Mature and Immature Marijuana plants:**

**(4) "flowering" means a marijuana plant that has visible crystals, buds, or flowers, or for which the exposure to light is scheduled with the intent to produce crystals, buds, or flowers;  
(5) "immature" means a marijuana plant with no visible crystals, buds, or flowers, and in which the exposure to light is scheduled with the intent to prevent formation of crystals, buds, or flowers.**

**We feel that a definition of Mature plant should be defined as; a plant that is in flower with finished production of trichomes that are viable for quality.**

**Immature plant should be defined as any plant in the clone, vegetative or early flower stage with visible signs of flower forming.**

**Public comment from R.C. Tinderbox:**

**3 AAC 306.360. Restriction on advertising of marijuana and marijuana products:**

**We feel that Advertising and Promotions should be allowed with the same regulations as Alcohol.**

**3 AAC 306.405. Standard marijuana cultivation facility: privileges and prohibited acts:**

**We feel adding new strains are such an important part for the growth of this industry. If allowed, we feel that up to 10 different stains per month but only 6 plants or clones can be delivered. We feel this is reasonable request for the ever-changing strains that are being developed.**

**3 AAC 306.730. Marijuana inventory tracking system:**

**We have no problem for or against the inventory tracking system.**

**3 AAC 306.700. Marijuana handler permit:**

**We have no problem for or against this section.**

**3 AAC 306.720. Video surveillance:**

**We feel a compromise would be 80 days instead of 120. At some point the public needs to take some responsibility and when they see something that they feel is not in regulation, they report it right away, so enforcement can follow up with the complaint. 120 days is expensive for the business to purchase another DVR for the longer recording time frame. We also feel that the video surveillance should not be use as a tool for disgruntled employees or public to try to use against the industry because they got upset and decided they saw something 2 months ago and NOW want to use it to get the facility or store front in trouble. I understand if you have nothing to hide this would not be a problem, but it is the fact that it is quite an added expense to the industry.**

**3 AAC 306.990. Definitions of recreational or youth facility:**

**(35) "recreation or youth center" means a building, structure, athletic playing field, or playground  
(A) run or created by a local government or the state to provide athletic, recreational, or leisure activities for persons under 21 years of age; or  
(B) operated by a public or private organization licensed to provide shelter, training, or guidance for persons under 21 years of age;**

**We have no problem with the definition as it stands**

**3 AAC 306.990. Definitions of Mature and Immature Marijuana plants:**

**(4) "flowering" means a marijuana plant that has visible crystals, buds, or flowers, or for which the exposure to light is scheduled with the intent to produce crystals, buds, or flowers;  
(5) "immature" means a marijuana plant with no visible crystals, buds, or flowers, and in which the exposure to light is scheduled with the intent to prevent formation of crystals, buds, or flowers.**

**We feel that a definition of Mature plant should be defined as; a plant that is in flower with finished production of trichomes that are viable for quality.**

**Immature plant should be defined as any plant in the clone, vegetative or early flower stage with visible signs of flower forming.**

**From:** Lance Roberts  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** 306.990.b.35 changes  
**Date:** Friday, May 11, 2018 10:27:50 AM

---

It's mind-boggling that you are even thinking of allowing mind-altering drug facilities next to a daycare. This is most inappropriate, though not surprising since you have already allowed a license against your legal counsel that was next to a daycare. You are making a shambles of the small amount of protections that were put into the 2014 initiative.

Beyond the problem with these facilities being next to youth centers, is the fact that you are harming that business, since parents won't want to leave their children at a place that next to one of these drug dealer's place of business.

Lance Roberts  
Fairbanks, AK

Waste disposal public comment



**From:** Kate Staskon  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** Peninsula Botanicals public comment.  
**Date:** Thursday, May 24, 2018 5:27:51 PM

---

The current 40 day video retention should suffice the needs of the state regulatory system. Additional storage would require complete overhaul of currently licensed facilities, an obvious increase in cost to these systems, and no other legal state is requiring what the Alaska MCB is proposing.

Colorado requires 40 days of retention, which they have determined adequate for 4 years running. They have exponentially more licensees than Alaska and still this time frame has not been changed.

Washington state has a video retention policy of 45 days, which they have determine adequate for 4 years as well. They too have exponentially more licensees than Alaska.

Oregon requires 30 days video retention, they also have exponentially more licensees than Alaska.

What is driving Alaska to propose these excessive video retention standards? The additional cost would be great, another unnecessary financial burden for licensees. Please do not consider 120 days of video retention, no other legal state has found this necessary. As a small cultivator this burden would be overwhelming due to the fact that almost every security camera company doesn't do storage for more than 45 days. This would mean as a licensee would have to disassemble there very expensive system just to put another very expensive system in. Thank you for your time.

Kathryn Staskon 907-420-4176



Virus-free. [www.avast.com](http://www.avast.com)

**From:** Vivian Stiver  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** RE: Comments on proposed changes on youth center  
**Date:** Friday, June 01, 2018 4:07:32 PM

---

Erika McConnell  
Alcohol and Marijuana Control Office  
[550 W. 7th Avenue, Suite 1600](#)  
[Anchorage AK 99501](#)  
[amco.regs@alaska.gov](mailto:amco.regs@alaska.gov)

RE: Comments on proposed changes on handler permits, video storage retention, and definition of a recreation or youth center

Thank you for the opportunity to provide comments to the proposed regulation changes regarding handler permits, video storage retention, and definition of a recreation or youth center.

I am very concerned that the board is choosing to remove "child care home" as defined in 7 AAC 57.990 from the definition of "recreation or youth center."

7 AAC 57.990 (8) states: "child care home" means a child care facility, usually in an occupied residence, for no more than eight children;"

Child care homes should not be removed. By the states own information marijuana use among our children has increased by 11%.

I request that you do not remove child care homes as currently defined.

Thank you,

Vivian

--

*Vivian Stiver*

907.347.2102

**[Because power corrupts] Society's demands for moral authority and character increase as the importance of the position increases.  
— John Adams, (1735-1826)**

**From:** Bryant Thorp  
**To:** [CED AMCO REGS \(CED sponsored\)](#)  
**Subject:** 180 days of video retention  
**Date:** Friday, May 11, 2018 3:48:34 PM

---

Dear Board,

I would like to express my thoughts about Enforcement's request to add an additional 5 months of recording of video in our establishments.

I own one of the smaller locations measuring just under 1300 sq ft of licensed premises. It is currently required for me to have 19 cameras and two separate 16 Terabyte DVRs to comply with state regs and to hold 40 days of memory.

These 2 DVRs were originally built with 8 terabyte but were upgraded to twice the size (and their maximum size) when it became apparent that I would need more memory.

When it came to installing my security system the most expensive part was the memory. The cameras and installation costs were minimal compared to the memory to store it.

For me to upgrade to hold 180 days would require me to install almost 5 times the memory of what I have now. That would consist of adding 10 more 16 terabyte DVRs to hold the memory. The two DVRs I use already require a locked cabinet that takes up more space in my small shop than I would like but I truly could not fit 5x more secured storage space for the added memory. Not to mention that they cost several thousand dollars each and I would need 10 of them!

I think this request of the Enforcement team is asking more than is reasonable and would put a huge burden on the licensees. I feel that if an issue were to arise that is beyond the 40 days of video that is being held by licensees, then our Enforcement team is more than capable of doing an investigation the old fashion way.

Bryant Thorp  
Arctic Herbery



Tina Smith, CEO  
(907)727-2000  
[t.smith@midnightgreenery.com](mailto:t.smith@midnightgreenery.com)

Marijuana Control Board  
Director McConnell  
AMCO Staff

Public Comment for consideration by the Board

### **3 AAC 306.720(e) Changes regarding video storage retention**

After researching and speaking with persons in the security Industry(not involved in the marijuana industry) about this specific requirement the comments I received were to say that those requirements will be rather impossible for the average small business owner to maintain. I personally cannot see a need to have 4 months worth of around the clock surveillance recordings. It states in the regulations already in place,"May erase video recordings, unless the licensee knows or should know of any pending criminal, civil, or administrative investigation for which the video recordings may contain relevant information."

If this is something that the board feels MUST be adopted may I suggest a caveat to the requirements. When it comes to 4 months of video recording stored, the cost of having new equipment in place that starts recording when movement is detected would be a much less of a burden then having to maintain the cost of four months storage to the pocket books. All areas would still be covered by surveillance but it cuts out the unneeded recordings of absolutely no human interactions or movements.

### **3 AAC 306.760(K)(4) "Advertising and Promotions Restrictions**

This is a much needed regulation packet and I am in full support, I would however like to address (K)(4) by working it "holding promotional activities outside the licensed premises" would restrict businesses to be able to celebrate grand openings or anniversaries in a way they so choose. This should be better defined to address the fear that any outside promotional activity may include activities that may be appealing to children. If that is the case then adding language that specifically excludes and activity that may be appealing to children IE:bounce house.





Jana D. Weltzin  
Licensed in Alaska &  
Arizona

3003 Minnesota  
Blvd., Suite 201  
Anchorage, Alaska 99501  
Phone 630-913-1113  
Main Office 907-231-3750  
jana@jdwcounsel.com

June 1, 2018

Marijuana Control Board  
Director McConnell  
*Sent via Email*

**Re: Public Testimony Submitted re Regulation Projects for Surveillance Storage Requirements and MJ Handler Permits June 2018 MCB Meeting**

Dear Esteemed MCB Members & Director McConnell:

Please consider the following issues and concerns during your MCB June 2018 meeting.

The regulation proposed change in 3 AAC 306.720(e) is unnecessary and should be rejected by this Board. The requirement to increase the required storage of 24/7 video streaming is not justified and will create substantial challenges to licensees to obtain this type of storage, maintain the storage, and expend the expense to increase the capabilities of their existing storage capacity.

These companies do not have a lot of extra cash flow. The over licensing of cultivation is slashing the price of the goods and creating a glut in the market. A glut we could have easily predicted based on other states' experience and warnings. Combined with the static taxation rate that is the equivalent of a 40% - 60% tax the wholesale price of marijuana, is creating an environment where these companies are very much at risk of financial failure. The regulatory burdens and expenses necessary to comply are already crippling these small business owners, and now this board is considering piling more on an already densely regulated industry?

If Enforcement is unable to review issues or problems that they may perceive prior to the end of the 40 day storage requirement, would it be worthwhile to analysis whether the work flow and work load demand on Enforcement is too great due to the over licensing of this industry?

To date, I have not observed any criminal activity that was caught by enforcement by utilizing the review of stored camera surveillance (although I am not privy to all investigations, I am just basing

this statement solely off of what I have witnessed in the NOV reports from Enforcement).

Other states do not have such a requirement – the most any legal marijuana state requires is 90 days<sup>1</sup>, this proposed regulation is requesting a full month over the longest retention period allowed for in the United States.

The costs of upgrading the system to hold storage for up to 120 days varies per facility. A smaller retail store would cost approx.. \$3500-7,000 or more for this upgrade. One of my clients has 116 cameras, it's a large facility, can you imagine how much it would cost to upgrade the system to allow for 120 days of 24/7 storage of surveillance feed?

By enacting this regulation provision, you will encourage licensees to use as few of cameras as they possible can because then they will lower the storage costs.

Please reject or substantially amend and put back out for public comment this regulation on storage of video feed.

With regards to proposed section 3 AAC 306.700(c), I have no proposed changes, but I would like to remind the board at the January 2018 MCB meeting, that Board Member Loren Jones requested that the regulations adopted relating to criminal background checks and disqualification criteria for handler permits be relooked at in April 2018 MCB to determine if some of my previous comments to that regulation section would be worth considering in a new regulation projection. Please see page 31 of the January 26, 2018 minutes:

*Loren Jones requests that the staff come back at the April meeting with recommendations of how many of Ms. Weltzin's suggestions should be put into a new regulation project*

This was not included in the April agenda and if this Board so desires, please consider a new regulation project to amend the regulations to allow for some discretion when it comes to disqualifying community members from gainful employment, below is the language of the commentary I authored relating to this issue:

Persistence of mis-use of Marijuana Handler Permits

*The misrepresentation by some persons holding MHP and putting themselves out to the public as licensed to conduct illegal activity is continuing. Currently, there is no tool enforcement can use to revoke or suspend MHP holders who are using the permits to undermine the legal market. We must have a mechanism to combat this mis-use. I understand it may not be the most popular proposal made, but I believe we must give enforcement a tool to revoke MHP holders who are utilizing their permits in a manner that puts the public's health and safety at risk and undermines the taxed, regulated and tested market. I have drafted some suggested regulatory language for*

---

<sup>1</sup> Oregon is 90 days, Colorado is 40, and Washington is 45.

*the boards consideration:*

*306.700. is Amended by adding:*

*(F) MCB shall require the following to be disclosed by an applicant for a MHP:*

*(1) Has been convicted of a felony in the state and either*

*(a) less than 5 years has elapsed from time of conviction; or*

*(b) person is currently on probation or parole for that felony.*

*(2) Has within 2 years, before submitting an application, been convicted of a class A misdemeanor crime in the state involving a controlled substance other than a Schedule VI controlled substance; or*

*(3) Has within 2 years before submitting an application, been convicted of a class A misdemeanor in the state relating to selling, furnishing, or distributing marijuana.*

*(G) If Chief of Enforcement or the Director deems it is in the best interest of Public Health and safety to deny a MHP based on required disclosures above, then it shall do so and applicant may appeal denial to MCB within seven (7) business days of notice of denial. MCB shall set a special hearing to consider the denial and provide the applicant an opportunity to appeal denial to the MCB. MCB shall determine whether to sustain the denial in the interest of public health & safety, or to overturn the denial and grant the applicant a MHP.*

*Add in new section*

*3 AAC.306.XXX*

*(a) MCB may suspend or revoke MHP issued under this chapter if:*

*(1) If the board becomes aware that a permit applicant did not disclose required disclosures under 3 AAC.306.700(f) (1) or (2) or (3).*

*(b) The Director, Chief of Enforcement, or MCB may revoke or suspend a permit issued under this chapter, refuse to renew a permit, or impose a civil fine if a MHP Holder is taking actions to undermined the legal commercial market, misrepresent themselves to the public, use MHP in a manner that is not in the best interest of Public Health and Safety, or an applicant for a MHP misrepresented themselves on background check, affidavit, declaration signed statement, under AS 17.38, 17.37 or this chapter.*

Thank you for your thoughtful consideration of my public comment.

Respectfully Submitted,

Jana D. Weltzin