



Alaska Marijuana Control Board
Marijuana Handler Permit

Form MJ-10: Education Course Provider Application

Alcohol and Marijuana Control Office

550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

marijuana.licensing@alaska.gov

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

What is this form?

This marijuana handler permit education course provider application is required for all persons and entities seeking to have a marijuana handler permit education course approved by the Marijuana Control Board. Applicants should review **3 AAC 306.700**.

The course curriculum must cover at least the following topics:

- AS 17.37, AS17.38, and 3 AAC 306
- The effects of consumption of marijuana and marijuana products
- How to identify a person impaired by consumption of marijuana
- How to determine valid identification
- How to intervene to prevent unlawful marijuana consumption
- The penalty for an unlawful act by a licensee, an employee, or an agent of a marijuana establishment
- A written test, demonstrating that each student has learned the information correctly

This form must be submitted to AMCO's main office, along with a copy of the course curriculum, before any marijuana handler permit education course provider application will be considered by the board.

Applicant Information

Enter information for the business seeking to be an approved marijuana handler permit education course.

Applicant:	Green CulturED				
Course Name:	Alaska Marijuana Handler Certification Green CulturED				
Mailing Address:	757 East 20th Avenue, Suite 370-439				
City:	Denver	State:	CO	ZIP:	80205
Email Address:	Info@GreenCulturED.co	Phone:	(720) 446-8847		

In-person ☐ Online ☒

Do you intend to provide this course in-person in a classroom-type setting, or online? Check all that apply.



Signature of Applicant

Evan Erickson

Printed Name

July 6, 2018

Date

OFFICE USE ONLY				
Board Meeting Date:		Approved Y/N?:		Course #:



Alaska Marijuana Handler Permit

Education Course Provider Application

 **Green CulturED**



July 6, 2018

Alcohol and Marijuana Control Office

Attn: Marijuana Control Board

550 West 7th Avenue, Suite 1600

Anchorage, Alaska 99501

To Marijuana Control Board:

Green CulturED is applying to be an Education Course Provider for the State of Alaska Marijuana Handler Permit. Issuing required course completion certificates for individuals interested in pursuing employment at a cannabis establishment; per AAC306.700 (a).

We are based in Denver, Colorado and Green CulturED will provide online course options for individuals to complete the handler permit education course. Individuals whom satisfactorily demonstrate an understanding of the required course material(s) will be issued course completion certificates; per AAC306.700 (b), so that these individuals may submit their certificate(s) of completion to the MCB Director for Handler Permit Cards; per AAC306.700 (c).

We understand that these Handler Permit Cards will be valid for a period of three years and that educational course material reviews(s) will take place at least once every three years and have our educational portal ready (<https://Learn.GreenCulturED.co>) to deploy courseware materials to individuals wishing to complete the handler certification course, per AAC306.700.

We are look forward to hearing from you and let us know if you have any questions.

Sincerely,



Evan Erickson | Chief Training Officer | Green CulturED

757 East 20th Avenue, Suite 370-439 | Denver, Colorado 80205

Evan.Erickson@GreenCulturED.co | (720) 984.8569



Alaska Marijuana Handler Outline (certification starts on Page 6)

Certification Description

In the state of Alaska, every licensee, employee, or agent of a marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor of a marijuana establishment, must complete a state approved Alaska Marijuana Handlers Certification and obtain a marijuana handler permit card from Alcohol and Marijuana Control Office (AMCO) before being licensed or beginning employment at a marijuana establishment. Marijuana handler permits are valid for three years from the date of issue.

3 AAC 306.700. MJ Handler Permit

(a) A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

(b) To obtain a marijuana handler permit, a person shall complete a marijuana handler permit education course approved by the board, pass a written test demonstrating an understanding of the course material, and obtain a certificate of course completion from the course provider. An approved marijuana handler permit education course must cover at least the following topics:

- (1) AS 17.37, AS 17.38, and 3 ACC 306.
- (2) The effects of consumption of marijuana and marijuana products.
- (3) How to identify a person impaired by consumption of marijuana.
- (4) How to determine valid identification.
- (5) How to intervene to prevent unlawful marijuana consumption.
- (6) The penalty for an unlawful act by a licensee, an employee, or an agent of a marijuana establishment.
- (7) A written test, demonstrating that each student has learned the information correctly.

(c) To obtain a marijuana handler permit, a person who has completed the marijuana handler permit course described under (b) of this section shall present the course completion certificate to the Marijuana Control Board. The Marijuana Control Board shall issue a marijuana handler permit



card valid for three years from the date of issue. A person may renew a card issued under this section by passing a written test demonstrating an understanding of the course subjects.

(d) A licensee, employee, or agent of a marijuana establishment shall keep the marijuana handler permit card described in section (c) in that person's immediate possession when on the licensed premises of the retail marijuana store.

(e) The board will review an approved marijuana handler permit education course at least once every three years, and may rescind approval of the course if the board finds that the education course contents are insufficient or inaccurate.

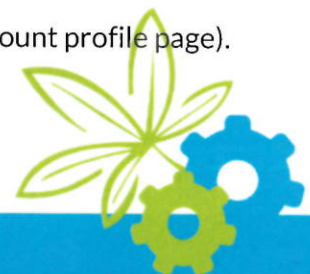
Certification Operational Features

Green CulturED will offer this Handler Permit Education Course to individuals via an online, enterprise learning management system (LMS) portal called Moodle (www.moodle.org) and will develop course curriculum that utilizes Microsoft PowerPoint and Articulate Storyline with Professional Voice-Over (VO), media and videos, relevant primary documentation (Standard Operating Procedures, distributed health information) that correspond to each section.

Our Instructional Designers use instructional technology as a method for developing instruction for the Alaska Marijuana Handler Permit Education Course. The instructional design models specify a method of delivering training, that if completed by learners it will facilitate the transfer of knowledge, skills and attitude to the acquirer of the instruction.

Students will be able to complete course modules in the order outlined in the application. The online format allows students to work at their own pace, each module requires them to pass a written test to ensure they fully understand the material before the next module becomes available.

- Be deployed online through a secure LMS using identifiable logins.
- Certification will be developed to meet American Disability Act (ADA) Section 508 Accessibility Compliance requirements for people with disabilities.
- Consist of written materials, handouts, videos, reading and summation.
- Once completed, individuals will be provided with certificate of completion. A minimum score of 84% is required on randomized final exam questions to complete the written tests and receive certificate.
- Timed slides to ensure minimum training time limits are achieved and the system allows user to log out and resume training where he/she left off.
- Randomized personalized security questions to ensure user integrity.
- Course documents available for download by user (located on user account profile page).
- Copy of AS 17.37 PDF available for download.
- Copy of updated AS 17.38 PDF available for download.
- Copy of 3 AAC 306 PDF available for download.



- Auto generated certificate PDF provided to user upon passing final exam.
- Seamless user account creation and 24 Hour technical support.
- Secure interface with extended validated SSL encryption.
- Course player compatible with all devices, browser programs and operating systems.

Section 1: Alaska State Law and Legal Penalties.

- Module 1: AS 17.37
- Module 2: AS 17.38
- Module 3: 3 AAC 306

Section 2: The effects of marijuana products.

- Module 1: The effects of consumption of marijuana and marijuana products.
- Module 2: How to identify a person impaired by consumption of marijuana.

Section 3: Determining valid identification and preventing unlawful marijuana consumption.

- Module 1: How to determine valid identification.
- Module 2: How to intervene to prevent unlawful act by a licensee, an employee, or an agent of a marijuana establishment.
- Module 3: The penalty for an unlawful act by a licensee, an employee, or an agent of a marijuana establishment.

Section 4: A written test, demonstrating that each student has learned the information correctly.

Assessment

A total of three (3) online written tests will be required for each section demonstrating that each student has satisfactorily demonstrated the required information and they will be given one (1) comprehensive written test upon completion of all training modules to obtain a certificate.



Alaska Marijuana Handler Certification

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Section 1, Module 1

Alaska Statutes (AS) 17.37

Learning Objectives

By the end of this module on Alaska Statutes, you will be able to:

- Explain registry of patients for medical use of marijuana
- Explain the requirements for listing as a caregiver
- Explain the issuance, use and revocation of a registry identification card
- Discuss privileged medical use of marijuana
- List the restrictions on medical use of marijuana

New Slide

Header: Registry of Patients and Listing of Caregivers

The department created and maintains a confidential registry of patients who have applied for and received a registry identification card according to the criteria set out. The registry must also contain the name of the primary caregiver and the name of the alternate caregiver of a patient, if either is designated by the patient. Only one primary caregiver and one alternate caregiver may be listed in the registry for a patient. The registry and the information contained within it are not a public record.

New Slide

Header: Registry of Patients and Listing of Caregivers

Peace officers and authorized employees of state or municipal law enforcement agencies will be granted access to the information contained within the department's confidential registry only:

- Verifying that an individual who has presented a registry identification card to a state or municipal law enforcement official is lawfully in possession of such card; or
- Determining that an individual who claims to be lawfully engaged in the medical use of marijuana is registered or listed with the department or is registered or listed.

A person, other than authorized employees of the department during their official duties, may not be permitted to gain access to names of patients, physicians, primary or alternate caregivers, or any information related to such persons maintained in connection with the department's confidential registry.

New Slide

Header: Registry of Patients and Listing of Caregivers

To be placed on the state's confidential registry for the medical use of marijuana, an adult patient or a parent or guardian of a minor patient will provide to the department:



1. A statement signed by the patient's physician stating:
 - Physician personally examined the patient and that the examination took place in the context of a bona fide physician-patient relationship and setting out the date the examination occurred.
 - Patient has been diagnosed with a debilitating medical condition.
 - Physician has considered other approved medications and treatments that might provide relief, that are reasonably available to the patient, and that can be tolerated by the patient, and that the physician has concluded that the patient might benefit from the medical use of marijuana.
2. A sworn application on a form provided by the department containing the following information:
 - Name, address, date of birth, and Alaska driver's license or identification card number of the patient.
 - Name, address, and telephone number of the patient's physician.
 - Name, address, date of birth, and Alaska driver's license or identification card number of the patient's primary caregiver and alternate caregiver if either is designated at the time of application, along with the statements required.

New Slide

Header: Registry of Patients and Listing of Caregivers

If the patient is a minor, a statement by the minor's parent or guardian that the patient's physician has explained the possible risks and benefits of medical use of marijuana and that the parent or guardian consents to serve as the primary caregiver for the patient and to control the acquisition, possession, dosage, and frequency of use of marijuana by the patient.

New Slide

Header: Registry of Patients and Listing of Caregivers

A person may be listed as the caregiver for a patient if the person submits a sworn statement on a form provided by the department that the person:

- Is at least 21 years of age.
- Has never been convicted of a felony offense, a law or ordinance of another jurisdiction with elements like an offense.
- Is not currently on probation or parole from this or another jurisdiction.

A person may be a caregiver for only one patient at a time unless the caregiver is simultaneously caring for two or more patients who are related to the caregiver by at least the fourth degree of kinship by blood or marriage.

New Slide

Header: Registry of Patients and Listing of Caregivers

The department will review the application and all information submitted within 30 days of receiving it. The department will notify the patient that the patient's application for a registry



identification card has been denied if the department's review of the information that the patient has provided discloses that the information required has not been provided or has been falsified or that the patient is not otherwise qualified to be registered.

If the department determines that the caregiver is not qualified to be a caregiver, or if the information has not been provided or has been falsified, the department will notify the patient of that determination and will proceed to review the patient's application as if a caregiver was not designated. The patient may amend the application and designate a new caregiver at any time. The department may not list a newly designated primary caregiver until it determines that the newly designated caregiver is qualified, and that the information required has been provided.

New Slide

Header: Registry of Patients and Listing of Caregivers

Otherwise, not more than five days after verifying the information, the department will issue a registry identification card to the patient, and, if a primary caregiver for a patient has been listed in the registry, the department will issue to the patient a duplicate of the patient's card clearly identified as the caregiver registry identification card, stating:

- Patient's name, address, date of birth, and Alaska driver's license or identification card number.
- Patient is registered with the department as a person who has a debilitating medical condition that the patient may address with the medical use of marijuana.
- Dates issued and expiration of the registry identification card.
- Name, address, date of birth, and Alaska driver's license or identification card number of the patient's primary caregiver and alternate caregiver.

New Slide

Header: Registry of Patients and Listing of Caregivers

If the department fails to deny the application and issue a registry identification card within 35 days of receipt of an application, the patient's application for the card is considered to have been approved. Receipt of an application will be considered to have occurred upon delivery to the department. If the department subsequently registers a patient or lists a caregiver, if either is designated, or denies the application or listing, that registration or listing or denial revokes the approval that is considered to have occurred.

A patient or a primary caregiver who is questioned by a state or municipal law enforcement official about the patient's or primary caregivers' medical use of marijuana will immediately show proper identification to the official and inform the official that the person is a registered patient or listed primary caregiver for a registered patient and either show the official the person's registry identification card, or a copy of an application that has been pending without registration or denial for over 35 days since received by the department and proof of the date of delivery to the department, which will be accorded the same legal effect as a registry identification card until the patient receives actual notice that the application has been denied.

New Slide



Header: Registry of Patients and Listing of Caregivers

A person may not apply for a registry identification card more than once every six months. The denial or revocation of a registry identification card or the removal of a patient from the registry or the listing of a caregiver will be considered a final agency action subject to judicial review. Only the patient, or the parent or guardian of a patient who is a minor, has standing to contest the final agency action.

When there has been a change in the name, address, or physician of a patient who has qualified for a registry identification card, or a change in the name or address of the patient's caregiver, that patient must notify the department of the change within 10 days. To maintain an effective registry identification card, a patient must annually re-submit updated written documentation, including a statement signed by the patient's physician containing the information required to be submitted to the department, as well as the name and address of the patient's caregiver, if any.

New Slide

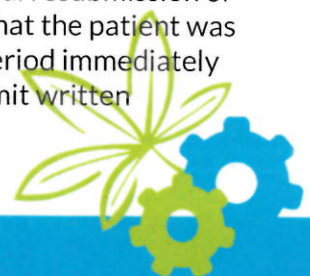
Header: Registry of Patients and Listing of Caregivers

- A patient who no longer has a debilitating medical condition and the patient's primary caregiver, if any, will return all registry identification cards to the department within 24 hours of receiving the diagnosis by the patient's physician.
- A copy of a registry identification card is not valid. A registry identification card is not valid if the card has been altered, mutilated in a way that impairs its legibility, or laminated.
- The department may revoke a patient's registration if the department determines that the patient has violated a provision.
- The department may remove a caregiver from the registry if the department determines that the caregiver is not qualified to be listed or has violated a provision.

New Slide

Header: Registry of Patients and Listing of Caregivers

- The department may determine and levy reasonable fees to pay for any administrative costs associated with its role in administering these laws.
- A primary caregiver may only act as the primary caregiver for the patient when the primary caregiver is in physical possession of the caregiver registry identification card. An alternate caregiver may only act as the primary caregiver for the patient when the alternate caregiver is in physical possession of the caregiver registry identification card.
- The department may not register a patient unless the statement of the patient's physician discloses that the patient was personally examined by the physician within the 16-month period immediately preceding the patient's application. The department will cancel, suspend, revoke, or not renew the registration of a patient whose annual resubmission of updated written documentation to the department does not disclose that the patient was personally examined by the patient's physician within the 16-month period immediately preceding the date by which the patient is required to annually re-submit written documentation.



New Slide**Header:** Privileged Medical Use of Marijuana

- A patient, primary caregiver, or alternate caregiver registered with the department has an affirmative defense to a criminal prosecution related to marijuana.
- Except as otherwise provided by law, a person is not subject to arrest, prosecution, or penalty in any manner for applying to have the person's name placed on the confidential registry maintained by the department.

New Slide**Header:** Privileged Medical Use of Marijuana

A physician is not subject to any penalty, including arrest, prosecution, or disciplinary proceeding, or denial of any right or privilege, for:

- Advising a patient whom the physician has diagnosed as having a debilitating medical condition about the risks and benefits of medical use of marijuana or that the patient might benefit from the medical use of marijuana, provided that the advice is based upon the physician's contemporaneous assessment in the context of a bona fide physician-patient relationship of:
 - The patient's medical history and current medical condition.
 - Other approved medications and treatments that might provide relief and that are reasonably available to the patient and that can be tolerated by the patient.
- Providing a patient with a written statement in an application for registration.

Notwithstanding the provisions, a person, including a patient, primary caregiver, or alternate caregiver, is not entitled to the protection for the person's acquisition, possession, cultivation, use, sale, distribution, or transportation of marijuana for nonmedical use.

New Slide**Header:** Restrictions on Medical Use of Marijuana

A patient, primary caregiver or alternate caregiver may not:

- Engage in the medical use of marijuana in a way that endangers the health or well-being of any person.
- Engage in the medical use of marijuana in plain view of, or in a place open to, the public; this paragraph does not prohibit a patient or primary caregiver from possessing marijuana in a place open to the public if:
 - Person possesses, in a closed container carried on the person, one ounce or less of marijuana in usable form.
 - Marijuana is not visible to anyone other than the patient or primary caregiver.
 - The possession is limited to that necessary to transport the marijuana directly to the patient or primary caregiver or directly to a place where the patient or primary caregiver may lawfully possess or use the marijuana.

**New Slide****Header:** Restrictions on Medical Use of Marijuana

A patient, primary caregiver, or alternate caregiver may not:

- Sell or distribute marijuana to any person, except that a patient may deliver marijuana to the patient's primary caregiver and a primary caregiver may deliver marijuana to the patient for whom the caregiver is listed.
- Possess in the aggregate more than:
 - One ounce of marijuana in usable form.
 - Six marijuana plants, with no more than three mature and flowering plants producing usable marijuana at any one time.

New Slide

Header: Restrictions on Medical Use of Marijuana

- Any patient found by a preponderance of the evidence to have knowingly violated the provisions will be precluded from obtaining or using a registry identification card for the medical use of marijuana for a period of one year.
- A governmental, private, or other health insurance provider is not liable for any claim for reimbursement for expenses associated with medical use of marijuana.
- Nothing requires any accommodation of any medical use of marijuana:
 - Any place of employment.
 - Correctional facility, medical facility, or facility monitored by the department or the Department of Administration.
 - On or within 500 feet of school grounds.
 - At or within 500 feet of a recreation or youth center.
 - On a school bus.

New Slide

Header: Addition of Debilitating Medical Conditions

The department will adopt regulations under Administrative Procedure Act governing the way it may consider adding debilitating medical conditions to the list. After the adoption of the regulations, the department will also accept for consideration physician or patient-initiated petitions to add debilitating medical conditions to the list provided and, after hearing, will approve or deny the petitions within 180 days of submission. The denial of a petition will be considered a final agency action subject to judicial review.



Section 1, Module 2

Alaska Statutes (AS) 17.38

Learning Objectives

By the end of this module on Alaska Statutes, you will be able to:

- Explain the provisions related to personal use of marijuana.
- Discuss lawful operation of marijuana-related facilities.
- Describe the regulations and functions of the Marijuana Control Board.
- Explain the role of the local government in prohibiting the operation of marijuana cultivation facilities.

New Slide

Header: Purpose and Findings

- In the interest of allowing law enforcement to focus on violent and property crimes, and to enhance individual freedom, the people of the state of Alaska find and declare that the use of marijuana should be legal for persons 21 years of age or older.
- In the interest of the health and public safety of our citizenry, the people of the state of Alaska further find and declare that the production and sale of marijuana should be regulated so that:
 - Individuals will have to show proof of age before purchasing marijuana.
 - Legitimate, tax paying business people, and not criminal actors, will conduct sales of marijuana.
 - Marijuana sold by regulated businesses will be labeled and subject to additional regulations to ensure that consumers are informed and protected.

New Slide

Header: Purpose and Findings

- The people of the state of Alaska further declare that the provisions of this Act are not intended to diminish the right to privacy as interpreted by the Alaska Supreme Court in *Ravin v. State of Alaska*.
- Nothing in this Act requires any individual or entity to engage in any conduct that violates federal law or exempt any individual or entity from any requirement of federal law or pose any obstacle to federal enforcement of federal law.

New Slide

Header: Personal Use of Marijuana

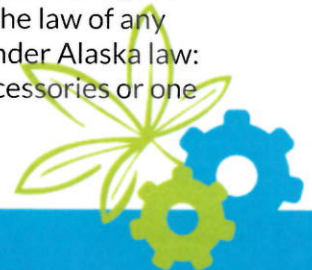
Notwithstanding any other provision of law, the following acts, by persons 21 years of age or older, are lawful and will not be a criminal or civil offense under Alaska law or the law of any political subdivision of Alaska or be a basis for seizure or forfeiture of assets under Alaska law:

- Possessing, using, displaying, purchasing, or transporting marijuana accessories or one ounce or less of marijuana.

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MARIJUANA CONTROL BOARD OFFICE
STATE OF ALASKA



- Possessing, growing, processing, or transporting no more than six marijuana plants, with three or fewer being mature, flowering plants, and possession of the marijuana produced by the plants on the premises where the plants were grown.
- Transferring one ounce or less of marijuana and up to six immature marijuana plants to a person who is 21 years of age or older without remuneration.
- Consumption of marijuana, except that nothing will permit the consumption of marijuana in public.
- Assisting another person who is 21 years of age or older in any of the acts described.

New Slide

Header: Restrictions on Personal Cultivation

- The personal cultivation of marijuana is subject to the following terms:
 - Marijuana plants will be cultivated in a location where the plants are not subject to public view without the use of binoculars, aircraft, or other optical aids.
 - A person who cultivates marijuana must take reasonable precautions to ensure the plants are secure from unauthorized access.
 - Marijuana cultivation may only occur on property lawfully in possession of the cultivator or with the consent of the person in lawful possession of the property.
- A person who violates this law is guilty of a violation punishable by a fine of up to \$750.

Public Consumption Banned

It is unlawful to consume marijuana in public. A person who violates this law is guilty of a violation punishable by a fine of up to \$100.

New Slide

Header: False Identification

- A person who is under 21 years of age may not present or offer to a marijuana establishment or the marijuana establishment's agent or employee any written or oral evidence of age that is false, fraudulent, or not actually the person's own, for:
 - Purchasing, attempting to purchase, or otherwise procuring or attempting to procure marijuana or marijuana products.
 - Gaining access to a marijuana establishment.
- A person who violates this law is guilty of a violation punishable by a fine of up to \$400.

New Slide

Header: Marijuana Accessories Authorized

It is lawful and will not be an offense under Alaska law or the law of any political subdivision of Alaska or be a basis for seizure or forfeiture of assets under Alaska law for persons 21 years of age or older to manufacture, possess, or purchase marijuana accessories, or to distribute or sell marijuana accessories to a person who is 21 years of age or older.

New Slide

Header: Lawful Operation of Marijuana-Related Facilities



The following acts, when performed by a retail marijuana store with a current, valid registration, or person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a retail marijuana store, are lawful and will not be an offense under Alaska law or be a basis for seizure or forfeiture of assets under Alaska law:

- Possessing, displaying, storing, or transporting marijuana or marijuana products, except that marijuana and marijuana products may not be displayed in a manner that is visible to the public from a public right-of-way.
- Delivering or transferring marijuana or marijuana products to a marijuana testing facility.
- Receiving marijuana or marijuana products from a marijuana testing facility.
- Purchasing marijuana from a marijuana cultivation facility.
- Purchasing marijuana or marijuana products from a marijuana product manufacturing facility.
- Delivering, distributing, or selling marijuana or marijuana products to consumers.

New Slide

Header: Lawful Operation of Marijuana-Related Facilities

The following acts, when performed by a marijuana cultivation facility with a current, valid registration, or person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a marijuana cultivation facility, are lawful and will not be an offense under Alaska law or be a basis for seizure or forfeiture of assets under Alaska law:

- Cultivating, manufacturing, harvesting, processing, packaging, transporting, displaying, storing, or possessing marijuana.
- Delivering or transferring marijuana to a marijuana testing facility.
- Receiving marijuana from a marijuana testing facility.
- Delivering, distributing, or selling marijuana to a marijuana cultivation facility, a marijuana product manufacturing facility, or a retail marijuana store.
- Receiving or purchasing marijuana from a marijuana cultivation facility.
- Receiving marijuana seeds or immature marijuana plants from person 21 years of age or older.

New Slide

Header: Lawful Operation of Marijuana-Related Facilities

The following acts, when performed by a marijuana product manufacturing facility with a current, valid registration, or person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a marijuana product manufacturing facility, are lawful and will not be an offense under Alaska law or be a basis for seizure or forfeiture of assets under Alaska law:

- Packaging, processing, transporting, manufacturing, displaying, or possessing marijuana or marijuana products.
- Delivering or transferring marijuana or marijuana products to a marijuana testing facility.
- Receiving marijuana or marijuana products from a marijuana testing facility.
- Delivering or selling marijuana or marijuana products to a retail marijuana store or a marijuana product manufacturing facility.
- Purchasing marijuana from a marijuana cultivation facility.



- Purchasing of marijuana or marijuana products from a marijuana product manufacturing facility.

New Slide

Header: Lawful Operation of Marijuana-Related Facilities

The following acts, when performed by a marijuana testing facility with a current, valid registration, or person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a marijuana testing facility, are lawful and will not be an offense under Alaska law or be a basis for seizure or forfeiture of assets under Alaska law:

- Possessing, cultivating, processing, repackaging, storing, transporting, displaying, transferring, or delivering marijuana.
- Receiving marijuana or marijuana products from a marijuana cultivation facility, a marijuana retail store, a marijuana products manufacturer, or person 21 years of age or older.
- Returning marijuana or marijuana products to a marijuana cultivation facility, marijuana retail store, marijuana products manufacturer, or person 21 years of age or older.

New Slide

Header: Lawful Operation of Marijuana-Related Facilities

- It is lawful and will not be an offense under Alaska law or be a basis for seizure or forfeiture of assets under Alaska law to lease or otherwise allow the use of property owned, occupied, or controlled by any person, corporation, or other entity for any of the activities conducted lawfully.
- Nothing prevents the imposition of penalties upon marijuana establishments for violating laws or rules adopted by the board or local governments.

New Slide

Header: Marijuana Control Board

- The Marijuana Control Board is established in the Department of Commerce, Community, and Economic Development as a regulatory and quasi-judicial agency. The board is in the Department of Commerce, Community, and Economic Development for administrative purposes only.
- The board members will be appointed by the governor and confirmed by most of the members of the legislature in joint session. A member of the board may not hold any other state or federal office, either elective or appointive. The board consists of five voting members as follows:
 - One person from the public safety sector.
 - One person from the public health sector.
 - One person currently residing in a rural area.
 - One person actively engaged in the marijuana industry.
 - One person who is either from the public or actively engaged in the marijuana industry.



New Slide

Header: Marijuana Control Board

- Not more than two members of the board may be engaged in the same business, occupation, or profession.
- A board member representing the public, the public safety sector, the public health sector, or a rural area, or the member's immediate family member, may not have a financial interest in the marijuana industry.

New Slide

Header: Terms of Office

- Members of the board serve staggered three-year terms.
- A member of the board serves until a successor is appointed.
- A vacancy occurring in the membership of the board will be filled within 30 days by appointment of the governor for the unexpired portion of the vacated term.
- A member who has served all or part of three successive terms on the board may not be reappointed to the board unless three years have elapsed since the person has last served on the board.
- The board will select a chair from among its members.

Per Diem and Expenses

Members of the board do not receive a salary but are entitled to per diem and travel expenses authorized for boards and commissions.

New Slide

Header: Meetings

- The board will meet at the call of the chair. The board will also meet at least once each year in each judicial district of the state to study and existing board regulations considering statewide and local issues. Unless impracticable, the board will hold its regular meetings at the same location as and within 24 hours of the regular meetings of the Alcoholic Beverage Control Board.
- Three members of the board constitute a quorum for the conduct of business. A majority of the whole membership of the board must approve applications for new licenses, renewals, transfers, suspensions, and revocations of existing licenses, and product approvals as provided in regulations adopted by the board.



New Slide

Header: Powers and Duties of the Board

The board will control the cultivation, manufacture, and sale of marijuana in the state. The board is vested with the powers and duties necessary to enforce. The board will:

- Propose and adopt regulations.
- Establish by regulation the qualifications for licensure including fees and factors related to the applicant's experience, criminal justice history, and financial interests.



- Review applications for licensure made and may order the executive director to issue, renew, suspend, or revoke a license authorized.
- Hear appeals from actions of the director and from actions of officers and employees charged with enforcing and the regulations adopted.

New Slide

Header: Powers and Duties of the Board

- When considering an application for licensure, the board may reduce the area to be designated as the licensed premises from the area applied for if the board determines that a reduction in area is necessary to ensure control over the sale and consumption of marijuana on the premises or is otherwise in the public interest.
- The board will adopt regulations in accordance with the Administrative Procedure Act.
- The board may employ, directly or through contracts with other departments and agencies of the state, enforcement agents and staff it considers necessary to carry out the purposes. The salaries of personnel of the board in the exempt service will be set by the Department of Administration.

New Slide

Header: Powers and Duties of the Board

The board will promptly notify all licensees and municipalities of major changes and to regulations adopted. However, if changes affect only specific classifications of licenses and permits, the board need only notify those licensees and municipalities directly affected by the changes. Current copies of the regulations adopted will be made available at all offices in the state of the Department of Commerce, Community, and Economic Development and the detachment headquarters and posts maintained by the division of Alaska state troopers in the Department of Public Safety.

New Slide

Header: Enforcement Powers

The director and the persons employed for the administration and enforcement may, with the concurrence of the commissioner of public safety, exercise the powers of peace officers when those powers are specifically granted by the board. Powers granted by the board may be exercised only when necessary for the enforcement of the criminally punishable provisions, other criminal statutes relating to substances or activities regulated or permitted, regulations of the board, and other criminally punishable laws and regulations relating to marijuana.



Next Slide

Header: Appointment and Removal of Director

- The director of the Alcoholic Beverage Control Board appointed will serve as the director of the board. The board may remove the director by a majority vote of the full membership of the board and a majority vote of the full membership of the Alcoholic Beverage Control Board. The governor may remove the executive director.



- The paid staff of the Alcoholic Beverage Control Board created will also be the staff for the board.

Next Slide**Header: Duties of Director**

The director will enforce regulations adopted by the board. The director will issue, renew, transfer, suspend, or revoke all licenses and permits and issue product approvals at the direction of the board. The board may delegate to the director the authority to temporarily grant or deny the issuance, renewal, or transfer of licenses and permits. The director's temporary grant or denial of the issuance, renewal, or transfer of a license or permit is not binding on the board. The board may delegate to the director any duty imposed except its power to propose and adopt regulations.

Next Slide**Header: Rulemaking**

The board will adopt regulations necessary for implementation and will not prohibit the operation of marijuana establishments, either expressly or through regulations that make their operation unreasonably impracticable. Such regulations will include:

- Procedures for the issuance, renewal, suspension, and revocation of a registration to operate a marijuana establishment, with such procedures subject to all requirements of the Administrative Procedure Act.
- A schedule of application, registration, and renewal fees, provided, application fees will not exceed \$5,000, with this upper limit adjusted annually for inflation, unless the board determines a greater fee is necessary to carry out its responsibilities.
- Qualifications for registration that are directly and demonstrably related to the operation of a marijuana establishment.
- Security requirements for marijuana establishments, including for the transportation of marijuana by marijuana establishments.
- Requirements to prevent the sale or diversion of marijuana and marijuana products to persons under the age of 21.
- Labeling requirements for marijuana and marijuana products sold or distributed by a marijuana establishment.
- Health and safety regulations and standards for the manufacture of marijuana products and the cultivation of marijuana.
- Reasonable restrictions on the advertising and display of marijuana and marijuana products.
- Civil penalties for the failure to comply with regulations made.

Next Slide**Header: Rulemaking**

To ensure that individual privacy is protected, the board will not require a consumer to provide a retail marijuana store with personal information other than government-issued identification to determine the consumer's age, and a retail marijuana store will not be required to acquire and record personal information about consumers.



Next Slide

Header: Marijuana Establishment Registrations

- Each application or renewal application for a registration to operate a marijuana establishment will be submitted to the board. A renewal application may be submitted up to 90 days before the expiration of the marijuana establishment's registration. When filing an application, the applicant will submit the applicant's fingerprints and the fees required by the Department of Public Safety for criminal justice information and a national criminal history record check. The board will forward the fingerprints and fees to the Department of Public Safety to obtain a report of criminal justice information and a national criminal history record check.
- The board will begin accepting and processing applications to operate marijuana establishments.

Next Slide

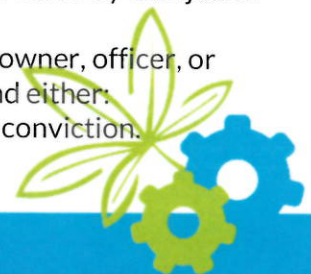
Header: Marijuana Establishment Registrations

- Upon receiving an application or renewal application for a marijuana establishment, the board will immediately forward a copy of each application and half of the registration application fee to the local regulatory authority for the local government in which the applicant desires to operate the marijuana establishment, unless the local government has not designated a local regulatory authority.
- Within 45 to 90 days after receiving an application or renewal application, the board will issue an annual registration to the applicant unless the board finds the applicant is not in compliance with regulations enacted or the board is notified by the relevant local government that the applicant is not in compliance with ordinances and regulations made and in effect at the time of application.

Next Slide

Header: Marijuana Establishment Registrations

- If a local government has enacted a numerical limit on the number of marijuana establishments and a greater number of applicants seek registrations, the board will solicit and consider input from the local regulatory authority as to the local government's preference for registration.
- Upon denial of an application, the board will notify the applicant in writing of the specific reason for its denial.
- Every marijuana establishment registration will specify the location where the marijuana establishment will operate. A separate registration will be required for each location at which a marijuana establishment operates.
- Marijuana establishments and the books and records maintained and created by marijuana establishments are subject to inspection by the board.
- A marijuana establishment may not be registered if a person who is an owner, officer, or agent of the marijuana establishment has been convicted of a felony and either:
 - Less than five years have elapsed from the time of the person's conviction.
 - The person is currently on probation or parole for that felony.



Next Slide

Header: Local Control

- A local government may prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores through the enactment of an ordinance or by a voter initiative. An established village may prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores.
- A local government may enact ordinances or regulations not in conflict or with regulations enacted, governing the time, place, manner, and number of marijuana establishment operations. A local government may establish civil penalties for violation of an ordinance or regulation governing the time, place, and manner of a marijuana establishment that may operate in such local government.

Next Slide

Header: Local Control

- A local government may designate a local regulatory authority that is responsible for processing applications submitted for a registration to operate a marijuana establishment within the boundaries of the local government. The local government may provide that the local regulatory authority may issue such registrations should the issuance by the local government become necessary because of a failure by the board to adopt regulations or process applications.
- A local government may establish procedures for the issuance, suspension, and revocation of a registration issued by the local government. These procedures will be subject to all requirements of the Administrative Procedure Act.
- A local government may establish a schedule of annual operating, registration, and application fees for marijuana establishments, provided, the application fee will only be due if an application is submitted to a local government and a registration fee will only be due if a registration is issued by a local government.

Next Slide

Header: Local Control

- If the board does not issue a registration to an applicant within 90 days of receipt of the application filed and does not notify the applicant of the specific, permissible reason for its denial, in writing and within such time period, or if the board has adopted regulations and has accepted applications but has not issued any registrations by 15 months after the effective date of this Act, the applicant may resubmit its application directly to the local regulatory authority and the local regulatory authority may issue an annual registration to the applicant. If an application is submitted to a local regulatory authority, the board will forward to the local regulatory authority the application fee paid by the applicant to the board upon request by the local regulatory authority.
- If the board does not adopt regulations, an applicant may apply directly to a local regulatory authority and the local regulatory authority may issue an annual registration to the applicant.



Next Slide**Header: Local Control**

- A local regulatory authority issuing a registration to an applicant will do so within 90 days of receipt of the submitted or resubmitted application unless the local regulatory authority finds and notifies the applicant that the applicant is not in compliance with ordinances and regulations in effect at the time the application is submitted to the local regulatory authority. The local government will notify the board if an annual registration has been issued to the applicant.
- A registration issued by a local government will have the same force and effect as a registration issued by the board. The holder of such registration will not be subject to regulation or enforcement by the board during the term of that registration.
- A subsequent or renewed registration may be issued on an annual basis only upon resubmission to the local government of a new application submitted to the board.

Next Slide**Header: Local Control**

- A subsequent or renewed registration may be issued on an annual basis if the board has not adopted regulations at least 90 days prior to the date upon which such subsequent or renewed registration would be effective or if the board has adopted regulations but has not, at least 90 days after the adoption of such regulations.
- Nothing will limit such relief as may be available to an aggrieved party under the Administrative Procedure Act.
- The exercise of the powers authorized by a borough may be exercised only on a "nonareawide" basis, which means throughout the area of a borough outside all cities in the borough.

Next Slide**Header: Employers, Driving, Minors, and Control of Property**

- Nothing is intended to require an employer to permit or accommodate the use, consumptions, possession, transfer, display, transportation, sale, or growing of marijuana in the workplace or to affect the ability of employers to have policies restricting the use of marijuana by employees.
- Nothing is intended to allow driving under the influence of marijuana or to supersede laws related to driving under the influence of marijuana.
- Nothing is intended to permit the transfer of marijuana, with or without remuneration, to a person under the age of 21.
- Nothing will prohibit a person, employer, school, hospital, recreation or youth center, correctional facility, corporation, or any other entity who occupies, owns, or controls private property from prohibiting or otherwise regulating the possession, consumption, use, display, transfer, distribution, sale, transportation, or growing of marijuana on or in that property.

Impact on Medical Marijuana Law

Nothing will be construed to limit any privileges or rights of a medical marijuana patient or caregiver.



Nest Slide

Header: Local Option Election by an Established Village

- If most of the voters voting on the question vote to approve the option, an established village will exercise a local option to prohibit the operation of one or more of the following types of marijuana establishments:
 - Marijuana cultivation facilities
 - Marijuana product manufacturing facilities
 - Marijuana testing facilities
 - Retail marijuana stores
- A ballot question to adopt a local option must at least contain language substantially like the following: "will (name of village) adopt a local option to prohibit (specify local option)?" With a "yes" or "no" answer for their response choices.

Next Slide

Header: Removal of Local Option

- If most of the voters voting on the question vote to remove the option, an established village will remove a local option previously adopted. The option is repealed effective the first day of the month following certification of the results of the election.
- A ballot question to remove a local option must at least contain language substantially like the following: "will (name of village) remove the local option currently in effect, that prohibits (current local option), so that there is no longer any local option in effect?" With a yes or no answer for their response choices.
- When issuing a registration in the area that has removed a local option, the board will give priority to an applicant who was formerly registered and whose registration was not renewed because of the results of the previous local option election. However, an applicant does not have a legal right to registration, and the board is not required to approve the application.

Next Slide

Header: Effect on Registrations of Prohibition of Marijuana Establishments

If most voters vote to prohibit the operation of marijuana establishments, the board may not issue, renew, or transfer, between persons or locations, a registration for a marijuana establishment located within the perimeter of the established village. A registration that may not be renewed because of a local option election is void 90 days after the results of the election are certified. A registration that expires during the 90 days after the results of a local option election are certified may be extended, until it is void by payment of a prorated portion of the annual registration fee.

Next Slide

Header: Prohibition of Sale and Manufacture After Election

- If most of the voters vote to prohibit the operation of marijuana establishments, a person may not knowingly sell or manufacture marijuana in the established village.



- If there are registered establishments within the established village, the prohibition on sale and manufacture is effective beginning 90 days after the results of the election are certified.
- Nothing prohibits the personal conduct that is authorized.
- A person who violates this law is guilty, upon conviction, of a class A misdemeanor. Each violation is a separate offense.

Next Slide

Header: Procedure for Local Option Elections

- An election to adopt a local option or remove a local option will be conducted as required.
- Upon receipt of a petition of 35 percent or more of the registered voters residing within an established village, the lieutenant governor will place on a separate ballot at a special election the local option or removal of local option that constitutes the subject of the petition. The lieutenant governor will conduct the election.
- An election to remove a local option may not be conducted during the first 24 months after the local option was adopted or more than once in a 36-month period.
- After a petition has been certified as sufficient to meet the requirements, another petition may not be filed or certified until after the question presented in the first petition has been voted on. A local option question to prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores or to prohibit all marijuana establishments may be presented in one election.

Next Slide

Header: Establishment of Perimeter of Established Village

- The perimeter of an established village is a circle around the established village that includes an area within a five-mile radius of the post office of the established village. If the established village does not have a post office, the perimeter of an established village is a circle around the established village that includes an area within a five-mile radius of another site selected by the local governing body or by the board if the established village does not have a local governing body.
- If the perimeter of an established village determined any area that is within the perimeter of another established village and, if the other established village has:
 - Also adopted a local option, the local option of the established village that is less restrictive applies in the overlapping area.
 - Not adopted a local option, the local option does not apply in the overlapping area.
- If the board determines that the perimeter of an established village does not accurately reflect the perimeter of the established village, the board may establish the perimeter of the established village and the areas of overlapping perimeter described for purposes of applying a local option.



Next Slide

Header: Notice of the Results of a Local Option Election



If most of the voters vote to adopt or remove a local option, the lieutenant governor will notify the board of the results of the election immediately after the results are certified. The board will immediately notify the Department of Law and the Department of Public Safety of the results of the election.

Next Slide

Header: Bail Forfeiture for Certain Offenses

The supreme court will establish by rule or order a schedule of bail amounts that may be forfeited without court appearance for a violation.



Section 1, Module 3

Alaska Statutes (AS) 3 AAC 306

Learning Objectives

At the end of this module on Alaska Statutes, you will be able to:

- Explain the marijuana establishment license requirements.
- Discuss the role of the local government in use of marijuana and any marijuana product.
- Explain the retail marijuana store license requirements.
- List the privileges of a licensed standard marijuana cultivation facility.
- List the marijuana product manufacturing facility privileges.
- Discuss the application process for marijuana testing facility license.
- Describe the operating requirements for all marijuana establishments.
- List the conditions for suspension or revocation of a marijuana establishment license.

Next Slide

Header: Article 1: Licensing

Next Slide

Header: License Required

A marijuana establishment may not operate in the state unless it has obtained the applicable marijuana establishment license from the board. The board will issue the following marijuana establishment licenses:

- Retail marijuana store license.
- Marijuana cultivation facility license.
- Marijuana product manufacturing facility license.
- Marijuana testing facility license.

Next Slide

Header: License Restrictions

- The board will not issue a marijuana establishment license if the licensed premises will be located within 500 feet of a school ground, a recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility. The distance must be measured by the shortest pedestrian route from the public entrance of the building in which the licensed premises would be located to the outer boundaries of the school ground, the outer boundaries of the recreation or youth center, the main public entrance of the building in which religious services are regularly conducted, or the main public entrance of the correctional facility. This does not prohibit the renewal of an existing marijuana establishment license or the transfer of an existing marijuana establishment license to another person if the licensed premises were in use before the school ground.



recreation or youth center, the building in which religious services are regularly conducted, or a correctional facility began use of a site within 500 feet.

Next Slide

Header: License Restrictions

- If an existing marijuana establishment license for premises located within 500 feet of a school ground, a recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility is revoked or expires, the board will not issue another marijuana establishment license for the same premises unless the school ground, the recreation or youth center, the building in which religious services are regularly conducted, or the correctional facility no longer occupies the site within 500 feet.
- The board will not issue a marijuana establishment license if the licensed premises will be in a liquor license premises.
- The board will not issue a marijuana establishment license when a local government protests an application claiming the applicant's proposed licensed premises are in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

Next Slide

Header: License Restrictions

The board will not issue a marijuana establishment license to a person that:

- Is prohibited from receiving a marijuana establishment license because of a conviction of a felony; if the applicant is a partnership, limited liability company, or corporation, the board will not issue a license if any person named is prohibited by law from obtaining a license, "conviction of a felony" includes a suspended imposition of sentence.
- Has been guilty of:
 - Selling alcohol without a license.
 - Selling alcohol to an individual under 21 years of age.
 - A misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the preceding five years.
- Has, within two years before applying, been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed contrary to Alaska laws.

Next Slide

Header: License Conditions

The board will issue each marijuana establishment license to a specific individual, to a partnership, including a limited partnership, to a limited liability company, to a corporation, or to a local government. A person other than a licensee may not have a direct or indirect financial interest in the business for which a marijuana establishment license is issued. The board will not issue a marijuana establishment license to:



- Individual or a sole proprietorship unless the individual or proprietor is a resident of the state.
- Partnership unless each partner is a resident of the state.
- Limited liability company unless the limited liability company is qualified to do business in the state and each member of the limited liability company is a resident of the state.
- Corporation unless the corporation is incorporated or qualified to do business in the state and each shareholder is a resident of the state.

Next Slide

Header: License Conditions

The board will issue each license for a specific location identified on the license as the licensed premises. A marijuana establishment must have a right to possession of its licensed premises always and may not lease its licensed premises to another person for any reason. If a marijuana establishment wishes to reduce or expand the area of the licensed premises used for a marijuana establishment, the marijuana establishment must submit a new line drawing showing the proposed changes to the premises and must obtain the board's written approval. A marijuana establishment may not relocate its licensed premises to a different place without obtaining a license for the new premises.

- The board will impose other conditions or restrictions on a license issued when it finds that it is in the interests of the public to do so.

Next Slide

Header: Application for New License

An applicant for a new marijuana establishment license must file an application, on a form the board prescribes, with the information and documents, along with the application fee and the annual license fee set, and the fingerprint cards and fees required. The application must be initiated electronically; the completed application and fees may be filed electronically or mailed or delivered to the director at the office of the board.

Next Slide

Header: Application for New License

An application for a new marijuana establishment license must include:

- Name of the applicant and any business name the applicant will use for the proposed marijuana establishment, along with the applicant's state business license number issued
- The name, mailing address, telephone number, and social security number of each proposed licensee and each affiliate of each proposed licensee; unless the context requires otherwise, "licensee" means everyone named in an application that complies with law; an individual to be identified as a licensee includes if the applicant is:
 - An individual or a sole proprietor, the individual or sole proprietor.
 - The applicant is a partnership, including a limited partnership, each partner holding any interest in the partnership.
 - A limited liability company, each member holding any ownership interest.
 - A corporation, each owner of any of the corporation's stock.



- A local government, an authorized official of the local government.

Next Slide

Header: Application for New License

For each applicant that is not an individual, the applicable documents and information as follows:

- For a partnership, including a limited partnership, the partnership agreement, the name of each general or managing partner, and a list of all partners with the percentage of ownership of each partner.
- For a limited liability company, the limited liability company agreement, and a list of all members with the percentage of ownership of each member.
- For a corporation, the certificate of incorporation, the name of each corporate officer, and a list of all shareholders with the percentage of ownership of each shareholder.
- For a local government, a resolution of the governing body approving the application and designating an official responsible for the proposed marijuana establishment.

Next Slide

Header: Application for New License

- For each person listed in compliance with law, a statement of financial interest on a form the board prescribes.
- For each applicant that is not an individual, the name of the individual licensee or designated government official listed in the application who is responsible for:
 - Management of the marijuana establishment.
 - Compliance with state laws.
- An electronic mail address at which the applicant agrees to receive any correspondence from the board before and after it receives a license; an applicant and a licensee must ensure that any electronic mail address provided to the board is current so that the board can contact the applicant or licensee at any time.
- The type of license the applicant is requesting.
 - The address of the premises to include global positioning system (GPS) coordinates where the applicant intends to operate a marijuana establishment, and a detailed diagram of the proposed licensed premises; the diagram must show all entrances and boundaries of the premises, restricted access areas, and storage areas.
- The title, lease, or other documentation showing the applicant's right to possession of the proposed licensed premises.
- Affidavit showing where and when the applicant posted notice of the application, and proof of advertising as required.

Next Slide

Header: Application for New License

Additional information that the board requires as follows for a:

- Retail marijuana store.
- Marijuana cultivation facility.
- Marijuana product manufacturing facility.



- Marijuana testing facility.

A marijuana establishment license application must include the applicant's operating plan, in a format the board prescribes, describing to the board's satisfaction the proposed marijuana establishment's plans for:

- Security.
- Inventory tracking of all marijuana and marijuana products on the premises.
- Employee qualification and training.
- Waste disposal.
- Transportation and delivery of marijuana and marijuana products.
- Signage and advertising.

Next Slide

Header: Application for New License

An application for a marijuana establishment license must be signed by:

- The applicant, if the applicant is an individual.
- An authorized general partner if the applicant is a partnership, including a limited partnership.
- A member who owns at least 10 percent of the limited liability company if the applicant is a limited liability company.
- The authorized officers of the corporation if the applicant is a corporation.
- A designated official if the applicant is a local government.

Each person signing an application for a marijuana establishment license must declare under penalty of unsworn falsification that:

- Application is true, correct, and complete.
- Applicant has read and is familiar with Alaska laws.
- Applicant will provide all information the board requires in support of the application.

Next Slide

Header: Application Procedure

An applicant must initiate a new marijuana establishment license application on a form the board prescribes, using the board's electronic system. As soon as practical after initiating a new marijuana license application, the applicant must give notice of the application to the public by:

- Posting a copy of the application, on the form the board prescribes, for 10 days at:
 - The location of the proposed licensed premises.
 - One other conspicuous location in the proposed premises.
- Publishing an announcement once a week for three consecutive weeks in a newspaper of general circulation in the area; in an area where no newspaper circulates, the applicant must arrange for broadcast announcements on a radio station serving the local area where the proposed licensee seeks to operate twice a week for three successive weeks during triple A advertising time; the newspaper or radio notice must state:
 - Name of the applicant.
 - Name and location of the proposed premises.



- Type of license applied for along with a citation to a provision of this law authorizing that type of license.
- A statement that any comment or objection may be submitted to the board.

Next Slide

Header: Application Procedure

Submit a copy of the application on the form the board prescribes to:

- Each local government with jurisdiction over the licensed premises.
- Any community council in the proposed licensed premises.



After the applicant completes the notice requirements and submits each remaining application requirements, the applicant must pay the application and licensing fees. The applicant must then use the board's electronic system to inform the board that the applicant has submitted a complete application.

Next Slide

Header: Application Procedure

When the director receives an application for a marijuana establishment license, the director will 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 will immediately give written notice to:

- The applicant.
- Each local government with jurisdiction over the applicant's proposed licensed premises
- The community council if the proposed licensed premises are located within the boundary of a community council established by municipal charter or ordinance.
- Any nonprofit community organization that has requested notification in writing.

Next Slide

Header: Application Procedure

If an application for a marijuana establishment license is incomplete, the director will notify the applicant by electronic mail at the address provided by the applicant and will either:

- Return an incomplete application in its entirety.
- Request the applicant to provide additional identified items needed to complete the application.

When the director informs an applicant that its application is incomplete, the applicant must complete the application not later than 90 days after the date of the director's notice. If an applicant fails to complete its application during the 90-day period after the director's notice, the applicant must file a new application and pay a new application fee to obtain a marijuana establishment license.

Next Slide



Header: Petition for License in Area with No Local Government

- Board will not approve a new license in an area outside, but within 50 miles of, the boundary of a local government unless the board receives a petition to issue the license signed by most of the permanent residents residing within one mile of the proposed premises.
- Board will not approve a new license in an area that is 50 miles or more from the boundary of a local government unless the board receives a petition to issue the license containing the signatures of two-thirds of the permanent residents residing within a radius of five miles of the United States post office station nearest to the proposed licensed premises.
- If there is no United States post office station within a radius of five miles of the proposed licensed premises, the petition must be signed by two-thirds of the permanent residents residing within a five-mile radius of the proposed licensed premises.
- A petition authorized must be on a form the board prescribes.
- The applicant must obtain the required signatures within the 90-day period immediately before submitting the petition to the board.
- A signature may not be added to or removed from the petition after the board has approved the application.

Next Slide**Header: Application for Renewal of License**

On or before May 1 of each year, the director will send notice that a marijuana establishment must file a renewal application not later than June 30 of the current year. The director will send the notice to the marijuana establishment's electronic mailing address on file with the board. In the notice the director will include a hyperlink for the marijuana establishment to access the electronic renewal application by means of the Internet, along with instructions on using and submitting the form. The marijuana establishment must submit the completed renewal application electronically, along with the license renewal fee, to the director not later than June 30 of each year. If June 30 falls on a Saturday or Sunday, the deadline is extended to 4:30 p.m. on the first business day following June 30. A marijuana establishment must maintain a current electronic mailing address on file with the director. A marijuana establishment is not excused from filing a renewal application even if the marijuana establishment fails to receive a renewal notice from the director.

Next Slide**Header: Application for Renewal of License**

A marijuana establishments' renewal application must:

- Identify the license sought to be renewed by license number, license type, establishment name, and premises address.
- Provide the information required for a new license application.
- Report any change from the marijuana establishment's new license application or last renewal application, and pay the fee for board review of any change in:
 - Name of the marijuana establishment business.



- Licensed premises from the last diagram submitted.
 - Marijuana establishment's operating plan.
 - Any new product a licensed marijuana product manufacturing facility wishes to produce.
- Report, for each licensee:
 - Any criminal charge on which that licensee has been convicted in the previous two calendar years.
 - Any civil violation in the previous two calendar years.
- Declare under penalty of unsworn falsification that:
 - Application is true, correct and complete.
 - Applicant has read and is familiar with Alaska laws.
 - Applicant will provide all information the board requires in support of the renewal application.

Next Slide

Header: Application for Renewal of License

If the director determines that the renewal application is complete, the director will give written notice of a renewal application to:

- The applicant.
- Each local government with jurisdiction over the applicant's proposed licensed premises
- Community council if the proposed licensed premises.
- are located within the boundary of a community council established by municipal charter or ordinance.
- Any nonprofit community organization that has requested notification in writing.

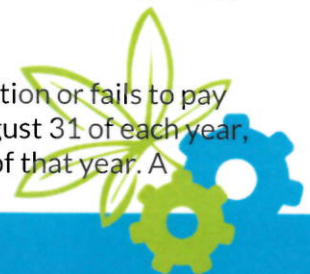
The director may require an applicant for renewal of a license to submit fingerprints and pay fees as required. A licensee that does not deliver a renewal application to the director on or before June 30 of each year is delinquent and must pay the late renewal application fee with the renewal application.

Next Slide

Header: Application for Renewal of License

On or before August 15 of each year, the director will deliver a notice of expiration to each marijuana establishment that has not filed a complete application for renewal of a license, along with any applicable affidavit and the required fee, unless the marijuana establishment has notified the director that it does not intend to seek a renewal of its license. The director will deliver the notice of expiration to the electronic mail address the marijuana establishment has provided to the director. A marijuana establishment is not excused from filing a license renewal application not later than August 31 of each year even if the marijuana establishment does not receive the notice of expiration.

If a marijuana establishment fails to deliver a complete license renewal application or fails to pay the required renewal fee and the late renewal application fee on or before August 31 of each year, that marijuana establishment license expires at 12:00 midnight on August 31 of that year. A



holder of an expired license will immediately surrender the license to the board. Any holder of an expired license that seeks authority to operate must file a complete new application along with the required fees.

Next Slide

Header: Ownership Change to be Reported

- A licensed marijuana establishment will, not later than 10 days after an ownership change, report the change on a form prescribed by the board.
- If any change required to be reported will result in a change in controlling interest of the marijuana establishment license, the marijuana establishment must file an application for transfer of license to another person.
- An individual identified will submit the individual's fingerprints and the fees required by the Department of Public Safety for criminal justice information. The director will follow the procedure for submitting the fingerprints of any individual added.

Next Slide

Header: Ownership Change to be Reported

"Ownership change" means:

- If the licensee is a partnership, including a limited partnership, any change in the identity of the partners, or in the ownership percentages held by any partners.
- If the licensee is a limited liability company, any change in the identity of the members, or in the ownership percentage held by any member.
- If the licensee is a corporation, any sale of corporate stock to a person not currently an owner, or any change of the percentage ownership of an existing shareholder.



Next Slide

Header: Application for Transfer of a License to Another Person

A person may not receive or transfer a marijuana establishment license or a controlling interest in a marijuana establishment license issued to a partnership, including a limited partnership, a limited liability company, a corporation, or a local government, without applying for and receiving the written consent of the board. Transfer of a license includes a sale of all or part of the interest of an individual owner.

Next Slide

Header: Application for Transfer of a License to Another Person

An application for transfer of a marijuana establishment license, or of a controlling interest in a marijuana establishment license issued to a partnership, a limited liability company, a corporation, or a local government, must be filed in writing on a form the board prescribes, in compliance with the application procedure. The application must name the current holder of the marijuana establishment license and the proposed transferee, including all persons if the transferee is a partnership, limited liability company, a corporation, or a local government. The application must contain:



- The same information about each transferee as is required of an applicant for a new license.
- A statement, under oath, executed by the current holder of the marijuana establishment license, listing all debts of the business, all taxes the business owes, current contact information for each creditor, and an affirmation that the current holder of the marijuana establishment license has submitted a copy of the transfer application to all creditors.
- Any other information required by the board for the type of marijuana establishment license sought to be transferred.

Next Slide

Header: Application for Transfer of a License to Another Person

When the board receives a complete application for transfer of a license to another person, the director will immediately send written notice of the proposed transfer to:

- Each listed creditor of the current holder of the marijuana establishment license, along with the amount shown as owed to that creditor.
- Each local government with jurisdiction over the applicant's proposed licensed premises.
- The community council if the licensed premises are located within the boundary of a community council established by municipal charter or ordinance.
- Any nonprofit community organization that has requested notification in writing.

A current holder of a marijuana establishment license must submit a license renewal application before or at the same time as an application for a transfer of a marijuana establishment license that is submitted after April 30 and before July 1.

Next Slide

Header: Relocation of Licensed Premises Not Allowed

A marijuana establishment license may not be relocated to any other premises. A holder of a marijuana establishment license that wishes to operate a marijuana establishment at a different location must submit a new application for any new premises and must surrender an existing license for any premises where the marijuana establishment does not intend to continue its operation.

Next Slide

Header: Criminal Justice Information and Records

- When filing an application for a new marijuana establishment license or transfer of a license, the applicant, including everyone listed, must submit the person's fingerprints and the fees required by the Department of Public Safety for criminal justice information.
- The director will submit the fingerprints to the Department of Public Safety to obtain a report of criminal justice information. The board will use the information obtained to determine if an applicant is qualified for a marijuana establishment license.
- "Criminal justice information" means any of the following, other than a court record, a record of traffic offenses maintained for regulating drivers' licenses, or a record of a juvenile subject to the jurisdiction of a court:



- Criminal history record information.
- Non-conviction information.
- Correctional treatment information.
- Information relating to a person to be located, whether that person is wanted in connection with the commission of a crime.

Next Slide**Header: Protest by Local Government**

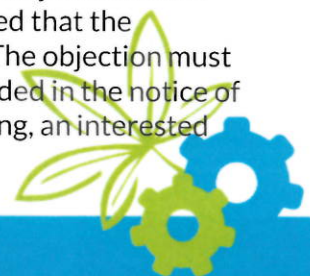
Not later than 60 days after the director sends notice of an application for a new marijuana establishment license, renewal of a marijuana establishment license, or transfer of a marijuana establishment license to another person, a local government may protest the application by sending the director and the applicant a written protest and the reasons for the protest. The director may not accept a protest received after the 60-day period. If a local government protests an application for a new or renewal license or for a transfer of a license to another person, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

Next Slide**Header: Protest by Local Government**

- A local government may recommend that the board approve an application for a new license, renewal of a license, or transfer of a license to another person subject to a condition. The board will impose a condition a local government recommends unless the board finds the recommended condition is arbitrary, capricious, and unreasonable. If the board imposes a condition a local government recommends, the local government will assume responsibility for monitoring compliance with the condition unless the board provides otherwise.
- If a local government determines that a marijuana establishment has violated a provision of Alaska laws, or a condition the board has imposed on the licensee, the local government may notify the board. Unless the director finds that the local government's notice is arbitrary, capricious, and unreasonable, the director will prepare the determination as an accusation against the licensee and conduct proceedings to resolve the matter.
- "Local government" means each local government with jurisdiction over the licensed premises.

Next Slide**Header: Public Participation**

A person may object to an application for a new license, renewal of a license, or transfer of a license to another person by submitting a written statement of reasons for the objection to the board and the applicant not later than 30 days after the director has determined that the application is complete and has given written notice to the local government. The objection must be sent to the applicant at the mailing address or electronic mail address provided in the notice of application and to the board. If the board determines to conduct a public hearing, an interested person may give oral testimony at the public hearing.



Next Slide

Header: Hearing on Public Protest

The board may, on its own initiative or in response to an objection or protest, hold a hearing to ascertain the reaction of the public or a local government to an application. The director will send notice of a hearing as provided in the Administrative Procedure Act.

Next Slide

Header: Procedure for Action on License Application

- The board will decide whether to grant or deny an application not later than 90 days after receiving the complete application. However, the board will not grant or deny the application before the time allowed for a protest, unless the local government waives its right to protest.
- Not later than seven days before the date set for board action on an application for a new license, renewal of a license, or transfer of a license to another person, the director will post a meeting agenda listing the matters scheduled for action at that meeting. The board may review an application for a new license, renewal of a license, or transfer of a license to another person, without additional notice to the applicant.
- The board will consider any written objection, protest, suggested condition, or petition, and will consider any testimony received at a hearing on public protest held when it considers the application. The director will retain the written objection, protest, or suggested condition or petition, and the hearing record as part of the permanent record of the board's review of an application.

Next Slide

Header: Denial of License Application

After review of the application, including the applicant's proposed operating plan and all relevant information, the board will deny an application for a new license if the board finds that:

- Application is not complete as required or contains any false statement of material fact.
- License would violate any restriction in Alaska laws.
- License would violate any restriction applicable to the license type authorized.
- The license is prohibited because of an ordinance or election conducted.
- Board finds that the operating plan does not adequately demonstrate that the applicant will comply with applicable provisions.
- License would not be in the best interests of the public.

Next Slide

Header: Denial of License Application

After review of the application and all relevant information, the board will deny an application for renewal of a marijuana establishment license if the board finds:

- Any cause listed.



- That the license has been revoked for any cause.
- That the license has been operated in violation of a condition or restriction the board previously imposed.
- That the applicant is delinquent in the payment of taxes due in whole or in part from operation of the licensed business.

Next Slide**Header: Denial of License Application**

After review of the application and all relevant information, the board will deny an application for transfer of license to another person if the board finds:

- Any cause listed.
- That the transferor has not paid all debts or taxes arising from the operation of the business licensed unless the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority.
- That transfer of the license to another person would result in violation of the provisions of laws relating to identity of licensees and financing of licensees.
- That the prospective transferee does not have the qualifications of an original applicant required.

Next Slide**Header: Denial of License Application**

If the board denies an application for a new license, renewal of a license, or transfer of a license to another person, the board will, not later than 15 days after the board meeting at which the application was denied, furnish a written statement of issues to the applicant, explaining the reason for the denial in clear and concise language, and identifying any statute or regulation on which the denial is based. In the notice of denial, the board will inform the applicant of the right to an informal conference and to a formal hearing.

Next Slide**Header: Informal Conference**

- If an applicant for a new license, renewal of a license, or transfer of a license to another person is aggrieved by an action of the board denying the application, the applicant may, not later than 15 days after the date of the written notice of denial, request an informal conference with the director or the board. An informal conference requested must be held at a time and place convenient to the applicant and the board, but not later than the next scheduled meeting of the board. An informal conference may be conducted telephonically.
- If the informal conference does not resolve the matter to the applicant's satisfaction, the applicant may, not later than 15 days after the last day of the informal conference, request a formal hearing by filing a notice of defense in compliance with Alaska law.

Next Slide**Header: Formal Hearing**

- If an applicant for a new license, renewal of a license, or transfer of a license is aggrieved by an action of the board denying the application, the applicant may request a formal hearing by filing a notice of defense in compliance with Alaska laws not later than 15 days after the date of the written notice of the denial, or as provided if the applicant requested and participated in an informal conference. Failure to file a notice of defense as provided by law constitutes a waiver of the right to a formal hearing.
- When an aggrieved person requests a hearing, the board may request the office of administrative hearings to conduct the hearing in compliance with due process.

Next Slide

Header: Appeals

- An aggrieved applicant or marijuana establishment license holder may appeal to the board regarding any action of the director, or an employee or agent of the board regarding an application for a new license, a license renewal, or a transfer of license to another person.
- An applicant or marijuana establishment license holder aggrieved by a final decision of the board regarding an application for a new license, a license renewal, or a transfer of license to another person may appeal to the superior court.

Next Slide

Header: Fees

- The non-refundable application fee for a new marijuana establishment license or an application to transfer a license to another person is \$1,000.
- The non-refundable application fee for a license renewal application is \$600. If a renewal application is late as provided, an additional non-refundable late renewal application fee is \$1,000.

Next Slide

Header: Fees

The non-refundable fee to request board approval of a change in a licensed marijuana establishment's business name, ownership, licensed premises diagram, operating plan, or proposed new marijuana product is \$250. A change fee does not apply to an application for transfer of a license or a transfer of controlling interest to another person. The annual license fee, to be paid with each application for a new marijuana establishment facility license and each license renewal application is:

- Retail marijuana store license is \$5,000.
- A limited marijuana cultivation facility license is \$1,000.
- Marijuana cultivation facility license is \$5,000.
- Marijuana concentrate manufacturing facility license is \$1,000.
- Marijuana product manufacturing facility license is \$5,000.
- Marijuana testing facility license is \$1,000.

Next Slide

Header: Fees



- The fee for a marijuana handler permit card is \$50.
- If the board denies an application for a license or for renewal of a license, the board will refund the annual license fee. The board will not refund a license fee after the license has been issued.
- Processing fees for late renewal after failure to pay taxes are as follows:
 - If a licensee pays its delinquent tax after a local government protests renewal of the license, but before the board denies license renewal is \$200.
 - If a licensee pays its delinquent tax after appealing the board's denial of a license renewal, but before a hearing officer is appointed to hear the applicant's appeal is \$500.
 - If a licensee pays its delinquent tax after appealing the board's denial of a license renewal, but before the administrative hearing begins is \$5,000.
 - If a licensee pays its delinquent tax after an administrative hearing that results in a hearing officer recommendation to deny the license renewal is \$10,000.

Next Slide

Header: Article 2: Local Options

Next Slide

Header: Local Options

- If most of the persons voting on the question vote to approve the option, or if a local government's assembly or city council passes an ordinance to the same effect, the local government will adopt a local option to prohibit:
 - Sale or importation for sale of marijuana and any marijuana product.
 - Operation of any marijuana establishment, including one or more of the following license types:
 - Retail marijuana store
 - Marijuana cultivation facility
 - Marijuana product manufacturing facility
 - Marijuana testing facility
- A ballot question to adopt a local option must at least contain language substantially like: "will (name of local government) adopt a local option to prohibit (local option)?" With a yes or no answer for their response choices.
- The ballot for an election on the options set out must include a brief explanation of the activity that each license type on the ballot may carry out.

Next Slide

Header: Local Options

- If a local government dissolves, any marijuana establishment license issued to that local government expires when the local government dissolves.
- A local government may not prohibit the personal use and possession of marijuana and marijuana products as authorized.



- Nothing precludes a local government from applying for a marijuana establishment license under other provisions of Alaska laws.

Next Slide

Header: Change of Local Option

If most persons voting on the question vote to approve a local option different from one previously adopted and currently in effect, or if the local government's assembly or city council passes an ordinance to the same effect, the local government will change the local option to the newly approved option. A ballot question to change a local option must at least contain language substantially like: "will (name of local government) change the local option currently in effect, that prohibits (current local option), and adopt in its place a local option to prohibit (proposed local option)?" With a yes or no answer for their response choices.

Next Slide

Header: Removal of Local Option

- If most of the persons voting on the question vote to remove a local option previously adopted and currently in effect, or if a local government's assembly or city council passes an ordinance to the same effect, that local option is repealed effective the first day of the month after the election is certified. A ballot question to remove a local option must at least contain language substantially like: "will (name of local government) remove the local option currently in effect, that prohibits (current local option), so that no local option continues in effect?" With a yes or no answer for their response choices.
- When issuing a license within the boundaries of a local government that has removed a local option, the board will give priority to any formerly licensed applicant whose license was not renewed because of the results of the previous local option election. However, an applicant does not have a legal right to a license and the board is not required to approve the application.

Next Slide

Header: Procedure for Local Option Election

When it receives a petition to adopt, change, or remove a local option, the local government will conduct the election in compliance with the initiative process under the local government's election ordinances and regulations and the applicable provisions of Alaska laws.

Next Slide

Header: Prohibition of Importation or Purchase After Election

- If most of the voters vote to prohibit the importation for sale of marijuana and any marijuana product, or if the local government's assembly or city council passes an ordinance to the same effect, a person, beginning on the first day of the month after the results of the election are certified, may not knowingly bring, send, or transport marijuana or marijuana products for sale into the area within the boundary of the local government.



- A person who resides within the boundary of a local government that has adopted a local option may not purchase marijuana or a marijuana product from another person that has brought, sent, or transported marijuana or a marijuana product into the local government for sale in violation of the local option.
- A licensed marijuana establishment may transport marijuana or any marijuana product through the boundaries of a local government that has prohibited importation or purchase of marijuana if the marijuana or marijuana product is shipped with an attached transport manifest created in compliance and documenting that the shipment originates and terminates in a place that does not prohibit importation and purchase of marijuana or a marijuana product.

Next Slide

Header: Effect on Licenses of Restriction on Sale

If most of the voters vote to prohibit sale of marijuana and marijuana products or the operation of marijuana establishments, or if the assembly or city council passes an ordinance to the same effect, the board will not issue, renew, or transfer to another person a license for a marijuana establishment with premises located within the boundary of the local government. A license for a marijuana establishment within the boundary of the local government is void 90 days after the results of the election are certified, or after the effective date of an ordinance to the same effect if the local government opted out by ordinance. A license that expires during the 90 days after the certification of a local option election, or during the period between passage of an ordinance to the same effect and the effective date of that ordinance, may be extended until it is void, by payment of a prorated portion of the annual license fee.

Next Slide

Header: Notice of the Results of a Local Option Election

If most of the voters vote to adopt, change, or remove a local option or if the assembly or city council passes an ordinance to the same effect, the board will notify the Department of Law and the Department of Public Safety of the results of the election.

Next Slide

Header: Article 3: Retail Marijuana Stores

Next Slide

Header: Retail Marijuana Store License Required

Except as permitted by Alaska law, a person may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or any marijuana product to a consumer unless the person has obtained a retail marijuana store license from the board in compliance with laws or is an employee or agent acting for a licensed retail marijuana store operating in compliance. A person seeking a retail marijuana store license must apply for a retail marijuana store license on a form the board prescribes, including the information set out and:

- Demonstrate, to the board's satisfaction, that the applicant will operate in compliance with each applicable provision of Alaska laws.



- Each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.

A licensee of any retail marijuana store, or an employee or agent of a retail marijuana store, may not have an ownership interest in, or a direct or indirect financial interest in a licensed marijuana testing facility.

Next Slide

Header: Retail Marijuana Store Privileges

A licensed retail marijuana store is authorized to:

- Sell marijuana purchased from a licensed marijuana cultivation facility, packaged and labeled in an amount not exceeding the limit set out, to an individual on the licensed premises for consumption off the licensed premises.
- Sell a marijuana product purchased from a licensed marijuana product manufacturing facility, packaged and labeled, in a quantity not exceeding the limit set out, to an individual on the licensed premises for consumption off the licensed premises.
- Store marijuana and marijuana products on the licensed premises in a manner consistent with Alaska laws.
- With prior approval of the board, permit consumption of marijuana or a marijuana product purchased on the licensed premises, in a designated area on the licensed premises.

Alaska law does not prohibit a licensed retail marijuana store from refusing to sell marijuana or a marijuana product to a consumer.

Next Slide

Header: Acts Prohibited at Retail Marijuana Store

A licensed retail marijuana store may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver, marijuana or a marijuana product:

- A person under 21 years of age.
- Person that is under the influence of an alcoholic beverage, inhalant, or controlled substance.
- That is not labeled and packaged as required by Alaska laws.
- In a quantity exceeding the limit set out.
- Over the Internet; a licensed retail marijuana store may only sell marijuana or a marijuana product to a consumer who is physically present on the licensed premises.
- After the expiration date shown on the label of the marijuana or marijuana product.

Next Slide

Header: Acts Prohibited at Retail Marijuana Store

A licensed retail marijuana store may not:

- Conduct business on or allow a consumer to access the retail marijuana stores' licensed premises between the hours of 5:00 a.m. and 8:00 a.m. each day.



- Allow a person to consume marijuana or a marijuana product on the retail marijuana stores' licensed premises.
- Offer or deliver to a consumer, as a marketing promotion or for any other reason,
 - Free marijuana or marijuana product, including a sample.
 - Alcoholic beverages, free or for compensation.

Next Slide**Header:** Application for Retail Marijuana Store License

A person seeking a new retail marijuana store license must apply on a form the board prescribes, including the information required and:

- A copy of an active application for a required food safety permit from the Department of Environmental Conservation or a municipality with authority delegated.
- In the operating plan required, a description of the way marijuana and marijuana products at the retail marijuana store will be displayed and sold.

Next Slide**Header:** Marijuana Handler Permit Required

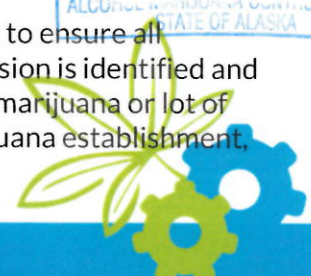
A retail marijuana store will ensure that each licensee, employee, or agent who is required or permitted to be physically present on the licensed premises at any time obtains a marijuana handler permit before being licensed or employed at a retail marijuana store; and each licensee, employee, or agent has that person's marijuana handler permit card in that person's immediate possession, or a valid copy on file on the premises, at all times when on the licensed premises of the retail marijuana store.

Next Slide**Header:** Access Restricted at Retail Marijuana Store

- A person under 21 years of age may not enter a retail marijuana store.
- Each entry to a retail marijuana store must be posted with a sign that says, "No one under 21 years of age allowed." The sign must be not less than 12 inches long and 12 inches wide, with letters at least one-half inch in height in high contrast to the background of the sign.
- An area of a retail marijuana stores' licensed premises where marijuana or any marijuana product is stocked for sale or dispensed for sale is a restricted access area. The retail marijuana store must post signs, require identification, and escort visitors in compliance with Alaska laws.

Next Slide**Header:** Marijuana Inventory Tracking System

- A retail marijuana store will use a marijuana inventory tracking system to ensure all marijuana and marijuana product in the retail marijuana stores' possession is identified and tracked from the time the retail marijuana store receives any batch of marijuana or lot of marijuana product through the sale, transfer to another licensed marijuana establishment, or disposal of the batch of marijuana or lot of marijuana product.



- When marijuana from a marijuana cultivation facility or marijuana product from a marijuana product manufacturing facility is delivered or transported to the licensed premises of a retail marijuana store, the retail marijuana store will immediately enter identification information for that batch of marijuana or lot of marijuana product into the retail marijuana stores' marijuana inventory tracking system. A retail marijuana store may not accept marijuana or a marijuana product that does not have a valid transport manifest generated from the marijuana inventory tracking system of the marijuana establishment that originated the delivery.

Next Slide

Header: Marijuana Inventory Tracking System

- A retail marijuana store will reconcile each transaction from the retail marijuana store's point-of-sale system and current inventory to its marijuana inventory tracking system at the close of business each day.
- A retail marijuana store will account for any variance in the quantity of marijuana or marijuana product the retail marijuana store received and the quantity it sold, transferred, or disposed of.

Next Slide

Header: Health and Safety Requirements

A retail marijuana store will comply with each applicable health and safety requirement set out by Alaska laws.

Testing Required for Marijuana and Marijuana Products

- A retail marijuana store may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver, marijuana or a marijuana product until all laboratory testing required has been completed, and the label required is affixed.

Next Slide

Header: Packaging and Labeling

A retail marijuana store will assure that:

- Marijuana sold on its licensed premises is packaged and labeled in compliance with Alaska laws.
- Any marijuana product sold on its licensed premises is packaged and labeled in compliance with Alaska laws.
- Marijuana or a marijuana product sold is packaged in opaque, resealable, child-resistant packaging when the purchaser leaves the retail section of the licensed premises; the packaging must be designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly.

Next Slide

Header: Packaging and Labeling



In addition to labeling requirements provided, a retail marijuana store will affix a label to each package of marijuana or marijuana product that:

- Identifies the retail marijuana store selling the marijuana product by name or distinctive logo and marijuana establishment license number.
- States the total estimated amount of THC in the labeled product.
- Contains each of the following statements:
 - "Marijuana has intoxicating effects and may be habit forming and addictive."
 - "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence."
 - "There are health risks associated with consumption of marijuana."
 - "For use only by adults twenty-one and older. Keep out of the reach of children."
 - "Marijuana should not be used by women who are pregnant or breastfeeding."

Next Slide

Header: Identification Requirement to Prevent Sale to Person Under 21

A retail marijuana store will refuse to sell marijuana or a marijuana product to a person who does not produce a form of valid photographic identification showing that person is 21 years of age or older. A valid form of photographic identification includes:

- An unexpired, unaltered passport.
- An unexpired, unaltered driver's license, instruction permit, or identification card of a state or territory of the United States, the District of Columbia, or a province or territory of Canada.
- An identification card issued by a federal or state agency authorized to issue a driver's license or identification card.

Next Slide

Header: Limit on Quantity Sold

A retail marijuana store may not sell in a single transaction:

- More than one ounce of usable marijuana.
- More than seven grams of marijuana concentrate for inhalation.
- Marijuana or marijuana products if the total amount of marijuana, marijuana products, or both marijuana and marijuana products sold contains more than 5,600 milligrams of THC.

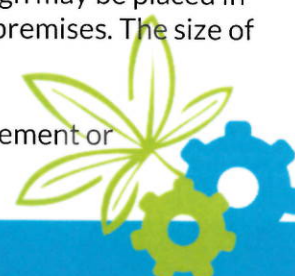


Next Slide

Header: Restriction on Advertising of Marijuana and Marijuana Products

A retail marijuana store may have not more than three signs, visible to the public from the public right-of-way, that identify the retail marijuana store by its business name. A sign may be placed in the retail marijuana store's window or attached to the outside of the licensed premises. The size of each sign may not exceed 4,800 square inches.

An advertisement for marijuana or a marijuana product may not contain a statement or illustration that:



- Is false or misleading.
- Promotes excessive consumption.
- Represents that the use of marijuana has curative or therapeutic effects.
- Depicts a person under 21 years of age consuming marijuana.
- Includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a person under 21 years of age, that promotes consumption of marijuana.

Next Slide

Header: Restriction on Advertising of Marijuana and Marijuana Products

A retail marijuana store may not place an advertisement for marijuana or a marijuana product, except as provided:

- Within 1,000 feet of the perimeter of any child-centered facility, including a school, a child care facility or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under 21 years of age; on or in a public transit vehicle or public transit shelter.
- On or in a publicly owned or operated property.
- Within 1,000 feet of a substance abuse or treatment facility.
- On a campus for postsecondary education.



Next Slide

Header: Restriction on Advertising of Marijuana and Marijuana Products

A retail marijuana store may not use giveaway coupons as promotional materials or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products. All advertising for marijuana or any marijuana product must contain each of the following warnings:

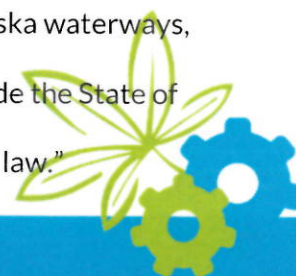
- "Marijuana has intoxicating effects and may be habit forming and addictive."
- "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence."
- "There are health risks associated with consumption of marijuana."
- "For use only by adults twenty-one and older. Keep out of the reach of children."
- "Marijuana should not be used by women who are pregnant or breastfeeding."

Next Slide

Header: Required Consumer Notices for Retail Marijuana Stores

A retail marijuana store will post, in a conspicuous location visible to customers, the following notices:

- "Consumption of marijuana in public is prohibited by law."
- "Transportation or carriage of marijuana or marijuana products on Alaska waterways, including cruise ships, or by air carrier is prohibited by federal law."
- "Transportation or shipment of marijuana or marijuana products outside the State of Alaska is prohibited by federal law."
- "Providing marijuana to persons under 21 years of age is prohibited by law."



Notification signs required must be at least 11 inches by 14 inches in size. Lettering must be at least one-half inch in height and in colors that contrast with the background.

Next Slide

Header: Article 4: Marijuana Cultivation Facilities

Next Slide

Header: Marijuana Cultivation Facility License Required

Except as provided by Alaska laws, a person may not plant, propagate, cultivate, harvest, trim, dry, cure, package, or label marijuana grown at a place under that person's control or sell marijuana grown at a place under that person's control to a marijuana establishment unless the person has obtained a marijuana cultivation facility license from the board in compliance with Alaska laws or is an employee or agent acting for a licensed marijuana cultivation facility. The board will issue the following types of marijuana cultivation facility licenses, with the privileges and subject to the prohibitions set out:

- Standard marijuana cultivation facility license.
- Limited marijuana cultivation facility license to a person operating a marijuana cultivation facility with fewer than 500 square feet under cultivation.

Next Slide

Header: Marijuana Cultivation Facility License Required



A person seeking a standard or limited marijuana cultivation facility license as provided must:

- Apply for the applicable marijuana cultivation facility license on a form the board prescribes, including the information set out by Alaska laws.
- Demonstrate to the board's satisfaction that the applicant will operate in compliance with:
 - Each applicable provision of Alaska laws.
 - Each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.

A licensee of a marijuana cultivation facility, or an employee or agent of a marijuana cultivation facility, may not have an ownership interest in, or a direct or indirect financial interest in a licensed marijuana testing facility.

Next Slide

Header: Standard Marijuana Cultivation Facility: Privileges and Prohibited Acts

A licensed standard marijuana cultivation facility is authorized to:

- Propagate, cultivate, harvest, prepare, cure, package, store, and label marijuana.
- Sell marijuana only to a licensed retail marijuana store, to another licensed marijuana cultivation facility, or to a licensed marijuana product manufacturing facility.
- Provide samples to a licensed marijuana testing facility for testing.



- Store inventory on the licensed premises; any stored inventory must be secured in a restricted access area and accounted for in the marijuana cultivation facility's marijuana inventory tracking system as required.
- Transport marijuana in compliance.
- Conduct in-house testing for the marijuana cultivation facility's own use.
- Provide marijuana samples to a licensed retail marijuana store or marijuana product manufacturing facility for negotiating a sale.

Next Slide

Header: Standard Marijuana Cultivation Facility: Privileges and Prohibited Acts

A licensed standard marijuana cultivation facility may also apply for a marijuana product manufacturing facility license and a retail marijuana store license. A standard marijuana cultivation facility that obtains any other marijuana establishment license will:

- Conduct any product manufacturing or retail marijuana store operation in a room completely separated from the marijuana cultivation facility by a secure door when co-located.
- Comply with each provision that applies to any other type of marijuana establishment license that the standard marijuana cultivation facility licensee obtains.

Next Slide

Header: Standard Marijuana Cultivation Facility: Privileges and Prohibited Acts

A licensed standard marijuana cultivation facility may not:

- Sell, distribute, or transfer marijuana or a marijuana product to a consumer, with or without compensation.
- Allow any person, including a licensee, employee, or agent, to consume marijuana or a marijuana product on the licensed premises or within 20 feet of the exterior of any building or outdoor cultivation facility on the licensed premises.
- Treat or otherwise adulterate marijuana with any organic or nonorganic chemical or other compound to alter the color, appearance, weight, or odor of the marijuana.
- Except as permitted under a marijuana product manufacturing facility license, extract marijuana concentrate, using any process described in Alaska laws, at the licensed premises.
- Sell marijuana that is not packaged and labeled in compliance.

Next Slide

Header: Limited Marijuana Cultivation Facility

A licensed limited marijuana cultivation facility:

- Has the privileges set out in Alaska laws and except that it must have fewer than 500 square feet under cultivation.
- Is subject to each prohibition set out in Alaska laws.

Next Slide

Header: Application for Marijuana Cultivation Facility License



An applicant for a new standard marijuana cultivation facility license or a new limited marijuana cultivation facility license must file an application on a form the board prescribes, including:

- The information required under Alaska laws.
- The proposed marijuana cultivation facility's operating plan, including, in addition to the information required:
 - The size of the space intended to be under cultivation.
 - The growing medium to be used.
 - Fertilizers, chemicals, gases, and deliver systems, including carbon dioxide, management, to be used.
 - The irrigation and wastewater systems to be used.
 - Waste disposal arrangements.
 - Odor control.
 - The testing procedure and protocols the marijuana cultivation facility will follow.

Next Slide

Header: Marijuana Handler Permit Required

A marijuana cultivation facility will ensure that each licensee, employee, or agent who is required or permitted to be physically present on the licensed premises at any time:

- Obtains a marijuana handler permit as provided before being present or employed at the marijuana cultivation facility's licensed premises.
- Has the marijuana handler permit card in the person's immediate possession, or a valid copy on file on the premises, always while on the marijuana cultivation facility's licensed premises.

Next Slide

Header: Restricted Access Area

- A marijuana cultivation facility will conduct any operation in a restricted access area in compliance with law.
- A marijuana cultivation facility will conduct any marijuana growing operation within a fully enclosed secure indoor facility or greenhouse with rigid walls, a roof, and doors. Where not prohibited by local government, outdoor production may take place in non-rigid greenhouses, other structures, or an expanse of open or cleared ground fully enclosed by a physical barrier. To obscure public view of the premises, outdoor production must be enclosed by a sight-obscuring wall or fence at least six feet high.
- A marijuana cultivation facility will ensure that any marijuana at the marijuana cultivation facility:
 - Cannot be observed by the public from outside the marijuana cultivation facility.
 - Does not emit an odor that is detectable by the public from outside the cultivation facility except as allowed by a local government conditional use permit process.
- A marijuana cultivation facility will have full video surveillance of the licensed premises as required, including any area where marijuana is grown, processed, packaged, or stored, or where marijuana waste is destroyed.



Next Slide

Header: Marijuana Inventory Tracking System

- A marijuana cultivation facility will use a marijuana inventory tracking system in compliance to ensure all marijuana propagated, grown, or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is propagated through transfer to another licensed marijuana establishment or destruction. The marijuana cultivation facility will assign a tracking number to each plant over eight inches tall. When harvested, bud and flowers, clones or cuttings, or leaves and trim may be combined in harvest batches of distinct strains, not exceeding five pounds. Each harvest batch must be given an inventory tracking number. Clones or cuttings must be limited to 50 or fewer plants and identified by a batch tracking number.
- A marijuana cultivation facility will record each sale and transport of each batch in its marijuana inventory tracking system and will generate a valid transport manifest to accompany each transported batch.

Next Slide

Header: Marijuana Inventory Tracking System

A marijuana cultivation facility will record in its marijuana inventory tracking system all marijuana used to provide a sample authorized for negotiating sales, including:

- The amount of each sample.
- The retail marijuana store or marijuana product manufacturing facility that received the sample.
- The disposal of any expired or outdated promotional sample returned to the marijuana cultivation facility.

Next Slide

Header: Health and Safety Requirements

- A marijuana cultivation facility will comply with all applicable health and safety requirements and any additional requirements set out.
- A marijuana cultivation facility will ensure that any licensee, employee, or agent who is present at the marijuana cultivation facility and in contact with any marijuana
 - Wears clean clothing appropriate for the duties that person performs.
 - Wears protective apparel, such as head, face, hand, and arm coverings, as necessary to protect marijuana from contamination.
 - Practices good sanitation and health habits.

Standards for Cultivation and Preparation

A marijuana cultivation facility will use registered scales in compliance with Alaska laws.

Next Slide

Header: Production of Marijuana Concentrate Prohibited



A marijuana cultivation facility may not produce or possess marijuana concentrate that was extracted using any process on the marijuana cultivation facility's licensed premises unless the marijuana cultivation facility also has a marijuana product manufacturing facility license. Any extraction or production of marijuana concentrate on the premises of a licensed marijuana cultivation family must:

- Be in a separate room that:
 - Is physically separated by a secure door from any cultivation area.
 - Has a sign that clearly identifies the room as a marijuana concentrate production area and warns unauthorized persons to stay out.
- Comply with all applicable provisions of Alaska laws.

Next Slide

Header: Required Laboratory Testing

A marijuana cultivation facility will provide a sample of each harvest batch of marijuana produced at the facility to a marijuana testing facility and may not sell or transport any marijuana until all laboratory testing required has been completed. To comply with laws, a marijuana cultivation facility will:

- Collect a random, homogenous sample for testing by segregating harvested marijuana into batches of individual strains of bud and flower, then selecting a random sample from each batch in an amount required by the marijuana testing facility.
- Designate an individual responsible for collecting each sample; that individual will:
 - Prepare a signed statement showing that each sample has been randomly selected for testing.
 - Provide the signed statement to the marijuana testing facility.
 - Maintain a copy as a business records.
- Transport the sample to the marijuana testing facility's licensed premises in compliance with Alaska laws.

Next Slide

Header: Required Laboratory Testing

A marijuana cultivation facility will segregate the entire batch from which the testing sample was selected until the marijuana testing facility reports the results from its tests. During this period of segregation, the marijuana cultivation facility that provided the sample will maintain the batch in a secure, cool, and dry location to prevent the marijuana from becoming contaminated or losing its efficacy. The marijuana cultivation facility that provided the sample may not sell or transport any marijuana from the segregated batch until the marijuana testing facility has completed its testing and provided those results, in writing, to the marijuana cultivation facility that provided the sample. The marijuana cultivation facility will maintain the testing results as part of its business books and records.

Next Slide

Header: Samples



A marijuana cultivation facility may provide a free sample of marijuana to a retail marijuana store if packaged in a sample jar containing not more than three and one-half grams of marijuana and protected by a plastic or metal mesh screen to allow customers to smell the product before purchase.

A marijuana cultivation facility may provide a free sample of marijuana to a retail marijuana store or marijuana product manufacturing facility as follows:

- A sample provided for negotiating a sale may be not more than one ounce.
- A marijuana cultivation facility may not provide any one licensed retail marijuana store or marijuana product manufacturing facility with more than one ounce of marijuana per month free-of-charge for negotiating a sale.

Next Slide

Header: Samples

A retail marijuana store that receives a marijuana sample may not sell the marijuana sample to a customer, and will either:

- Return the marijuana sample to the marijuana cultivation facility that provided the sample.
- Destroy the marijuana sample after use and document the destruction in the retail marijuana stores' marijuana inventory control system.

Next Slide

Header: Random Sampling

- The board will, or the director will from time to time require a standard or limited marijuana cultivation facility to provide samples of the growing medium, soil amendments, fertilizers, crop production aids, pesticides, or water for random compliance checks. The sample may be screened for pesticides and chemical residues, screened for unsafe levels of metals, and used for other laboratory tests the director finds to be in the interests of the public. The marijuana cultivation facility will bear all costs of testing.
- When the board or the director orders random sampling, the director will identify a licensed marijuana testing facility to perform the testing. The marijuana testing facility will collect the test samples. The marijuana cultivation facility will cooperate to facilitate the collection of samples.

Next Slide

Header: Packaging of Marijuana

A marijuana cultivation facility will package its marijuana bud and flower for sale To a retail marijuana store, either:

- In a package not exceeding one ounce for resale to consumers without additional handling by the retail marijuana store except to add the retail marijuana store's own:
 - Identifying name or logo.
 - License number.
- In a wholesale package not exceeding five pounds for repackaging by the retail marijuana store.



To a marijuana product manufacturing facility in a wholesale package:

- Not exceeding five pounds.
- Consisting of a single strain or a mixture of strains as identified on the label.

Next Slide

Header: Packaging of Marijuana

When a marijuana cultivation facility packages marijuana for a retail marijuana store to sell to a consumer without repackaging, the packaging may not have any printed images, including cartoon characters, that specifically target persons under 21 years of age. In addition, the packaging must protect the product from contamination and may not impart any toxic or damaging substance to the marijuana.

Next Slide

Header: Packaging of Marijuana

Each package prepared in compliance must be identified by a tracking label generated for tracking by the marijuana cultivation facility's marijuana inventory tracking system. A marijuana cultivation facility will prepare marijuana for transport or transfer to another marijuana establishment by:

- Placing marijuana packaged in compliance with a sealed, tamper-evident shipping container.
- Affixing a label to the shipping container.
- Generating a transport manifest from the marijuana cultivation facility's marijuana inventory tracking system; the transport manifest must remain with the marijuana always while being transported, and a copy must be given to the licensed marijuana establishment that receives the shipment.

Next Slide

Header: Labeling of Marijuana

When a marijuana cultivation facility packages marijuana for a retail marijuana store to sell to a consumer without repackaging, the marijuana cultivation facility will affix a label to each package of marijuana or marijuana product that contains each of the following statements:

- "Marijuana has intoxicating effects and may be habit forming and addictive."
- "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence."
- "There are health risks associated with consumption of marijuana."
- "For use only by adults twenty-one and older. Keep out of the reach of children."
- "Marijuana should not be used by women who are pregnant or breastfeeding."

Next Slide

Header: Labeling of Marijuana

With each harvest batch of marijuana sold, a marijuana cultivation facility will disclose in writing:



- Each soil amendment, fertilizer, and other crop production aid applied to the growing medium or marijuana plant included in the batch, including any pesticide, herbicide, or fungicide that was used.
- The name of the licensed marijuana testing facility that performed any required laboratory test and the results of each required laboratory test.

Next Slide

Header: Labeling of Marijuana

A marijuana cultivation facility may not label marijuana as organic. To each package of marijuana sold to another marijuana establishment, a marijuana cultivation facility will affix a label setting out:

- The name and license number of the marijuana cultivation facility where the marijuana was grown.
- The harvest batch number assigned to the marijuana in the package.
- The net weight of the marijuana in the package:
 - Not including weight of the shipping container.
 - Using a standard of measure compatible with the marijuana cultivation facility's marijuana inventory tracking system.
- A complete list of all pesticides, fungicides, and herbicides used in cultivation of the marijuana.

Next Slide

Header: Labeling of Marijuana

If a marijuana cultivation facility transports wholesale marijuana to another marijuana establishment for sale at retail or for use in manufacturing a marijuana product, a label must be affixed to the shipping container showing that a licensed marijuana testing facility has tested each harvest batch in the shipment. The label must report the test results, including:

- A cannabinoid potency profile expressed as a range of percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that strain of marijuana from the same marijuana cultivation facility within the last three months.
- A statement listing the results of microbial testing.
- A statement listing the results of residual solvent testing, if applicable.
- A statement listing any contaminants for which the product was tested in addition to contaminants requires testing; any additional tested contaminants include:
 - Molds, mildew, and filth
 - Herbicides, pesticides, and fungicides
 - Harmful chemicals

If a marijuana cultivation facility ships wholesale marijuana from a harvest batch that has not been tested for contaminants, the label for that batch must include a statement identifying each contaminant listed for each harvest batch has not been tested.



Next Slide

Header: Marijuana Tax to be Paid

A marijuana cultivation facility, including a standard marijuana cultivation facility and a limited marijuana cultivation facility, will submit monthly reports to the Department of Revenue and pay the excise tax required on all marijuana sold or provided as a sample to a marijuana establishment.

Next Slide

Header: Article 5: Marijuana Product Manufacturing Facilities

Next Slide

Header: Marijuana Product Manufacturing Facility License Required

A person may not extract marijuana concentrate for sale or formulate or manufacture any marijuana product for sale unless that person has obtained a marijuana product manufacturing facility license from the board in compliance, or is an employee or agent acting for a licensed marijuana product manufacturing facility. The board will issue:

- A standard marijuana product manufacturing facility license.
- A marijuana concentrate manufacturing facility license.

Next Slide

Header: Marijuana Product Manufacturing Facility License Required

A person seeking any type of marijuana product manufacturing facility license must:

- Apply for a marijuana product manufacturing facility license on a form the board prescribes, including the information set out under Alaska law.
- Demonstrate to the board's satisfaction that the applicant will operate in compliance with:
 - Each applicable provision of Alaska law.
 - Each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.

A licensee of a marijuana product manufacturing facility, or an employee or agent of a marijuana product manufacturing facility, may not have an ownership interest in or a direct or indirect financial interest in a licensed marijuana testing facility.

Next Slide

Header: Marijuana Product Manufacturing Facility Privileges

Except as provided in Alaska law, a licensed marijuana product manufacturing facility, including a marijuana concentrate manufacturing facility, is authorized to:

- Purchase marijuana from a marijuana cultivation facility or from another marijuana product manufacturing facility.
- Extract marijuana concentrate in compliance.



- Manufacture, refine, process, cook, package, label, and store marijuana products through approved methods, including:
 - Marijuana concentrate.
 - Any product intended for consumption or use on the body that is comprised of marijuana and other ingredients, including edible products, ointments, salves, patches, or tinctures.
- Sell, distribute, or deliver marijuana extract or any marijuana product only to a licensed retail marijuana store or to another licensed marijuana product manufacturing facility.
- Provide and transport samples of marijuana concentrate or other marijuana product to a licensed marijuana testing facility for testing.
- Provide a sample of marijuana concentrate or a marijuana product to a licensed retail marijuana store for negotiating a sale.
- Store inventory in a restricted access area on the licensed premises as provided.
- Transport marijuana in compliance.
- Conduct in-house testing for the marijuana product manufacturing facility's own use.

Next Slide

Header: Acts Prohibited at Marijuana Product Manufacturing Facility

A licensed marijuana product manufacturing facility, including a licensed marijuana concentrate manufacturing facility, may not:

- Sell, deliver, distribute, or transfer marijuana, marijuana concentrate, or a marijuana product directly to a consumer, with or without compensation.
- Sell marijuana, marijuana concentrate, or a marijuana product that is not manufactured, packaged, and labeled in compliance.
- Allow any person, including a licensee, employee, or agent, to consume marijuana, marijuana concentrate, or a marijuana product on the licensed premises.
- Manufacture or sell any product that:
 - Is an adulterated food or drink.
 - Closely resembles a familiar food or drink item including candy.
 - Is packaged to look like candy, or in bright colors or with cartoon characters or other pictures or images that would appeal to children.

Next Slide

Header: Acts Prohibited at Marijuana Product Manufacturing Facility

A licensed marijuana product manufacturing facility may not accept any marijuana from a marijuana cultivation facility or another marijuana product manufacturing facility unless:

- All marijuana in the shipment is properly identified with a label generated in the marijuana inventory tracking system of the facility that provided the marijuana.
- A valid transport manifest showing the source and destination of the marijuana is attached to the shipment.

"Closely resemble" or "look like" means the product or its packaging has a shape, color, markings, or decorative patterns that are familiar to the public from a widely distributed branded food



product, so that the marijuana product could reasonably be mistaken for that branded product, especially by children.

Next Slide

Header: Marijuana Concentrate Manufacturing Facility License

A licensed marijuana concentrate manufacturing facility has the privileges set out by Alaska laws, except that it may not manufacture, refine, process, cook, package, label, or store any marijuana product other than marijuana concentrate:

- Sell, distribute, or deliver a marijuana product other than marijuana concentrate to a retail marijuana store or to another marijuana product manufacturing facility.
- Provide or transport a sample of a marijuana product other than marijuana concentrate to a licensed marijuana testing facility for testing.
- Provide samples of a product other than marijuana concentrate to a licensed retail marijuana store for purposes of negotiating a sale.

Next Slide

Header: Application for Marijuana Product Manufacturing Facility License

An applicant for a marijuana product manufacturing facility license, including a marijuana concentrate manufacturing facility license, must file an application on a form the board prescribes, and provide the information required and:

- A copy of an active application for a required food safety permit from the Department of Environmental Conservation or a municipality with authority delegated.
- A diagram of the proposed licensed premises is required, identifying the area where:
 - In-house testing, if any, will occur.
 - Marijuana and any marijuana product, including marijuana concentrate, will be stored.

Next Slide

Header: Application for Marijuana Product Manufacturing Facility License

In the applicant's operating plan required, a description of:

- The equipment and solvents, gases, chemicals, and other compounds used to create concentrates and the processes to be used.
- Each marijuana product the applicant intends to process at this location; the product description must include the color, shape, texture, ingredients and standard production procedure to be used and the additional information required for product approval.
- The packaging to be used for each type of product.
- Sample labels showing how the labeling information required will be set out.
- The applicant's plan for disposal of waste.

Next Slide

Header: Approval of Concentrates and Marijuana Products



- A marijuana product manufacturing facility, including a marijuana concentrate manufacturing facility, must obtain the board's approval for each product it will manufacture for sale or transfer to another licensed marijuana establishment. The board will not approve a product that is prohibited.
- An applicant for a marijuana product manufacturing facility license may request the board's approval of its intended products with a new license application by including, in its operating plan:
 - A photograph, drawing, or graphic representation of the expected appearance of each final product.
 - The proposed standard production procedure and detailed manufacturing process for each product.
- A licensed marijuana product manufacturing facility may at any time submit a new product approval request to the board on a form the board prescribes along with the fee required.
- A licensed marijuana product manufacturing facility will keep its ingredient list and potency limits for any food product containing marijuana on file at the marijuana product manufacturing facility's licensed premises. The ingredient list and potency limits for any product manufactured at the facility must be made available for inspection on request by the director, or an employee or agent of the board.

Next Slide

Header: Marijuana Handler Permit and Food Safety Worker Training

- A marijuana product manufacturing facility, including a marijuana concentrate manufacturing facility, will ensure that each licensee, employee, or agent who is required or permitted to be physically present on the licensed premises at any time:
 - Obtains a marijuana handler permit before being present or employed at the marijuana product manufacturing facility's licensed premises.
 - Has the marijuana handler permit card in the person's immediate possession, or a valid copy on file on the premises, always while on the marijuana product manufacturing facility's licensed premises.
- A licensee, employee, or agent of a marijuana product manufacturing facility who handles marijuana at the facility will obtain a food worker card in compliance with Alaska laws and keep that card in that person's possession always while on the licensed premises of the marijuana product manufacturing facility.

Next Slide

Header: Restricted Access and Storage Areas

A marijuana product manufacturing facility will conduct any extraction or product manufacturing operation in a restricted access area in compliance. A marijuana product manufacturing facility will have full video surveillance of the licensed premises, including each area where:

- Marijuana concentrate is produced.
- Any operation involved in manufacturing any product containing marijuana occurs.
- Marijuana or a marijuana product is stored or stockpiled.
- Marijuana waste is destroyed.



Any area where marijuana or a marijuana product is stored must be moisture- and temperature-controlled and protected from pests and vermin.

Next Slide

Header: Marijuana Inventory Tracking System

A marijuana product manufacturing facility will use a marijuana inventory tracking system to ensure that the marijuana product manufacturing facility identifies and tracks any marijuana or marijuana product from the time the marijuana or marijuana product is received, through:

- Use of the marijuana or marijuana product in manufacturing any other marijuana product.
- Sale or transfer of the marijuana or marijuana product originally received, or any marijuana product manufactured at that marijuana product manufacturing facility to another licensed marijuana establishment.
- Disposal of any expired or outdated marijuana or marijuana product that is not sold or transferred to another licensed marijuana establishment.

Next Slide

Header: Marijuana Inventory Tracking System

When marijuana from a marijuana cultivation facility or a marijuana product from another marijuana product manufacturing facility is delivered or transported to the licensed premises of a marijuana product manufacturing facility, the marijuana product manufacturing facility will immediately enter tracking information for that marijuana or marijuana product into the marijuana inventory tracking system. A marijuana product manufacturing facility may not accept any marijuana or marijuana product that does not have a valid transport manifest generated from the marijuana inventory tracking system of the licensed marijuana establishment that supplies the marijuana or marijuana product.

A marijuana product manufacturing facility will track any received marijuana or marijuana product to its use in a marijuana product and will reconcile each transaction to the marijuana product manufacturing facility's marijuana inventory tracking system at the close of business each day. A marijuana product manufacturing facility will account for any variance in the quantity of marijuana or marijuana product the facility received, and the quantity the facility sold, transferred, or disposed of.

Next Slide

Header: Health and Safety Standards

- A marijuana product manufacturing facility will comply with the health and safety standards set out in Alaska Food Code, if applicable, and any local kitchen-related health and safety standards for retail food establishments.
- In addition to inspection by the director or an employee or agent of the board, a marijuana product manufacturing facility is subject to inspection by local safety officials, including a local fire department, building inspector, or code enforcement officer.



Next Slide

Header: Required Laboratory Testing

A marijuana product manufacturing facility will provide a sample of each marijuana product manufactured at the facility to a licensed marijuana testing facility and may not sell or transport a marijuana product until all laboratory testing required has been completed. To comply with law, a marijuana product manufacturing facility will:

- Collect a random sample for testing by selecting a product from each production lot in an amount required by the marijuana testing facility.
- Designate an individual responsible for collecting each sample; that individual will:
 - Prepare a signed statement showing that each sample has been randomly selected for testing.
 - Provide the signed statement to the marijuana testing facility.
 - Maintain a copy as a business record.

Next Slide

Header: Required Laboratory Testing

Transport the sample to the marijuana testing facility in compliance after collecting and transporting a sample for testing, a marijuana product manufacturing facility will segregate the entire production lot from which the testing sample was selected until the marijuana testing facility reports the results from its tests. During this period of segregation, the marijuana product manufacturing facility that provided the sample will maintain the production lot in a secure, cool, and dry location to prevent the marijuana product from becoming contaminated or losing its efficacy. The marijuana product manufacturing facility may not sell or transport any marijuana product from the segregated lot until the marijuana testing facility has completed its testing and analysis and provided those results, in writing, to the marijuana product manufacturing facility that provided the sample. The marijuana product manufacturing facility will maintain the testing results as part of its business records.

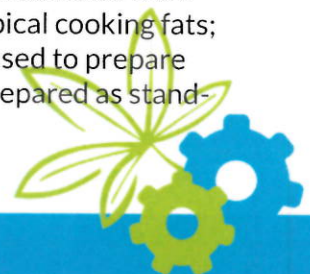
Next Slide

Header: Production of Marijuana Concentrate

Before producing marijuana concentrate for sale, a marijuana product manufacturing facility will develop standard operating procedures, good manufacturing practices, a safety plan, and a training plan for everyone employed in an extraction process.

A marijuana product manufacturing facility may create marijuana concentrates only as follows:

- Water-based marijuana concentrate may be produced by extracting cannabinoids from marijuana by using only water, ice, or dry ice.
- Food-based marijuana concentrate may be produced by extracting cannabinoids from marijuana using propylene glycol, glycerin, butter, olive oil, or other typical cooking fats; infused dairy butter, oils, or fats derived from natural sources may be used to prepare infused edible products; infused dairy butter, oils, or fats may not be prepared as stand-alone edible products for sale.



Next Slide**Header:** Production of Marijuana Concentrate

Solvent-based marijuana concentrate may be produced using the hydrocarbons N-butane, isobutane, propane, or heptane or other solvents or gases the board approves that exhibit low to minimal potential human health-related toxicity; approved solvents must be of at least 99 percent purity and must be used:

- In a professional grade closed-loop extraction system designed to recover the solvents.
- In an environment with proper ventilation.
- With control of all sources of ignition if a flammable atmosphere is or may be present.

Next Slide**Header:** Production of Marijuana Concentrate

A marijuana product manufacturing facility using a professional grade closed-loop gas extraction system will ensure that:

- Each vessel is used in compliance with the manufacturer's stated pressure ratings.
- Any carbon dioxide used is of at least 99 percent purity.
- A person using a solvent or gas to extract marijuana concentrate in the closed-loop system is fully trained on how to use the system, has direct access to applicable material safety data sheets, and handles and stores the solvent and gas safely.
- A licensed engineer has certified that the professional grade closed-loop system was commercially manufactured, is safe for its intended use, and is built to codes of recognized and generally accepted engineering practices.
- Any professional grade closed-loop system, and other equipment and facilities used in the extraction process are approved for their use by the local fire code official and meet any applicable fire, safety, and building code requirements.

Next Slide**Header:** Production of Marijuana Concentrate

A marijuana product manufacturing facility may use heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create:

- Kief
- Hashish
- Bubble hash
- Infused dairy butter, oils, or fats derived from natural sources
- Other extracts



A marijuana product manufacturing facility may use food-grade glycerin, ethanol, and propylene glycol solvents to create extracts. All ethanol must be removed from the extract in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.

Next Slide**Header:** Potency Limits per Serving and Transaction for Edible Marijuana Products

A marijuana product manufacturing facility may not prepare a marijuana product with potency levels exceeding the following, as tested in compliance:

- For a single serving of a marijuana product, five milligrams of active tetrahydrocannabinol (THC) or Delta 9.
- In a single packaged unit of a marijuana product to be eaten or swallowed, not more than 10 servings or 50 milligrams of active THC or Delta 9; the THC content must be homogenous, or evenly distributed throughout the marijuana-infused product.

Next Slide

Header: Packaging of Marijuana Products

- A marijuana product manufacturing facility will observe the potency limits in packaging each product for resale by a retail marijuana store.
- A container or packaging for any edible marijuana product produced by a marijuana product manufacturing facility may not have any printed images, including cartoon characters, that specifically target individuals under 21 years of age. In addition, the packaging must:
 - Protect the product from contamination and may not impart any toxic or damaging substance to the product.
 - If the marijuana product contains multiple servings, be designed so that the marijuana product itself has markings or demarcations clearly delineating each serving of the product; for liquid marijuana products with multiple servings, the packaging must indicate the number and size of individual servings.
- A licensed marijuana product manufacturing facility may transfer marijuana products that are not edible marijuana products to another licensed marijuana product manufacturing facility in wholesale packages not to exceed five pounds.

Next Slide

Header: Packaging of Marijuana Products

- Each packaged marijuana product must be identified by a tracking label generated by the marijuana product manufacturing facility's marijuana inventory tracking system.
- A licensed marijuana product manufacturing facility will prepare marijuana products for transfer to another marijuana establishment by:
 - Placing marijuana products within a sealed, tamper-evident shipping container.
 - Affixing a label that complies with Alaska laws to the shipping container.
 - Generating a transport manifest from the marijuana product manufacturing facility's marijuana inventory tracking system; the transport manifest must remain with the marijuana products always while being transported, and a copy must be given to the licensed marijuana establishment that receives the shipment.

Next Slide

Header: Labeling of Marijuana Products



- With each production lot of marijuana product sold, a marijuana product manufacturing facility will disclose in writing the name of the licensed marijuana testing facility that performed any required test and the results of each required test.
- A marijuana product may not be labeled as organic.

Next Slide

Header: Labeling of Marijuana Products

To each package of marijuana product sold to a retail marijuana store for resale to a consumer, a marijuana product manufacturing facility will affix a label setting out:

- The name and license number of the marijuana product manufacturing facility where the marijuana product was prepared.
- The production lot number assigned to the product in the package.
- The net weight of the product in the package:
 - Not including weight of packaging.
 - Using a standard of measure compatible with the marijuana product manufacturing facility's marijuana inventory tracking system.
- Each of the following statements:
 - "Marijuana has intoxicating effects and may be habit forming and addictive"
 - "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence"
 - "There are health risks associated with consumption of marijuana"
 - "For use only by adults twenty-one and older. Keep out of the reach of children."
 - "Marijuana should not be used by women who are pregnant or breastfeeding."

Next Slide

Header: Labeling of Marijuana Products

- A marijuana product manufacturing facility transporting a marijuana product to a retail marijuana store will affix a label to the shipping container showing that a licensed marijuana testing facility has tested each lot of marijuana product in the shipment and giving the test results, including:
 - A cannabinoid potency profile expressed as a range of percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that production lot from the same marijuana product manufacturing facility within the last three months.
 - A statement listing the results of microbial testing required.
 - A statement listing the results of residual solvent testing required.
 - A statement listing any contaminants for which the product was tested in addition to contaminants for which requires testing; any additional tested contaminants include:
 - Molds, mildew, and filth
 - Herbicides, pesticides, and fungicides
 - Harmful chemicals



Next Slide

Header: Labeling of Marijuana Products

If a marijuana product manufacturing facility ships wholesale marijuana product from a production lot of marijuana product that has not been tested for each contaminant listed, the label for that lot must include a statement identifying each contaminant listed for which that lot has not been tested.

Next Slide

Header: Article 6: Marijuana Testing Facilities

Next Slide

Header: Applicability



- The provisions of Alaska laws apply to a person offering a service testing, analyzing, or certifying potency, moisture content, pesticide or solvent residue, mold, mildew, bacteria, or other contaminants in marijuana or a marijuana product to another person including a marijuana establishment or a member of the public, whether for compensation or not, as an independent or third-party testing facility.
- The provisions of Alaska laws do not apply to a licensed marijuana establishment that controls marijuana testing equipment used solely for its own in-house testing of its own cultivated crop, of products produced or manufactured at its own facility, or of retail products placed or offered for sale in its retail marijuana store.

Next Slide

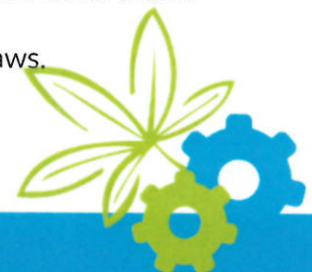
Header: Marijuana Testing Facility License Required

A person may not offer or provide a marijuana testing service or test results unless the person has obtained a marijuana testing facility license from the board in compliance with laws, or is an employee or agent acting for a licensed marijuana testing facility. A person seeking a marijuana testing facility license must:

- Apply for a marijuana testing facility license on a form the board prescribes, including the information set out under Alaska laws.
- Demonstrate to the board's satisfaction that the applicant:
 - Will operate in compliance with each applicable provision of Alaska laws.
 - Will operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.
 - Does not hold a marijuana establishment license in this state other than a marijuana testing facility license or have a financial interest in common with a person who is a licensee of a marijuana establishment in this state other than a marijuana testing facility license.
 - Meets the board's standards for approval as set out in Alaska laws.

Next Slide

Header: Marijuana Testing Facility License Required



A licensee of a marijuana testing facility, or an employee or agent of a licensed marijuana testing facility, may not have an ownership interest in or a direct or indirect financial interest in another licensed marijuana establishment.

Next Slide

Header: Marijuana Testing Facilities: Privileges and Prohibitions

- A licensed marijuana testing facility may have any amount of marijuana and marijuana products on its premises at any given time if the marijuana testing facility's marijuana inventory tracking system and other records document that all marijuana and marijuana products are on the premises only for the testing purposes.
- A licensed marijuana testing facility may not:
 - Have a licensee, employee, or agent who holds a type of marijuana establishment license other than a marijuana testing facility license issued.
 - Sell, deliver, distribute, or transfer marijuana or a marijuana product to a consumer, with or without compensation.
 - Allow a person to consume marijuana or a marijuana product on its licensed premises.

Next Slide

Header: Application for Marijuana Testing Facility License

An applicant for a new marijuana testing facility license must file an application on a form the board prescribes, including:

- The information required under Alaska laws.
- The proposed marijuana testing facility's operating plan, including:
 - Each test the marijuana testing facility will offer.
 - The marijuana testing facility's standard operating procedure for each test the marijuana testing facility will offer.
 - The acceptable range of results for each test the marijuana testing facility will offer.

Next Slide

Header: Approval of Testing Facility

A person seeking a marijuana testing facility license must first obtain the approval of the board by showing competence to perform each test the licensee will offer as an independent third-party testing facility, including tests to identify:

- THC, THCA, CBD, CBDA and CBN potency
- Harmful microbials including Escherichia coli (E. Coli) or salmonella
- Residual solvents
- Poisons or toxins
- Harmful chemicals
- Dangerous molds, mildew, or filth
- Pesticides



Next Slide

Header: Approval of Testing Facility

In evaluating whether a person has shown competence in testing, the board or the board's contractor may:

- Conduct an on-site inspection of the applicant's premises.
- Require the applicant to demonstrate proficiency in testing.
- Examine compliance with any applicable requirement of Alaska laws, including:
 - Qualifications of personnel
 - The standard operating procedure for each testing methodology the marijuana testing facility will use
 - Proficiency testing results
 - Quality control and quality assurance
 - Security
 - Chain of custody
 - Specimen retention
 - Space
 - Records
 - Reporting of results



Next Slide

Header: Approval of Testing Facility

The board will approve a marijuana testing facility license if, after the board or the board's contractor has examined the qualifications and procedures of the marijuana testing facility license applicant, the board finds them generally in compliance with good laboratory practices. Nothing constitutes a board guarantee that a licensed marijuana testing facility can or will protect the public from all potential hazards of marijuana including microbials, poisons or toxins, residual solvents, pesticides, or other contaminants.

Next Slide

Header: Proficiency Testing Program

- When an accredited proficiency testing program becomes available in the state, the board may require an applicant for a marijuana testing facility license to participate successfully in a proficiency testing program not earlier than 12 months before receiving a license. The proficiency testing program must require an applicant for a marijuana testing facility license or a participating licensed marijuana testing facility to analyze test samples using the same procedures with the same number of replicate analyses, standards, testing analysts, and equipment that will be used for product testing. Successful participation is the positive identification of 80 percent of the target analytes that the marijuana testing facility reports and must include quantitative results when applicable. Any false positive results reported constitute an unsatisfactory score for the proficiency test.

- Before renewing the license of a marijuana testing facility, the board may require the facility to participate in a proficiency testing program with documentation of continued performance satisfactory to the board. The license of a marijuana testing facility may be limited, suspended, or revoked if the facility fails to participate and receive a passing score in a proficiency testing program.

Next Slide

Header: Proficiency Testing Program

- The scientific director employed and each testing analyst of an applicant for a marijuana testing facility license and a licensed marijuana testing facility that participated in a proficiency test will sign a corresponding attestation statement. The scientific director will review and evaluate each proficiency test result.
- An applicant for a marijuana testing facility license, and a licensed marijuana testing facility participating in the proficiency testing program, will take and document remedial action when the applicant or the facility meets the standards, but scores less than 100 percent in a proficiency test. To take and document remedial action, the marijuana testing facility's scientific director will, at a minimum, review all samples tested and results reported after the date of the marijuana testing facility's last successful proficiency test.

Next Slide

Header: Scientific Director

A marijuana testing facility will employ a scientific director who must be responsible for:

- Overseeing and directing the scientific methods of the laboratory within the marijuana testing facility.
- Ensuring that the laboratory achieves and maintains quality standards of practice.
- Supervising all staff of the laboratory.

The scientific director of a marijuana testing facility must have:

- A doctorate degree in chemical or biological sciences from an accredited college or university and have at least two years of post- degree laboratory experience.
- A master's degree in chemical or biological sciences from an accredited college or university and have at least four years of post- degree laboratory experience.
- A bachelor's degree in chemical or biological sciences from an accredited college or university and have at least six years of post- degree laboratory experience.

Next Slide

Header: Testing Methodologies

An applicant for a marijuana testing facility license and a licensed marijuana testing facility will:

- Use as guidelines or references for testing methodologies:
 - The American Herbal Pharmacopoeia's Cannabis Inflorescence: Standards of Identity, Analysis, and Quality Control, adopted by reference.



- The United Nations Office on Drugs and Crime's Recommended Methods for the Identification and Analysis of Cannabis and Cannabis Products: Manual for Use by National Drug Analysis Laboratories and adopted by reference.
- Notify the board of any alternative scientifically valid testing methodology the marijuana testing facility proposes to use for any laboratory test it conducts; the board may require third-party validation of any monograph, peer-reviewed scientific journal article, or analytical method the marijuana testing facility proposes to follow to ensure the methodology produces comparable and accurate results.

Next Slide

Header: Testing Methodologies

An applicant for a marijuana testing facility license and the holder of a marijuana testing facility license will observe good laboratory practices. The board or the board's contractor may inspect the practices, procedures, and programs adopted, followed, and maintained by the applicant or the licensed marijuana testing facility and may examine all records of the applicant or the licensed marijuana testing facility that are related to the inspection. The board may require an applicant or a licensed marijuana testing facility to have an independent third party inspect and monitor laboratory operations to assess testing competency and the marijuana testing facility's compliance with its quality program. The board may require random validation of a marijuana testing facility's execution of each testing methodology the facility uses. The marijuana testing facility will pay all costs of validation.

Next Slide

Header: Standard Operating Procedure Manual

An applicant for a marijuana testing facility license and a licensed marijuana testing facility will have a written manual of standard operating procedures, with detailed instructions explaining how to perform each testing method the applicant or marijuana testing facility uses and minimum standards for each test. The written manual of standard operating procedures must be available to each employee of the marijuana testing facility always. The written manual of standard operating procedures must cover at least:

- Sample preparation for each matrix that will be tested
- Reagent, solution, and reference standard preparation
- Instrument setup, if applicable
- Standardization of volumetric reagent solutions, if applicable
- Data acquisition
- Calculation of results
- Identification criteria
- Quality control frequency
- Quality control acceptance criteria
- Corrective action protocol

The scientific director of a marijuana testing facility will approve, sign, and date each standard operating procedure, and each revision to any standard operating procedure.



Next Slide

Header: Laboratory Testing of Marijuana and Marijuana Products

A marijuana testing facility will use the general body of required laboratory tests as set out in this section for marijuana plant material, an extract or concentrate of marijuana, and an edible marijuana product. Required tests may include potency analysis, moisture content, foreign matter inspection, microbial screening, pesticide, other chemical residue, and metals screening, and residual solvents levels. A marijuana testing facility will establish a schedule of fees and sample size required for each test it offers.

Next Slide

Header: Laboratory Testing of Marijuana and Marijuana Products

The tests required for each marijuana type or marijuana product, are as follows:

- Potency testing is required on marijuana bud and flower, marijuana concentrate, and a marijuana product, as follows:
 - The required cannabinoid potency test must at least determine the concentration of THC, THCA, CBD, CBDA and CBN cannabinoids; a marijuana testing facility may test, and report results for any additional cannabinoid if the test is conducted in compliance with a validated method.

Next Slide

Header: Laboratory Testing of Marijuana and Marijuana Products

A marijuana testing facility will report potency test results as follows:

- For a potency test on marijuana and marijuana concentrate, the marijuana testing facility will list for each required cannabinoid a single percentage concentration that represents an average of all samples within the test batch; alternatively, the sum of THC and THCA may be reported as total THC; the sum of CBD and CBDA may be reported as total CBD.
- For a potency test on a marijuana product, whether conducted on each individual production lot or using process validation, the marijuana testing facility will list for each cannabinoid the total number of milligrams contained within a single retail marijuana product unit for sale.
- Testing whether the THC content is homogenous, the marijuana testing facility will report the THC content of each single serving in a multi-unit package; the reported content must be within 20 percent of the manufacturer's target; for example, in a 25 milligrams total THC package with five servings, each serving must contain between four and six milligrams of THC.



Next Slide

Header: Laboratory Testing of Marijuana and Marijuana Products

- The marijuana testing facility will determine an edible marijuana product to have failed potency testing if:



- An individually packaged edible retail marijuana product contained within a test lot is determined to have more than 60 milligrams of THC within it.
- The THC content of an edible marijuana product is not homogenous.

Next Slide

Header: Laboratory Testing of Marijuana and Marijuana Products

Microbial testing for the listed substances on the listed marijuana products is required as follows:

Substance Acceptable Limits

Substance	Acceptable Limits Per Gram	Product to be Tested
--Shiga-toxin producing Escherichia coli (STEC)-bacteria	Less than 1 colony forming unit (CFU/g)	flower; retail marijuana products; water-and food-based
Salmonella species bacteria	Less than 1 colony forming unit (CFU/g)	concentrates
Aspergillus fumigatus, Aspergillus flavus, Aspergillus niger fungus	Less than 1 colony forming unit (CFU/g)	concentrates



Next Slide

Header: Laboratory Testing of Marijuana and Marijuana Products

Testing for the listed residual solvents and metals on the listed marijuana products is required as follows:



Substance	Acceptable Limits per Gram	Product to be Tested
Butanes	Less than 800 parts per million (PPM)	Solvent-based concentrates
Heptanes	Less than 500 parts per million (PPM)	Solvent-based concentrates
Benzene	Less than 1 part per million (PPM)	Solvent-based concentrates
Toluene	Less than 1 part per million (PPM)	Solvent-based concentrates
Hexane	Less than 10 parts per million (PPM)	Solvent-based concentrates
Total xylenes (metaeylenes, para-xylenes, or ortho-xylenes)	Less than 1 part per million (PPM)	Solvent-based concentrates



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Header: Chain of Custody

A marijuana testing facility will establish an adequate chain of custody and sample requirement instructions that include:

- Issuing instructions for the minimum sample requirements and storage requirements.
- Documenting the condition of the external package and integrity seals utilized to prevent contamination of or tampering with the sample.
- Documenting the condition and amount of sample provided at the time the sample is received at the marijuana testing facility.



- Documenting each person handling the original samples, aliquots, and extracts.
- Documenting any transfer of samples, aliquots, and extracts to another marijuana testing facility for additional testing or at the request of the marijuana cultivation facility or marijuana product manufacturing facility that provided the testing sample.
- Maintaining a current list of authorized persons and restricting entry to the marijuana testing facility to those authorized persons.
- Securing the marijuana testing facility during non-working hours.
- Securing short-term and long-term storage areas when not in use.
- Using a secured area to log in and aliquot samples.
- Ensuring samples are stored appropriately.
- Documenting the disposal of samples, aliquots, and extracts.

Next Slide**Header:** Marijuana Inventory Tracking System

A marijuana testing facility will use a marijuana inventory tracking system to ensure all marijuana transported to the marijuana testing facility's premises is identified and tracked from the time the marijuana arrives at the marijuana testing facility to the use and destruction of the marijuana in testing, or to disposal in compliance.

Next Slide**Header:** Failed Materials

If a sample tested by a marijuana testing facility does not pass the required tests based on the standards set, including a visual foreign matter inspection, the marijuana establishment that provided the sample will:

- Dispose of the entire harvest batch or production lot from which the sample was taken.
- Document the disposal of the sample using the marijuana establishment's marijuana inventory tracking system.

If a sample of marijuana fails a required test, any marijuana plant trim, leaf, and other usable material from the same plants automatically fail the required test. The board or director may approve a request to allow a batch of marijuana that fails a required test to be used to make a carbon dioxide- or solvent-based extract. After processing, the carbon dioxide- or solvent-based extract must pass all required tests.

Next Slide**Header:** Failed Materials

If a marijuana cultivation facility or a marijuana product manufacturing facility petitions for a retest of marijuana or a marijuana product that failed a required test, the board or director may authorize a retest to validate the test results. The marijuana cultivation facility or a marijuana product manufacturing facility will pay all costs of a retest.

Next Slide**Header:** Supplemental Marijuana Quality Testing

The board or director may at any time determine that the interests of the public require random supplemental testing of marijuana or a marijuana product. When the board or director requires random supplemental testing, the board will, or director will direct the marijuana cultivation facility that produced the marijuana, or the marijuana product manufacturing facility that manufactured the product, to submit a specified sample, batch, or packaged product to a designated marijuana testing facility. The material must be packaged in a manner that ensures the marijuana testing facility will be able to confirm that it has received and is testing the correct supplemental sample.

Next Slide

Header: Supplemental Marijuana Quality Testing

When a marijuana testing facility receives a sample for random supplemental testing, the marijuana testing facility will:

- Perform any required laboratory test the board or director requests.
- Report its results to:
 - The board or director.
 - The facility that provided the sample.

A marijuana testing facility that conducts laboratory testing will bill all costs directly to the marijuana cultivation facility or the marijuana product manufacturing facility that provided the samples for testing.

Next Slide

Header: Reporting

A marijuana testing facility will report the result of each required laboratory test directly into its marijuana inventory tracking system not later than 24 hours after the test is completed. A marijuana testing facility will provide the final report:

- In a timely manner to the marijuana establishment that submitted the sample.
- To the director not later than 72 hours after the marijuana testing facility determines that results of tested samples exceed allowable levels.

Next Slide

Header: Reporting

A marijuana testing facility will establish procedures to ensure that reported results are accurate, precise, and scientifically valid. To ensure reported results are valid, a marijuana testing facility will include in a final report:

- Name and location of the marijuana testing facility.
- Unique sample identifier assigned by the marijuana testing facility.
- Marijuana establishment or other person that submitted the testing sample.
- Sample identifier provided by the marijuana establishment or other person that submitted the testing.
- Date the marijuana testing facility received the sample.



- Chain of custody identifier.
- Date of the report.
- Type of marijuana or marijuana product tested.
- Test results.
- Units of measure.
- Any other information or qualifiers needed for interpretation of the test method and the results being reported, including any identified and documented discrepancy.

A marijuana testing facility may amend a final report for clerical purposes except that test results may not be amended.

Next Slide

Header: Records Retention

A marijuana testing facility will maintain the business records required for the period specified. The books and records required include:

- Test results; quality control and quality assurance records.
- Standard operating procedures.
- Chain-of-custody records.
- Proficiency testing records.
- Analytical data to include printouts generated by the instrumentation.
- Accession numbers.
- Specimen type.
- Raw data of calibration standards and curves, controls, and subject results.
- Final and amended reports.
- Acceptable reference range parameters.
- Identity of the analyst.
- Date of the analysis.

Next Slide

Header: Article 7: Operating Requirements for All Marijuana Establishments



Next Slide

Header: Marijuana Handler Permit

- A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.
- To obtain a marijuana handler permit, a person must complete a marijuana handler permit education course approved by the board, pass a written test demonstrating an understanding of the course material, and obtain a certificate of course completion from the course provider. The topics that an approved marijuana handler permit education course covers must include:
 - Alaska laws.



- Effects of consumption of marijuana and marijuana products.
- How to identify a person impaired by consumption of marijuana.
- How to determine valid identification.
- How to intervene to prevent unlawful marijuana consumption.
- Penalty for an unlawful act by a licensee, an employee, or an agent of a marijuana establishment.

Next Slide**Header: Marijuana Handler Permit**

- To obtain a marijuana handler permit, a person who has completed the marijuana handler permit education course will present the course completion certificate to the director. The director will issue a marijuana handler permit card valid for three years from the date of issue. A person may renew a card issued by passing a written test demonstrating an understanding of the course subjects.
- A licensee, employee, or agent of a marijuana establishment will keep the marijuana handler permit card described in that person's immediate possession or a valid copy on file on the premises always when on the licensed premises of the marijuana establishment.
- The board will review an approved marijuana handler permit education course at least once every three years and may rescind approval of the course if the board finds that the education course contents are insufficient or inaccurate.

Next Slide**Header: Licensed Premises**

A marijuana establishment license will be issued for specific licensed premises. Specific licensed premises must constitute a place clearly designated in a license application and described by a line drawing submitted with the license application. The licensed premises must:

- Have adequate space for its approved operations, including growing, manufacturing, processing, packaging, or storing marijuana or marijuana products.
- Be located and constructed to facilitate cleaning, maintenance, and proper operation.

Next Slide**Header: Licensed Premises**

A marijuana establishment's license must be posted in a conspicuous place within the licensed premises. A holder of a marijuana establishment license may not alter the functional floor plan or reduce or expand the area of the licensed premises without first obtaining the director's written approval. A marijuana establishment license holder seeking to change or modify the licensed premises must submit a request for approval of the change on a form prescribed by the board, along with:

- Fee prescribed by Alaska laws.
- Drawing showing the proposed change.
- Evidence that the proposed change conforms to any local restrictions.
- Evidence that the licensee has obtained any applicable local building permit.



Next Slide**Header: Restricted Access Areas**

- A marijuana establishment will restrict access to any part of the licensed premises where marijuana or a marijuana product is grown, processed, tested, stored, or stocked.
- Except as provided by law for a retail marijuana store, each entrance to a restricted access area must be marked by a sign that says "Restricted access area. Visitors must be escorted." A marijuana establishment will limit the number of visitors to not more than five visitors for each licensee, employee, or agent of the licensee who is actively engaged in supervising those visitors.
- In a restricted access area, a licensee, employee, or agent of the marijuana establishment will wear a current identification badge bearing the person's photograph. A person under 21 years of age may not enter a restricted access area. Any visitor to the restricted access area must:
 - Show identification to prove that person is 21 years of age or older.
 - Obtain a visitor identification badge before entering the restricted access area.
 - Be escorted always by a licensee, employee, or agent of the marijuana establishment.

Next Slide**Header: Security Alarm Systems and Lock Standards**

Each licensee, employee, or agent of a marijuana establishment will display an identification badge issued by the marijuana establishment always when on the marijuana establishment's licensed premises. The licensed premises of a marijuana establishment must have:

- Exterior lighting to facilitate surveillance.
- A security alarm system on all exterior doors and windows.
- Continuous video monitoring.

Next Slide**Header: Security Alarm Systems and Lock Standards**

A marijuana establishment will have policies and procedures that:

- Are designed to prevent diversion of marijuana or marijuana product.
- Prevent loitering.
- Describe the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of licensed premises.
- Describe the actions to be taken by a licensee, employee, or agent of the marijuana establishment when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security.

A marijuana establishment will use commercial grade, non-residential door locks on all exterior entry points to the licensed premises.

Next Slide

Header: Video Surveillance

- A marijuana establishment will install and maintain a video surveillance and camera recording system as provided. The video system must cover:
 - Each restricted access area and each entrance to a restricted access area within the licensed premises.
 - Each entrance to the exterior of the licensed premises.
 - Each point-of-sale area.
- At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.
- Any area where marijuana is grown, cured, or manufactured, or where marijuana waste is destroyed, must have a camera placement in the room facing the primary entry door, and inadequate fixed positions, at a height that will provide a clear, unobstructed view of the regular activity without a sight blockage from lighting hoods, fixtures, or other equipment, to allow for the clear and certain identification of any person and activity in the area always.

Next Slide

Header: Video Surveillance

- Surveillance recording equipment and video surveillance records must be housed in a locked and secure area or in a lock box, cabinet, closet or other secure area that is accessible only to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including a peace officer or an agent of the board. A marijuana establishment may use an offsite monitoring service and offsite storage of video surveillance records if security requirements at the offsite facility are at least as strict as onsite security requirements.
- Each surveillance recording must be preserved for a minimum of 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 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.

Next Slide

Header: Inspection of Licensed Premises

- A marijuana establishment or an applicant for a marijuana establishment license will, upon request, make the licensed premises or the proposed licensed premises, including any place for storage, available for inspection by the director, an employee or agent of the board, or an officer charged with the enforcement of Alaska laws. The board or the director may also request a local fire protection agency or any other state agency with



health and safety responsibilities to inspect licensed premises or proposed licensed premises.

- Inspection includes inspection of the premises, facilities, qualifications of personnel, methods of operation, business and financial records, marijuana inventory tracking system, policies, and purposes of any marijuana establishment and of any applicant for a marijuana establishment license.

Next Slide

Header: Marijuana Inventory Tracking System

- A marijuana establishment will use a marijuana inventory tracking system capable of sharing information with the system the board implements to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or a marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.
- Marijuana delivered to a marijuana establishment must be weighed on a scale registered in compliance with Alaska laws.

Next Slide

Header: Health and Safety Standards

A marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present. A marijuana establishment will take all reasonable measures and precautions to ensure that:

- Any person who has an illness, an open sore or infected wound, or other potential source of infection does not meet marijuana or a marijuana product while the illness or source of infection persists.
- The licensed premises have:
 - Adequate and readily accessible toilet facilities that are maintained in good repair and sanitary condition.
 - Convenient handwashing facilities with running water at a suitable temperature; the marijuana establishment will require employees to wash or sanitize their hands, and will provide effective hand-cleaning, sanitizing preparations, and drying devices.

Next Slide

Header: Health and Safety Standards

- Each person working in direct contact with marijuana or a marijuana product conforms to good hygienic practices while on duty, including:
 - Maintaining adequate personal cleanliness.



- Washing hands thoroughly in an adequate hand washing area before starting work, after using toilet facilities, and at any other time when the person's hands may have become soiled or contaminated.
- Litter, waste, and rubbish are properly removed; the waste disposal equipment must be maintained and adequate to sold; and repair:
 - Avoid contaminating any area where marijuana or any marijuana product is stored, displayed.
 - Prevent causing odors or attracting pests.

Next Slide

Header: Health and Safety Standards

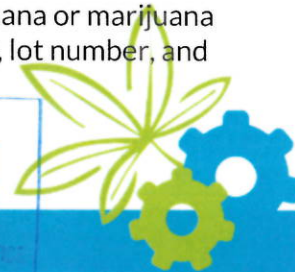
- Floors, walls, and ceilings are constructed to allow adequate cleaning, and are kept clean and in good condition.
- Adequate lighting is installed in any area where marijuana or a marijuana product is stored, displayed, or sold, and where any equipment or utensil is cleaned.
- Screening or other protection adequately protects against the entry of pests.
- Each building, fixture, and other facility is maintained in sanitary condition.
- Each toxic cleaning compound, sanitizing agent, and pesticide chemical is identified and stored in a safe manner to protect against contamination of marijuana or a marijuana product and in compliance with any applicable local, state, or federal law.
- Adequate sanitation principles are used in receiving, inspecting, transporting, and storing marijuana or a marijuana product.
- Marijuana or a marijuana product is held in a manner that prevents the growth of bacteria, microbes, or other undesirable microorganisms.

Next Slide

Header: Health and Safety Standards

A marijuana establishment will ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace. "Stored improperly" means being exposed to extremes in temperature, humidity, smoke, fumes, pressure, or radiation due to a natural disaster, fire, accident, or equipment failure. If a marijuana establishment does not have reliable information about the age or storage conditions of marijuana or a marijuana product in its possession, the marijuana establishment may salvage the marijuana only if:

- A licensed marijuana testing facility determines from quality assurance testing that the marijuana or marijuana product meets all applicable standards of moisture, potency, and contaminants.
- Inspection of the premises where a disaster or accident occurred shows that the marijuana or marijuana product stored there was not adversely affected by the disaster or accident.
- The marijuana establishment maintains a record of the salvaged marijuana or marijuana product in its marijuana inventory tracking system, including the name, lot number, and final disposition.



Next Slide**Header: Waste Disposal**

A marijuana establishment will store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation production, processing, testing, or retail sales, in compliance with applicable federal, state, and local statutes, ordinances, regulations, and other law. Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves a marijuana establishment. Marijuana waste includes:

- Marijuana plant waste, including roots, stalks, leaves, and stems that have not been processed with solvent.
- Solid marijuana sample plant waste in the possession of a marijuana testing facility.
- Other waste as determined by the board.

A marijuana establishment will:

- In the marijuana inventory tracking system, give the board notice not later than three days before making the waste unusable and disposing of it; however, the director may authorize immediate disposal on an emergency basis.
- Keep a record of the destination of marijuana waste made unusable.

Next Slide**Header: Waste Disposal**

Marijuana plant waste must be made unusable by grinding the marijuana plant waste and mixing it with at least an equal amount of other compostable or non-compostable materials. A marijuana establishment may use another method to make marijuana waste unusable if the board approves the method in advance. Material that may be mixed with the marijuana waste includes:

- Compostable materials including food waste, yard waste, vegetable-based grease or oils, or other wastes approved by the board when the mixed material can be used as compost feedstock or in another organic waste method such as an anaerobic digester with approval of any applicable local government entity.
- Non-compostable materials including paper waste, cardboard waste, plastic waste, oil, or other wastes approved by the board when the mixed material may be delivered to a permitted solid waste facility, incinerator, or other facility with approval of any applicable local government entity.

If marijuana or a marijuana product is found by, or surrendered to, a law enforcement officer including a peace officer or an airport security officer, the officer may dispose of the marijuana or marijuana product as provided or by any method that is allowed under any applicable local ordinance.

Next Slide**Header: Standardized Scales**

A marijuana establishment will use registered scales in compliance with Weights and Measures Act. A marijuana establishment will:

- Maintain registration and inspection reports of scales.



- Upon request by the board or the director, provide a copy of the registration and inspection reports of the registered scales to the board or the director for review.

Next Slide

Header: Transportation

- Marijuana or a marijuana product may only be transported to a licensed marijuana establishment by a licensee or an agent or employee of a licensee.
- 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 will have a marijuana handler permit.
- When marijuana or a marijuana product is transported, the marijuana establishment that originates the transport will 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 always.

Next Slide

Header: Transportation

- 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.
- When a marijuana establishment receives marijuana, or a marijuana product transported in compliance, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received. The recipient will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.
- A marijuana establishment will keep records of all marijuana or marijuana products shipped from or received at that marijuana establishment.



Next Slide

Header: Business Records

A marijuana establishment will maintain in a format that is readily understood by a reasonably prudent business person:

- All books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the



last six months must be maintained on the marijuana establishment's licensed premises; older records may be archived on or off premises.

- A current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment.
- The business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises.
- Records related to advertising and marketing.

Next Slide

Header: Business Records

- A current diagram of the licensed premises including each restricted access area.
- A log recording the name, and date and time of entry of each visitor permitted in a restricted access area.
- All records normally retained for tax purposes.
- Accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed.
- Transportation records for marijuana and marijuana products as required.

Next Slide

Header: Business Records

A marijuana establishment will provide any record required to be kept on the licensed premises to an employee of the board upon request. Any record kept off premises must be provided to the board's employees not later than three business days after a request for the Record.

A marijuana establishment will exercise due diligence in preserving and maintaining all required records. Loss of records and data, including electronically maintained records, does not excuse a violation. The board may determine a failure to retain records required to be a license violation affecting public safety.

Next Slide

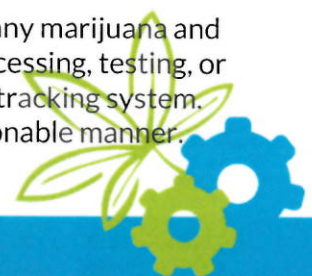
Header: Article 8: Enforcement and Civil Penalties

Next Slide

Header: Inspection and Investigation

The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity, may:

- Inspect the licensed premises of a marijuana establishment, including any marijuana and marijuana product on the premises, equipment used in cultivating, processing, testing, or storing marijuana, the marijuana establishment's marijuana inventory tracking system, business records, and computers, at any reasonable time and in a reasonable manner.
- Issue a report or notice.



- As authorized by Alaska laws, exercise peace officer powers and take any other action the director determines is necessary.

Next Slide**Header:** Inspection and Investigation

A marijuana establishment, and any licensee, employee, or agent in charge will cooperate with the director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity, to enforce the laws related to marijuana, including:

- Permitting entry upon and inspection of the licensed premises.
- Providing access to business records at reasonable times when requested by the director, an enforcement agent, an employee of the board, or a peace officer.

Next Slide**Header:** Report or Notice of Violation

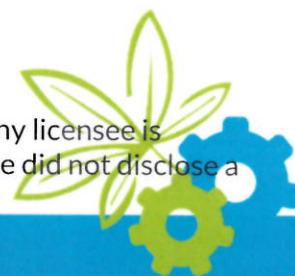
- The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity, may issue an inspection report, an advisory report, or a notice of violation before acting to suspend or revoke a marijuana establishment license.
- An inspection report documents an investigator's inspection of licensed premises. An inspection report must be prepared on a form the board prescribes and include information prescribed by law or that the board requires.
- The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity may issue an advisory notice when an incident occurs, or a defect is noted that could result in a violation of a statute, regulation, or municipal ordinance. An advisory notice may result from an inspection report but is not a basis for administrative action unless the incident or defect continues or is not corrected.

Next Slide**Header:** Report or Notice of Violation

The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity may issue a notice of violation if an inspection report or other credible information shows a marijuana establishment is in violation of Alaska laws relating to marijuana. The notice of violation must be delivered to the marijuana establishment at its licensed premises, and to the board. The notice must describe any violation, and cite the applicable statute, regulation, or order of the board. A marijuana establishment that receives a notice of violation may respond to the notice orally or in writing, and may, not later than 10 days after receiving the notice, request an opportunity to appear before the board. A notice of violation may be the basis of a proceeding to suspend or revoke a marijuana establishment's license.

Next Slide**Header:** Suspension or Revocation of License

The board will suspend or revoke a marijuana establishment license issued if any licensee is convicted of a felony or of a crime or if the board becomes aware that a licensee did not disclose a



previous felony conviction or a conviction of a crime. The board may suspend or revoke a license issued, refuse to renew a license, or impose a civil fine, if the board finds that a licensee for any marijuana establishment:

- Misrepresented a material fact on an application for a marijuana establishment license, or an affidavit, report, or signed statement.
- Is following any practice or procedure that is contrary to the best interests of the public, including:
 - Using any process not approved by the board for extracting or manufacturing marijuana concentrate or products; or board.
 - Selling or distributing any marijuana concentrate or product that has not been approved by the board.
 - Failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation.
 - A condition or restriction imposed by the board.
 - Other applicable law.

Next Slide

Header: Suspension or Revocation of License

The board may suspend or revoke a license issued, refuse to renew a license, or impose a civil fine, if the board finds that a licensee for any marijuana establishment:

- Knowingly allowed an employee or agent to violate Alaska laws, or a condition or restriction imposed by the board.
- Failed to comply with any applicable public health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.
- Used the licensed premises for an illegal purpose including gambling, possession or use of narcotics other than marijuana, prostitution, or sex trafficking.

A local government may notify the director if it obtains evidence that a marijuana establishment has violated a provision of Alaska laws or a condition or restriction the board has imposed on the marijuana establishment. Unless the board finds that the local government's notice is arbitrary, capricious, and unreasonable, the director will prepare the notice and supporting evidence as an accusation against the marijuana establishment under Alaska laws.

Next Slide

Header: Suspension or Revocation Based on Act of Employee

If, in a proceeding to suspend or revoke a marijuana establishment license, evidence shows that an employee or agent of a licensed marijuana establishment was responsible for an act that would justify suspension or revocation of the marijuana establishment's license if committed by a licensee, the board may find that licensee knowingly allowed the act if:

- The licensee:
 - Was physically present when the violation occurred.
 - Knew or should have known the violation was occurring.
 - Did not act to stop the violation.



- The licensee failed to adequately supervise the agent or employee.
- The licensee failed to adequately train the agent or employee in the requirements of Alaska laws relating to marijuana.
- Licensee was reckless or careless in hiring the agent or employee.

Next Slide

Header: Procedure for Action on License Suspension or Revocation

A proceeding to suspend or revoke a license must be initiated by service of an accusation on the marijuana establishment in compliance and conducted in compliance with Alaska laws. The accusation must be served at the address of the licensed premises, or at the address of the licensee who is responsible for management and compliance with laws as listed in the marijuana establishment license application in compliance. The marijuana establishment is entitled to a hearing as provided under Alaska laws.

Next Slide

Header: Summary Suspension to Protect Public Health, Safety, or Welfare

- If the director finds that a person holding a marijuana establishment license has acted and appears to be continuing to act in a way that constitutes an immediate threat to the public health, safety or welfare, the director may issue an order immediately suspending the license of that person and ordering an immediate stop to the activity that constitutes the threat to the public health, safety, or welfare.
- When the director issues a summary suspension, the director will immediately give the marijuana establishment subject to the summary suspension order notice of the reasons for the summary suspension, and of the time and place for an expedited hearing before the board. Unless the marijuana establishment subject to the summary suspension order requests a delay, the hearing will be held not later than five days after the director gives notice of the reasons for the summary suspension and the scheduled hearing.

Next Slide

Header: Seizure of Marijuana or Marijuana Product

The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity, may seize marijuana or any marijuana product from a licensed or previously licensed marijuana establishment if the marijuana establishment has:

- Any marijuana or marijuana product not properly logged into the marijuana establishment's marijuana inventory tracking system.
- Any adulterated marijuana food or drink product prohibited under Alaska laws.
- Any marijuana or marijuana product that is not properly packaged and labeled as provided in Alaska laws.
- Not renewed its license as required.

Next Slide

Header: Seizure of Marijuana or Marijuana Product



If the director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity seizes marijuana or a marijuana product, the director will update the marijuana inventory control tracking system to reflect the seizure and ensure that the seized items are stored in a reasonable manner. The director will immediately give the marijuana establishment from which the marijuana or marijuana product was seized notice of the reasons for the seizure and the time and place of a hearing before the board. Unless the marijuana establishment from which the marijuana or marijuana product was seized requests a delay, the hearing will be held not later than 10 days after the director gives notice of the reasons for seizure and the scheduled hearing. If the seizure occurs in connection with a summary suspension, the hearing will be combined with a hearing on the summary suspension.

Next Slide

Header: Seizure of Marijuana or Marijuana Product

If the marijuana establishment from which the marijuana or marijuana product was seized does not request or participate in a hearing under this section, or if after a hearing the board finds that seizure of the marijuana or marijuana product was justified, the marijuana or marijuana product will be destroyed by burning, crushing, or mixing with other material to make the marijuana or marijuana product unusable.

If a seizure is of marijuana plants in place in a licensed standard or limited marijuana cultivation facility, the seizure order may direct the marijuana cultivation facility to continue care of the plants until the hearing, but prohibit any transfer, sale, or other commercial activity related to the plants.

Next Slide

Header: Hearing

- Except as provided by Alaska laws, a person aggrieved by an action of the director, an enforcement agent, or an employee of the board may request a hearing in compliance with Alaska laws by filing a notice of defense not later than 15 days after receiving a written accusation. Failure to file a notice of defense constitutes a waiver of the right to a hearing.
- When an aggrieved person requests a hearing, the board may request the office of administrative hearings to conduct the hearing in compliance with due process, Administrative Procedure Act and Alaska laws.



Next Slide

Header: Civil Fines

- The board may, in addition to any other penalties imposed by law, impose a civil fine on a marijuana establishment, licensee, or person that the board determines has violated a provision of Alaska laws.
- In a proceeding under Alaska laws, the board may impose a civil fine, not to exceed the greater of:



- An amount that is three times the monetary gain realized by the marijuana establishment, licensee, or person because of the violation, as determined by the board.
- \$10,000 for the first violation.
- \$30,000 for the second violation.
- \$50,000 for the third or subsequent violation.

Next Slide**Header: Appeal**

- An aggrieved party may appeal to the board regarding any action of the director, an enforcement agent, or an employee of the board charged with enforcing laws, including suspending or revoking a license, seizing marijuana or a marijuana product, or imposing a civil fine.
- A person aggrieved by a final decision of the board suspending or revoking a license or imposing a civil fine may appeal to the superior court under Alaska laws.

Next Slide**Header: Surrender or Destruction of License**

A license issued must be surrendered to the director, an enforcement agent, or an employee of the board on demand if the director or board so orders. A license issued must be surrendered not later than 10 days after the marijuana establishment loses or vacates the licensed premises. If a license is destroyed, the marijuana establishment will promptly notify the board.

Next Slide**Header: Article 9: General Provisions****Next Slide****Header: Public Records**

Marijuana establishment applications are public records. The board may, at the request of any applicant, designate materials confidential if they:

- Contain proprietary information including trade secrets.
- Are required to be kept confidential by any federal or state law.

Refusal to Sell Marijuana

Nothing prohibits a licensee from refusing to sell marijuana or marijuana products to any person unless that refusal is a violation of Alaska laws.

Next Slide**Header: Exercise of Authority**

Until a marijuana establishment surrenders its license to the board, and so long as business is conducted under the license on the licensed premises, the person holding the license, whether an individual, a partnership, a limited liability company, a corporation, or a local government, is



responsible and liable for the conduct of the business. Any individual exercising actual authority over the conduct of business on the licensed premises must be the holder of the marijuana establishment license, or an agent or employee of that person unless the board has approved a transfer of the license to a different person.

Next Slide

Header: Death of Licensee

If an individual who is the sole licensee of a marijuana establishment dies, the marijuana establishment will cease operation. A personal representative appointed by the superior court for the estate of the deceased licensee may submit to the director a written request to reopen the business, along with a copy of the court order appointing the personal representative. If the licensed marijuana establishment is in good standing, and the personal representative is not a person prohibited from holding a marijuana establishment license, the director will grant permission to the personal representative to operate the business on the licensed premises, a marijuana establishment is in good standing if the marijuana establishment:

- Has a valid current license.
- Has paid all fees due and all local taxes due.
- Has no unresolved suspension or revocation proceedings against it.



Next Slide

Header: Death of Licensee

A personal representative authorized to operate a marijuana establishment must apply for a transfer of ownership to another person in compliance not later than 90 days after obtaining the director's approval to operate. The board may extend the time allowed for another 90 days if the personal representative requests the additional time.

This does not authorize the transfer of a marijuana establishment license unless the board approves the personal representative's application for transfer of license to another person.

Next Slide

Header: Submissions to the Board

Except as otherwise specifically provided by law, applications and communications of a formal nature must be submitted in writing, upon prescribed forms as appropriate, to the board at its main office, and are not considered timely filed until received there.

Next Slide

Header: Staff

- The director of the board is responsible for the management of the board's offices, the administration of the board's functions, and the enforcement of Alaska laws.
- The director will employ and supervise necessary clerical and investigative personnel and will prescribe their duties and authority.



- The director will prescribe forms for application for new licenses, transfers, and renewals and for endorsements, petitions, and other necessary documents.

Next Slide

Header: Conduct of Board Meetings

- The board will, at the first meeting of each calendar year, select a chair from among its members to preside over board meetings during the ensuing year.
- The board will meet at the call of the chair after reasonable public notice is given.
- For the purposes of Alaska laws, the whole membership is all persons appointed and serving as members of the board.
- The director is responsible for preparing an informative agenda for each board meeting. A copy of the agenda must be available for inspection by persons who request it.



Section 2: Module 1

The Effects of Consumption of Marijuana and Marijuana Products.

New Slide

Header: Learning Objectives

- Method of Delivery
- Anecdotal Effects of Indica
- Anecdotal Effects of Sativa
- Selecting Strain and Dosage
- Somatic Effects
- Neurological Effects
- Effects on Driving
- Neurological Effects
- Appetite

New Slide

Header: Method of Delivery: Risks and Benefits

- Inhalation
- Oral
- Transdermal



Each of these methods can employ various techniques that are appropriate for different occasions. Due to the psychoactive effects of Tetrahydrocannabinol (THC), many ways of ingesting cannabis have traditionally been to accentuate, prolong, or quickly induce the psychoactive effects.

New Slide

Header: Inhalation

- Smoking and vaporization.
- Currently the most common method of consumption.
- Most cannabinoids enter the body through the lungs where they are passed directly into the bloodstream.
- Overall has the shortest time effect of all delivery methods.
- Least effective for treating more serious illnesses.

Individuals who consumed cannabis via inhalation report feeling the effects of the medication within minutes, with peak effects around the hour mark and total duration of effects around two hours. It is important to point out that there can be significant variation in these times due to factors such as cannabinoid content, depth and length of inhalation (ex. smoking style) and previous cannabis exposure (ex. tolerance).

New Slide

Header: Smoking Inhalation Method

- Joints: Rolled cannabis cigarettes.



- Blunts: cannabis rolled in the leaf wrap of a hollowed-out cigar.
- Hand Pipes: Operate by trapping the smoke produced from burning cannabis, which is then inhaled by the user.
- Water Pipes: bongs or bubblers.

Smoking is the most expedient method of consumption, with almost immediate effect and dosage controlled by the patient. The health benefits associated with the addition of water using bongs or bubblers are up for debate. Water cools the smoke, but it's uncertain whether it acts as an effective filter for harmful constituents.

New Slide

Header: Vaporization Inhalation Method

- A healthier alternative method of inhalation.
- The cannabis plant is heated slowly, causing the cannabinoids to evaporate without reaching the point of combustion, releasing a much lower proportion of the harmful components that come from smoking.
- Offers the same therapeutic benefits of smoking without exposure to harmful toxins.

New Slide

Header: Inhalation Methods Summary

- Currently the most common form of consumption.
- Least effective form of treatment for most serious illnesses which require a more direct and potent dose of cannabis.
- Vaporization provides a healthier alternative to smoking.

New Slide

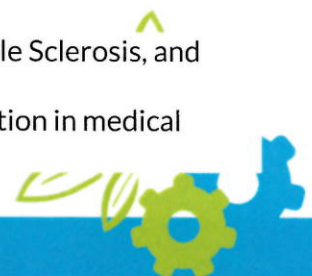
Header: Oral Delivery Methods

- Oral delivery methods include all techniques that are administered through the mouth, including tinctures, ingestible oils, and infused edibles and drinks.
- Subjects who consume cannabis orally usually report feeling the effects within thirty minutes often up to four hours or more, and then slowly begin to wear off.
- Many patients report that this method provides more of a relaxing body effect than the cerebral high that is often accompanied with vaporizing and smoking.

New Slide

Header: Oral Delivery Summary

- Most effective for serious illnesses such as Cancer, Parkinson's, Multiple Sclerosis, and Epilepsy.
- Recommended dosage for adults by current distributors of the medication in medical cannabis states say that a gram a day is proper dosage.



- Proper dosage for young epileptic children is two doses a day of 3-4 milligrams of oil per pound of body weight.

New Slide

Header: Transdermal Delivery

Cannabinoids combined with a penetrating topical cream can enter the skin and body tissues and allow for direct application to affected areas (ex. allergic skin reactions, post-herpes neuralgia, muscle strain, inflammation, swelling, etc.):

- Fast Acting and Localized Effect
- No Psychoactive Effect

Cannabis-infused lotions work because of the body's own endogenous cannabinoid system, which forms the biological basis for cannabis' therapeutic effect.

Depending on the carrier oil used in formulating the body-care product, the cannabinoids penetrate deeply enough into the skin to relieve muscle pain and arthritis inflammation, but not so deep that Tetrahydrocannabinol (THC) enters the bloodstream or central nervous system.

New Slide

Header: Edibles and Infused Products

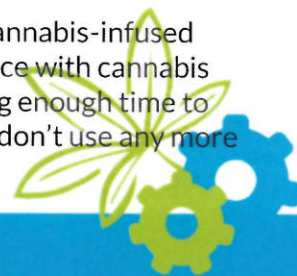
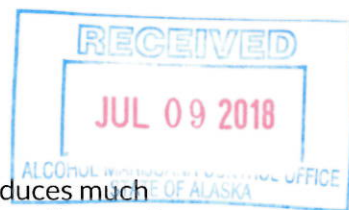
These are products such as foods (edibles) and tinctures that are infused with concentrated cannabis oils. Edibles are the most popular form of infused product, and they are also the most likely to result in over-consumption.

New Slide

Header: Inhaling vs. Ingesting Cannabis

Because of the way in which the body processes cannabis, ingesting it typically produces much stronger and longer-lasting effects, whereas the effects of inhaling cannabis are immediate and peak within 10-15 minutes. Ingesting cannabis can take up to two hours to take effect and can peak for a couple hours after that. If you decide to consume cannabis edibles, it is important to understand there are two very significant differences between inhaling and ingesting cannabis:

1. **Start Low:** Ingesting too much cannabis can be a very unpleasant experience, so be careful. Just about anyone who has over-consumed cannabis edibles will tell you that not eating enough is far preferable to eating too much. First, always read the product's packaging. State law requires that it indicate how many servings and how many total milligrams of Tetrahydrocannabinol (THC) are in the product.
2. **Go Slow:** It can take as long as two hours to experience the effects of cannabis-infused products, so be patient. One of the easiest ways to have a bad experience with cannabis edibles is to go back for a second serving without giving the first serving enough time to take effect. If it's your first time, start off with 5 milligrams of THC and don't use any more



for the rest of the day or evening. If it doesn't produce the desired effect, try 10 milligrams the next time. Don't jump up to 20 or more! It might not seem like a big difference between 10 and 20 milligrams, but keep in mind that 20 milligrams are four times the amount recommended for a first-time consumer.

Rich and dense products like brownies or chocolate take longer to digest, which means it will take longer before you feel the effects. Products like infused drinks and tinctures are absorbed into the body much more quickly, so you will likely experience the effects sooner.

New Slide

Header: Anecdotal Effects of Indica

Indica strains, typically lower Tetrahydrocannabinol (THC) and higher in Cannabinol (CBN) as well as Cannabidiol (CBD), have a more physical (than cerebral) effect. However, the relief of physical symptoms may have a positive psychological effect.

Anecdotal Benefits of Indica:

- Reduces Pain
- Relaxes Muscles
- Relieves Spasms and Reduces Seizures
- Reduces Inflammation
- Aids Sleep
- Reduces Anxiety and Stress
- Reduces Nausea
- Stimulates Appetite
- Relieves Headaches and Migraines
- Reduces Intraocular Pressure
- Serves as a Bronchodilator and Expectorant

New Slide

Header: Anecdotal Effects of Sativa

Sativa, typically high Tetrahydrocannabinol (THC) content and low Cannabinol (CBN) as well as Cannabidiol (CBD), when compared with Indica, is classified as possessing a more cerebral effect, as it can be stimulating, uplifting, energizing, and thought-provoking. It may also increase focus and creativity and support immune system health.

Anecdotal Benefits of Sativa:

- Reduces Nausea
- Stimulates Appetite
- Fights Depression
- Promotes Creative Energy
- Relieves Headaches and Migraines



- Relaxes Muscles
- Relieves Pain
- Acts as an Expectorant

New Slide**Header:** Selecting Strain and Dosage

The efficacy of cannabis is directly related to strain selection. Strains should be considered with care and necessary benefits in mind. Potency and dosage will vary with different strains, growing conditions, and individual plants. Ideally, the smallest possible amount of cannabis is consumed - using an appropriately potent strain - to reduce costs and potential side effects.

New Slide**Header:** Effects of Cannabis

Regardless of purpose, cannabis has immediate, short-term effects when used. When smoked, the short-term effects of cannabis manifest within seconds and are fully apparent within a few minutes, typically lasting for one to three hours, varying by the person and the strain of cannabis.

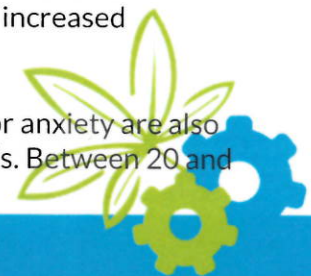
After oral ingestion of cannabis, the onset of effect is delayed relative to smoking, taking 30 minutes to two hours, but the duration is prolonged due to continued slow absorption. The duration of noticeable effects has been observed to diminish due to prolonged, repeated use and the development of a tolerance to cannabinoids.

New Slide**Header:** Psychoactive Effects

The psychoactive effects of cannabis, known as a "high", are subjective and can vary based on the person and the method of use. When Tetrahydrocannabinol (THC) enters the bloodstream and reaches the brain, it binds to cannabinoid receptors. The endogenous ligand (where a protein that attaches or binds to another protein) of these receptors is anandamide (a fatty acid neurotransmitter), the effects of which THC emulates. This agonism of the cannabinoid receptors results in changes in the levels of various neurotransmitters, especially dopamine and norepinephrine; neurotransmitters which are closely associated with the acute effects of cannabis ingestion, such as euphoria and anxiety.

Some effects may include a general alteration of conscious perception, euphoria, feelings of well-being, relaxation or stress reduction, increased appreciation of humor, music (especially discerning its various components/instruments) or the arts, joviality, metacognition and introspection, enhanced recollection (episodic memory), increased sensuality, increased awareness of sensation, increased libido, and creativity.

Abstract or philosophical thinking, disruption of linear memory and paranoia or anxiety are also typical. Anxiety is the most commonly reported side effect of smoking cannabis. Between 20 and



30 percent of users experience an intense anxiety and/or panic attacks after smoking cannabis. However, some users report anxiety only after not smoking cannabis for a prolonged period so inexperience and use in an unfamiliar environment are major contributing factors to this anxiety.

Cannabidiol (CBD), another cannabinoid found in cannabis in varying amounts, has been shown to ameliorate the adverse effects of THC, including anxiety, that some consumers experience. Cannabis also produces many subjective and highly tangible effects, such as greater enjoyment of food taste and aroma, an enhanced enjoyment of music and comedy, and marked distortions in the perception of time and space (where experiencing a "rush" of ideas from the bank of long-term memory can create the subjective impression of long elapsed time, while a clock reveals that only a short time has passed). At higher doses, effects can include altered body image, auditory and/or visual illusions, pseudo-hallucinatory, and ataxia from selective impairment of polysynaptic reflexes. In some cases, cannabis can lead to dissociative states such as depersonalization and derealization.

Any episode of acute psychosis that accompanies cannabis use usually abates after six hours, but in rare instances, heavy users may find the symptoms continuing for many days. If the episode is accompanied by aggression or sedation, physical restraint may be necessary. While many psychoactive drugs clearly fall into the category of either stimulant, depressant, or hallucinogen, cannabis exhibits a mix of all properties, perhaps leaning the most towards hallucinogenic or psychedelic properties. THC is typically considered the primary active component of the cannabis plant; various scientific studies have suggested that certain other cannabinoids like CBD may also play a significant role in its psychoactive effects.

New Slide

Header: Somatic Effects

Some of the short-term physical effects of cannabis use include increased heart rate, dry mouth, reddening of the eyes (congestion of blood vessels), a reduction in intraocular pressure, muscle relaxation and a sensation of cold or hot hands and feet.

Electroencephalography, which is the measurement of electrical activity in different parts of the brain, has shown somewhat more persistent alpha waves of slightly lower frequency than usual. Cannabinoids produce a marked depression of motor activity via activation of neuronal cannabinoid receptors belonging to the CB1 subtype. Cannabinoid receptors, located throughout the body, are part of the endocannabinoid system, which is involved in a variety of physiological processes including appetite, pain-sensation, mood, and memory.

New Slide

Header: Duration

Inhaled

Peak levels of cannabis-associated intoxication occur approximately 30 minutes after smoking and last for several hours. The total short-term duration of cannabis uses when smoked is based



on the potency, method of smoking, and how much is smoked. Peak levels of intoxication typically last several hours.

Ingested

When taken orally (in the form of capsules, food or drink), the psychoactive effects take longer to manifest and generally last longer, typically lasting for four to ten hours after consumption. Very high doses may last even longer.

New Slide

Header: Neurological Effects

The areas of the brain where cannabinoid receptors are most prevalently located are consistent with the behavioral effects produced by cannabinoids. Brain regions in which cannabinoid receptors are very abundant are the basal ganglia part of the brain that is associated with movement control; the cerebellum, associated with body movement coordination; the hippocampus, associated with learning, memory, and stress control; the cerebral cortex, associated with higher cognitive functions; and the nucleus accumbens, regarded as the reward center of the brain.

Other regions where cannabinoid receptors are moderately concentrated are the hypothalamus, which regulates homeostatic functions; the amygdala, associated with emotional responses and fears; the spinal cord, associated with peripheral sensations like pain; the brain stem, associated with sleep, arousal, and motor control; and the nucleus of the solitary tract, associated with visceral sensations like nausea and vomiting.

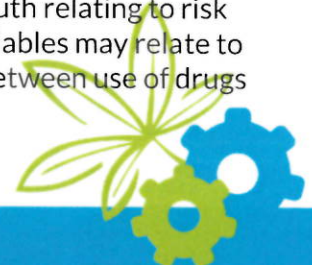
Cannabinoids inhibit the release of several neurotransmitters in the hippocampus such as acetylcholine, norepinephrine, and glutamate, resulting in a major decrease in neuronal activity in that region.

New Slide

Header: Effects on Driving

While several studies have shown increased risk associated with cannabis use by drivers, other studies have not found an increased risk. Cannabis usage has been shown to have a negative effect on driving ability. It has been indicated that drivers who consume cannabis within three hours of driving are nearly twice as likely to cause a vehicle collision as those who are not under the influence of drugs or alcohol.

A study identified young males, amongst whom cannabis consumption is frequent and increasing, and in whom alcohol consumption is also common, as a risk group for traffic accidents. The cause, according to the report, is driving inexperience and factors associated with youth relating to risk taking, delinquency, and motivation. These demographic and psychosocial variables may relate to both drug use and accident risk, thereby presenting an artificial relationship between use of drugs and accident involvement.



However, this impairment is mediated in that subjects under cannabis treatment since they appear to perceive that they are impaired from using cannabis. The effects of driving behavior are present up to an hour after smoking but do not continue for extended periods and this summarizes current knowledge about the effects of cannabis on driving and accident risk based on a review of available literature published and the effects of cannabis on laboratory-based tasks.

New Slide

Header: Effects on Driving

Other studies show similar results, with laboratory studies examining the effects of cannabis on skills utilized while driving shown impairments in tracking, attention, reaction time, short-term memory, hand-eye coordination, vigilance, time and distance perception, and decision making and concentration.

Another review concluded that the acute effect of moderate or higher doses of cannabis impairs the skills related to safe driving and injury risk, specifically attention, tracking and psychomotor skills. Some studies conclude that there is evidence of dose-dependent impairments in cannabis-affected drivers' ability to control a vehicle in the areas of steering, headway control, speed variability, car following, reaction time and lane positioning. The researchers note that even in those who learn to compensate for impairing effects, substantial impairment in performance can still be observed under conditions of general task performance (ex. when no contingencies are present to maintain compensated performance).

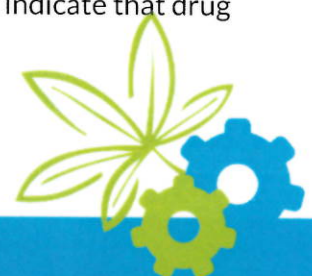
An extensive study regarding crash risk and drug use found that cannabis was associated with minor, but not statistically significant increased odds of injury or fatal accident. The increase in the risk of accident involvement associated with the use of drugs must be regarded as modest compared to the huge increase in accident risk associated with alcohol, as well as the high accident rate among young drivers.

Researchers hypothesized it's just safer to drive under the influence of cannabis than it is to drive drunk, as drunk drivers take more risk; they tend to go faster as they don't realize how impaired they are. People who are under the influence of cannabis drive slower, and they don't take as many risks. Another consideration, they added, was the fact that users of cannabis tend to stay home. A controlled study found that other studies that measure the presence of Tetrahydrocannabinol (THC) in the drivers' blood or oral fluid, rather than relying on self-report tend to have much lower (or no) elevated crash risk estimates. Likewise, better-controlled studies have found lower (or no) elevated crash risk estimates.

The study found that after adjusting for age, gender, race and alcohol use, drivers who tested positive for cannabis were no more likely to crash than those who had not used any drugs or alcohol prior to driving. The study, however, cautions that these results do not indicate that drug use by drivers is risk-free.

New Slide

Header: Cardiovascular Effects



Short-term (one to two hours) effects on the cardiovascular system can include increased heart rate, dilation of blood vessels, and fluctuations in blood pressure. There are medical reports of occasional infarction, stroke and other cardiovascular side effects. Cannabis' cardiovascular effects are not associated with serious health problems for most young, healthy users. Older people, particularly those with some degree of coronary artery or cerebrovascular disease, poses greater risks due to the resulting increase in catecholamine, cardiac workload, carboxyhemoglobin levels, and concurrent episodes of profound postural hypotension.

Cannabis may be a much more common cause of myocardial infarction than is generally recognized. In day-to-day practice, a history of cannabis use is often not sought by many practitioners, and even when sought, the patient's response is not always truthful. An analysis of myocardial infarction survivors showed no statistically significant association between cannabis use and mortality.

New Slide

Header: Cardiovascular Effects

A study found that heavy, chronic smoking of cannabis changed blood proteins associated with heart disease and stroke. It found that a middle-aged person's risk of heart attack rises nearly fivefold in the first hour after smoking cannabis, roughly the same risk seen within an hour of sexual activity. Cannabis arteritis is a very rare peripheral vascular disease like Buerger's disease.

A confusing factor in cannabis research is the prevalent usage of other recreational drugs, especially alcohol and nicotine. Such complications demonstrate the need for studies on cannabis that have stronger controls, and investigations into alleged symptoms of cannabis use that may also be caused by tobacco. Some critics question whether agencies doing the research make an honest effort to present an accurate, unbiased summary of the evidence, or whether they "cherry-pick" their data to please funding sources which may include the tobacco industry or governments dependent on cigarette tax revenue; others caution that the raw data, and not the final conclusions, are what should be examined.

New Slide

Header: Neurological Performance

While research has been undertaken on the combined effects of alcohol and cannabis on performing certain tasks, little research has been conducted on the reasons why this combination is so popular. Evidence from a controlled experimental study suggests that alcohol causes Tetrahydrocannabinol (THC) to be absorbed more rapidly into the blood plasma of the user. Data found that most of recent cannabis users reported using alcohol when cannabis was not available. Memory and learning studies on cannabis and memory are often hindered by small sample sizes, confounding drug use, and other factors. The strongest evidence regarding cannabis and memory focuses on its temporary negative effects on short-term and working memory.



A study looking at neuropsychological performance in long-term cannabis users found some cognitive deficits appear detectable at least seven days after heavy cannabis use but appear reversible and related to recent cannabis exposure rather than irreversible and related to cumulative lifetime use. On studies regarding cannabis use, it found cannabis is not dangerous over the long term, but there are short-term effects. From neuropsychological tests, it was found that chronic cannabis users showed difficulties, with verbal memory, for at least a week or two after they stopped smoking. Within 30 days, memory problems vanished, and the subjects were no longer distinguishable from the comparison group.

Researchers failed to show substantial, systemic neurological effects from long-term recreational use of cannabis. The research found that cannabis use did affect perception but did not cause permanent brain damage. The results showed long-term cannabis use was only marginally harmful to the memory and learning. Other functions such as reaction time, attention, language, reasoning ability, perceptual and motor skills were unaffected. The observed effects on memory and learning showed long-term cannabis use caused "selective memory defects", but that the impact was of a very small magnitude and showed that very heavy use of cannabis is associated with decrements in neurocognitive performance even after 30 days of abstinence.

New Slide

Header: Appetite

The feeling of increased appetite following the use of cannabis has been documented for hundreds of years and is known colloquially as "the munchies" in the English-speaking world. Clinical studies and survey data have found that cannabis increases food enjoyment and interest in food. Scientists have claimed to be able to explain what causes the increase in appetite, concluding that endocannabinoids in the hypothalamus activate cannabinoid receptors that are responsible for maintaining food intake. Rarely, chronic users experience a severe vomiting disorder, cannabinoid hyperemesis syndrome, after smoking and find relief by taking hot baths.

Endogenous cannabinoids (endocannabinoids) were discovered in cow's milk and soft cheeses. Endocannabinoids were also found in human breast milk. It is widely accepted that the neonatal survival of many species is largely dependent upon their suckling behavior, or appetite for breast milk and recent research has identified the endogenous cannabinoid system to be the first neural system to display complete control over milk ingestion and neonatal survival. It is possible that cannabinoid receptors in our body interact with the cannabinoids in milk to stimulate a suckling response in newborns to prevent growth failure.



Section 2: Module 2

How to Identify a Person Impaired by Consumption of Marijuana

New Slide

Header: Learning Objectives

Visible intoxication is when a person's physical and mental abilities are diminished by cannabis or other drugs to a point that it can be observed by others. You cannot sell cannabis items to a customer who is visibly intoxicated.

You are not expected to know a customer's impairment level or know for certain that a customer has consumed some other form of intoxicating substance, but you are expected to recognize visible intoxication. So, you must not sell cannabis to anyone showing signs of visible intoxication no matter what substance the person may have used to become intoxicated.

- Cannabis Composition
- Consumption Effects
- Impaired Behaviors from Cannabis
- Impairment Effects on the Body
- Techniques to Evaluate Impairment
- Professional Intervention Attitudes
- Impairment in the Workplace
- Recognizing Workplace Impairment
- Employer and Supervisor Responsibilities
- Employee Responsibilities
- How to Determine Employee Impairment
- Workplace Impairment Policies
- Health and Safety Concerns



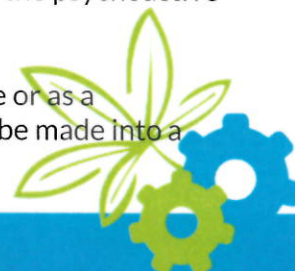
There are many signs of a visibly intoxicated person and if the person shows a combination of several of these signs, or exhibits a significant change in behavior, that could be a strong indication that the person is intoxicated.

New Slide

Header: Cannabis Composition

Cannabis contains hundreds of chemical substances and chemical compounds that act on receptors in cells in the brain and body. Tetrahydrocannabinol (THC) is the most studied component of cannabis and is the chemical responsible for the psychoactive effect or "high". Some low THC strains have been used in patients with chronic pain who do not want the psychoactive effect.

Cannabis is most often inhaled as smoke as a dried herbal product, either alone or as a concentrate, but it can also be vaporized. The flower of the cannabis plant can be made into a variety of products, including:



- Dried Herbal Material (ex. cannabis)
- Oil (ex. hash oil)
- Hash (ex. compressed resin)
- Concentrates (ex. shatter)
- Foods and Beverages (ex. infused cannabis products)

Cannabis can also be ingested by pill form or in food, or absorbed through the skin via creams, salves, or skin patches.

New Slide

Header: Consumption Effects

With inhalation (smoking, vaporizing), effects may be felt within a few minutes of dosing and will generally peak within 30 mins. Acute effects generally last between two and four hours but may be longer (ex. 24 hours). With oral ingestion (ex. oils, foods, capsules), acute effects may begin to be felt as quickly as 30 mins and as late as three or four hours after administration. This variability in timing depends on several factors (ex. amount of food in stomach).

It is prudent to wait a minimum of two hours between administration of single doses of oral products to avoid possible overdosing. Acute effects generally peak between three and four hours after dosing and can last up to eight hours or longer (ex. 12–24 hours). With topical application, it is not known how long it takes for potential therapeutic effects to appear, nor how long they last. There have been reports of hypersensitivity reactions (ex. rashes, itching, etc.) when skin has encountered cannabis.

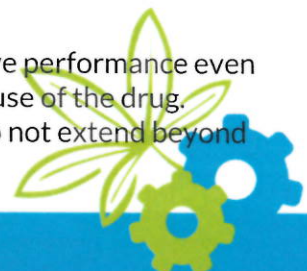
New Slide

Header: Impaired Behaviors from Cannabis

Most studies of impairment and cognition show return to a non-impaired state within three to six hours after smoking cannabis among occasional recreational users. Impaired behavior from acute use differs between occasional users and long-term users. There is good evidence that chronic frequent cannabis users exhibit less impairment from acute Tetrahydrocannabinol (THC) than do occasional users, but the degree to which impairment is mitigated in safety-sensitive activities is unclear.

Although definitive conclusions about the acute and lingering effects of the drug have been elusive, there is now a large body of evidence to support the persistence of neurocognitive impairment lasting from hours to weeks. The findings on safety have been generalized through other lines of research. These include tests demonstrating that, at very high doses, the drug causes persistent, negative effects on verbal and visual memory, executive functioning, perception, psychomotor speed, and manual dexterity.

This level of use was shown to be associated with decrements in neurocognitive performance even after 30 days of abstinence. This persistence is generally linked to very heavy use of the drug. Although other reports suggest that neurocognitive and withdrawal effects do not extend beyond



30 days, performance and safety could conceivably be compromised even after a several-week period of abstinence.

New Slide

Header: Mixing Alcohol or Other Drugs

There is also a significant combination effect when cannabis is consumed with alcohol, leading to a greater level of intoxication and motor control problems than when either substance is consumed alone. Impairment may also be made worse when cannabis is consumed with other Central Nervous System (or CNS) depressants such as benzodiazepines, barbiturates, opioids, antihistamines, or muscle relaxants.

New Slide

Header: Impairment Effects on the Body

When inhaling cannabis, the chemicals in the smoke pass from the lungs into the blood, which carries the chemicals throughout the body and to the brain. The effects of cannabis are delayed if it is ingested instead of smoked, because the chemicals must first pass through the digestive system. Users have varying sensitivity to the effects of Tetrahydrocannabinol (THC). Regardless of the method of consumption, the effects are the same. In general, effects may include:

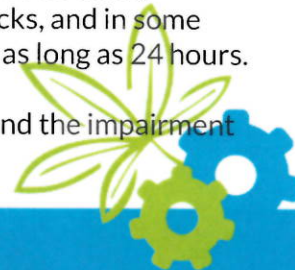
- Dizziness, drowsiness, feeling faint or lightheaded, fatigue, headache.
- Impaired memory and disturbances in attention, concentration and ability to think and make decisions.
- Disorientation, confusion, feeling drunk, feeling abnormal or having abnormal thoughts, feeling "too high", feelings of unreality, feeling an extreme slowing of time.
- Suspiciousness, nervousness, episodes of anxiety resembling a panic attack, paranoia (loss of contact with reality), hallucinations (seeing or hearing things that do not exist).
- Impairment of motor skills, and perception, altered bodily perceptions, loss of full control of bodily movements, falls.
- Dry mouth, throat irritation, coughing.
- Worsening of seizures.
- Hypersensitivity (worsening of dermatitis or hives).
- Higher or lower blood levels of certain medications.
- Nausea, vomiting.
- Fast heartbeat.

New Slide

Header: Impairment Effects on the Body

Using cannabis or any cannabis product can impair your concentration, your ability to think and make decisions, and your reaction time and coordination. This can affect your motor skills, including your ability to drive. It can also increase anxiety and cause panic attacks, and in some cases cause paranoia and hallucinations. These effects have been noted to last as long as 24 hours.

There is moderate evidence of a statistical association between cannabis use and the impairment



in the cognitive domains of learning, memory and attention (ex. acute cannabis use). Effects of cannabis for an average user and average dose will vary. Consumers with no prior experience with cannabis and initiating therapy for the first time are cautioned to begin at a very low dose and to immediately stop therapy if unacceptable or undesirable side effects occur.

New Slide

Header: Physical Impairment

Indicators:

- Deterioration in Appearance and/or Personal Hygiene
- Unexplained Bruises
- Sweating
- Complaints of Headaches
- Tremors
- Diarrhea and Vomiting
- Abdominal/Muscle Cramps
- Restlessness
- Frequent Use of Breath Mints/Gum or Mouthwash
- Odor of Cannabis or Alcohol on Breath
- Slurred Speech
- Unsteady Gait

New Slide

Header: Psychosocial Impacts

Indicators:

- Family Disharmony (ex. how the colleagues speak of family members)
- Mood Fluctuations (ex. swinging from being extremely fatigued to 'Perkiness' in a short period of time)
- Inappropriate Verbal or Emotional Response
- Irritability
- Confusion or Memory Lapses
- Inappropriate Responses/Behaviors
- Isolation from Colleagues
- Lack of Focus/Concentration and Forgetfulness
- Lying and/or Providing Implausible Excuses for Behavior

New Slide

Header: Workplace Performance

Indicators:

- Calling in Sick Frequently (ex. may work overtime)
- Moving to a Physical Location (ex. where there is less visibility or supervision)
- Arriving Late for Work/Leaving Early
- Extended Breaks (ex. sometimes without telling colleagues they are leaving)
- Forgetfulness



- Errors in Judgement
- Deterioration in Performance
- Excessive Number of Incidents/Mistakes
- Non-Compliance with Policies
- Doing enough work to just 'get by'
- Sloppy, Illegible or Incorrect Work (ex. writing, reports, etc.)
- Changes in Work Quality

New Slide

Header: 50 Signs of Impairment

Appearance

1. Bloodshot, Glassy or Watery Eyes
2. Flushed Face
3. Droopy Eyelids
4. Blank Stare or Dazed Look
5. Twitching or Body Tremors
6. Disheveled Clothing

Speech

7. Thick, Slurred Speech
8. Loud, Noisy Speech
9. Speaking Loudly, then Quietly
10. Rambling Train of Thought
11. Unusually Fast or Slow Talking
12. Slow Response to Questions or Comments
13. Repetitive Statements
14. Bravado or Boasting
15. Making Irrational Statements

Attitude

16. Annoying Customers and Employees
17. Argumentative
18. Aggressive or Belligerent
19. Obnoxious or Mean
20. Inappropriate Sexual Advances
21. Overly Friendly to Customers or Employees
22. Boisterous

Behavior

23. Swaying, Staggering or Stumbling
24. Unable to Sit Straight
25. Careless with Money
26. Difficulty Making Change
27. Restless



28. Depressed or Sullen
29. Crying or Moody
30. Extreme or Sudden Change in Behavior
31. Overly Animated or Entertaining
32. Crude, Inappropriate Speech or Gestures
33. Drowsiness or Falling Asleep
34. Lack of Focus and Eye Contact
35. Difficulty Standing Up

Behavior

36. Unusual Walk
37. Can't Find Mouth with Glass
38. Falling Down or Falling Off of Chair
39. Difficulty Lighting Cigarettes
40. Lighting More than One Cigarette
41. Clumsy
42. Difficulty Remembering
43. Spilling Drinks
44. Disoriented
45. Agitated and Anxious
46. Grinding Teeth
47. Vomiting

Other

48. Odor of Alcohol, Cannabis or Chemicals
49. Excessive Perspiration
50. Repeated Trips to Restroom or Outside Area

New Slide

Header: Techniques to Evaluate Impairment



There are many intervention techniques and systems to evaluate customers. Each business may have their own techniques and systems depending on their business model, but the following guidelines could be helpful in developing successful intervention practices.

- Smile, make eye contact with your customers, and take time checking identification.
- Chat with customers before selling cannabis to them to determine if they are intoxicated.
- Know and watch for likely signs of visible intoxication and combinations of these signs.
- When you refuse to sell to a customer, tell your manager and co-workers.

New Slide

Header: Intervention Techniques

Intervention is a responsible sales technique that promotes responsible sales and helps keep the community safe. Intervention is a plan of action that includes things such as refusing to sell when a customer shows signs of visible intoxication and asking people for identification. It is easier to plan



and practice the actions you will take and what you will say before you must deal with that real-life situation at work.

1. When appropriate, have a co-worker with you when you must refuse service.
2. Make it clear you are in control without being overbearing and scaring off customers.
3. Use peer pressure if possible by asking for support from the customer's friends or one of your associates.
4. Offer alternative transportation to keep intoxicated customers from driving.
5. If an intoxicated customer insists on driving threaten to call the police and identify the driver and the vehicle.
6. Follow through on your threat if the intoxicated customer leaves.

New Slide

Header: Professional Intervention Attitudes

Many cannabis industry personnel use the following guidelines when refusing sales:

- Be courteous and concerned. People are more cooperative when they feel they are being respected and helped, rather than being put down. You might try a statement such as, "I want to see that you get home safely."
- Be confident. Confidence convinces people you are doing the right thing. Act confident even if you don't feel especially confident - no one will know the difference!

New Slide

Header: Professional Intervention Attitudes

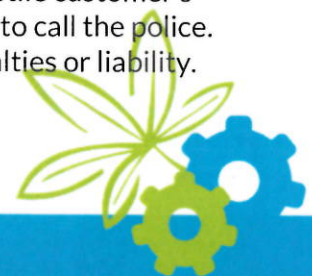
- Be tactful. Never accuse a customer of being intoxicated. State simply that you cannot sell them any cannabis and suggest they come back another time.
- Be discreet. Make every effort not to embarrass the customer in front of friends or business associates. If possible, speak to the person privately.
- Be firm. Do not allow the impaired customer to talk you out of the rational decision you have made. Use a phrase that gets the message across and stops an argument in its tracks like, "I'm sorry I can't sell you any cannabis - it's against the law."

New Slide

Header: Dealing with Difficult Customers

Three things to remember when dealing with difficult customers are:

- Remain calm. It helps to remember that the customer is the one with impaired judgment, not you.
- Get help. Tell the manager or other sellers and sometimes even the hostile customer's friends can help diffuse the situation. Occasionally you may even need to call the police.
- Avoid a fight. Fights are bad for business and could result in other penalties or liability.



New Slide

Header: Two Key Principles

Keep two principles in mind in choosing your words:

- Avoid “you” statements that sound accusatory or judgmental, such as “You’re drunk,” “You’re stoned,” “You already seem high on something”. These statements are more likely to offend and provoke the customer.
- Use “I” statements instead, that put the focus on you and why you’re refusing to sell, such as “I could get in trouble with the law and lose my worker permit or our business could lose its license,” “Legally, I’m not allowed to sell you any cannabis products”, “I have to follow the law”, “My job would be at risk”, “I can’t.”



Section 3, Module 1

Determining Valid Identification and Preventing Diversion

New Slide

Header: Learning Objectives

As licenses are becoming ever easier to forge, fake identification (ID) is growing more common and more “real” or accurate to a legally issued ID. If you're in a position where you must verify someone's age or identity, it's important that you know how to detect fake identification to determine valid identification.

Here are some tips and techniques for checking identification. Remember, it is the customer's obligation to present identification which verifies their age. They must prove they are of legal age or older and you can always ask for secondary identification if you are unsure.

- “U-CARD” Identification
- Questions to Verify Identification
- Identification Operating Procedure
- Additional Identification Tips
- Types of Acceptable Identification
- Confiscating Fake Identification

New Slide

Header: “U-CARD” Identification Aid



You should examine the card carefully, identifying relevant safety features, before studying the cardholder. Think of the term “U-CARD” as a memory aid for the following procedure which can be used with most identifications. Using the “U-CARD” memory aid:

Unaltered:

- Always have the customer remove the identification from his or her wallet and hold the identification with your index finger on the top edge and your thumb on the bottom edge. This prevents any of the information from being covered up.
- Use the fingers of your other hand to check for any raised edges around the photograph, bumpy surfaces by the picture, irregular lamination, obvious cuts or slashes, the thickness and quality of the identification, and more.
- Turn the identification 90 degrees to look for number and letters that are out of line with the rest of the print.

Current:



- Check the expiration date first. Expired identification is not valid, and you cannot accept it as legal proof of age even if it looks like the person. If the identification is expired, you can stop right there. Return the identification and refuse service.

Age:

- Check the date of birth; it must show the person is old enough to purchase cannabis so look for any alterations of the date of birth.

Readable:

- Be sure you can read and understand the identification. If you cannot read an identification in a foreign language or the identification is worn or damaged so that parts are unreadable, do not accept it.

Description:

- People can lose or gain weight and their hair and eye color (with contact lenses) may change, but the height should be consistent with the information on the identification. Look closely at the distance between the person's eyes; this usually doesn't change even if the person's weight or hairstyle did.
- Refuse to sell if the photo or description does not match the person presenting the identification, even if they say they've changed their hairstyle, lost weight, etc.

New Slide

Header: Questions to Verify identification

With any system of checking identification, you can ask the customer questions, such as:

- What is your address?
- What is your zip code?
- What is your middle name?
- What is your date of birth?
- How old are you now?
- What is your astrological sign?
- What year did you graduate high school/college?
- Are you an anatomical donor?
- Do you have a second piece of identification? (If they say no, but you were observant and noticed other identification in their wallet when they gave you the identification you are checking, you can assume the one in your hand is not valid.)



New Slide

Header: Questions to Verify identification

You don't need to know the answers to all the questions, but observe the way the customer responds, are they confident, hesitant, nervous, taking too much time to respond. This will give

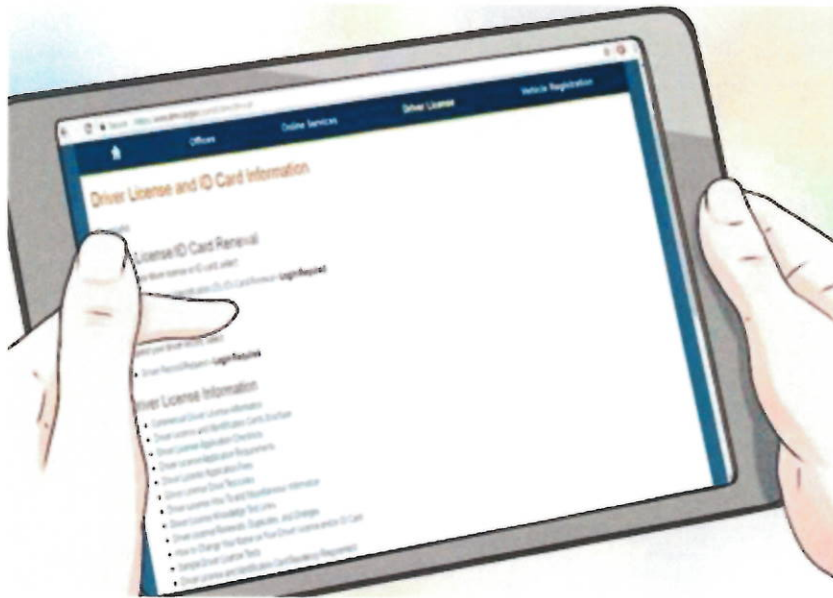


you clues to whether they are lying or not. Remember, if you have any doubt that a piece of identification is valid, do not accept it and do not sell recreational cannabis to that person.

New Slide

Header: Identification Operating Procedure

1. Examining the Card



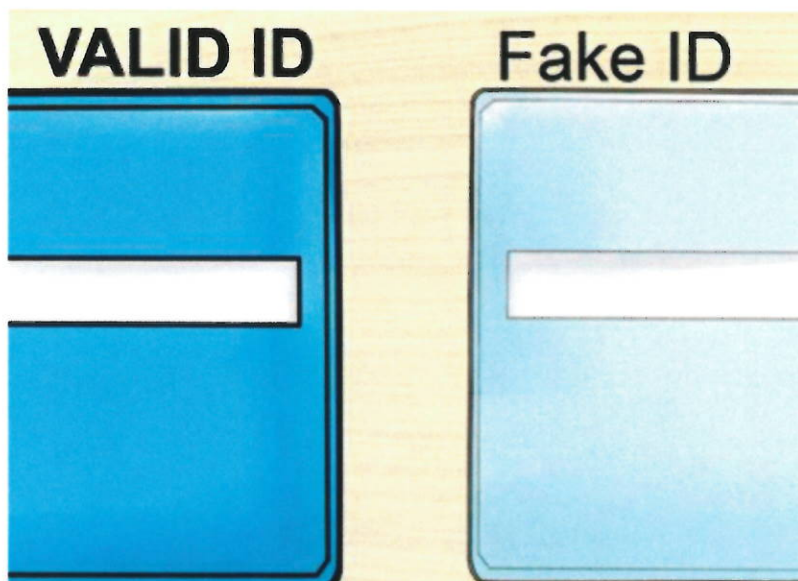
Know what to look for since each issued identification is somewhat different depending on your jurisdiction. Accordingly, you should learn the security features used on cards in your region and in surrounding parts. Fortunately, there is plenty of information available.

Purchase an "Identification Guide" that you can pick up and your local government might have published a booklet or handout on authenticating their identifications. Check with your Department of Motor Vehicles and there may also be an app you can download to your smartphone that will contain identifications for all government issued identification.

New Slide

Header: 2. Compare the Identification





Compare the identification to a valid one so if you don't have an identification checking guide, you can compare the identification to one you know is valid - maybe even your own. Check how similar they are. Compare whether the thickness, size, coloring, lettering, and corners are the same. A fake identification may be thinner than a legitimate one. Counterfeiters use different paper or laminate than legitimate identifications.

New Slide

Header: 3. Use A Magnifying Glass



Examine the microprint with a magnifying glass. Almost all identifications use microprint as a security feature. It looks like a straight line, but when magnified you can see the words clearly. Use



a magnifying glass to check whether the identification has microprint. The microprint will be located on different positions, depending on which identification you are looking at.

New Slide

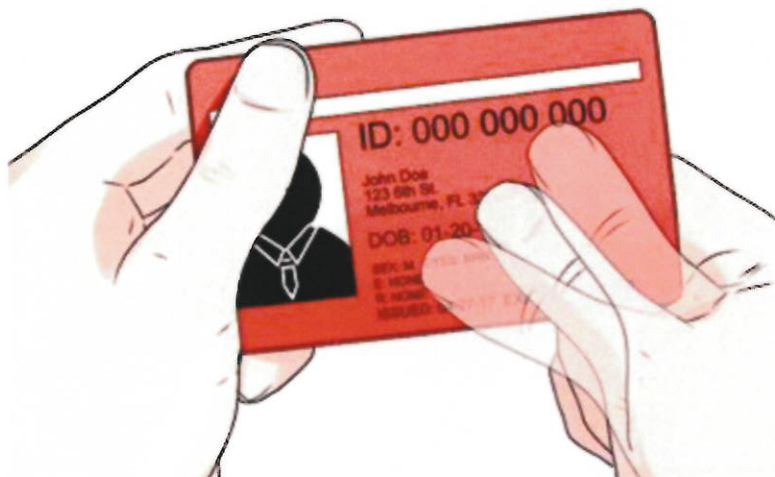
Header: 4. Use Ultraviolet Light



Hold the card under ultraviolet (or UV) light. Depending on your government, certain security features will show up under ultraviolet light. For example, on some identifications, you can see a second, lighter image of the cardholder only under UV light.

New Slide

Header: 5. Feel the Card



Use your hands to see if the card feels normal. Your sense of touch can pick up on many signs of fraud. For example, feel the edges of the identification, which should be smooth and not peeling. Also, the card shouldn't be flimsy and bend easily. Run a thumb over the picture and check its thickness. On some fake identifications, a picture is pasted over the original one, so the identification is especially thick there. Some information may also be tactile (or perceived by touch). On different licenses, for example, the cardholder's signature is now printed using raised lettering. You can run your thumb across it and feel the lettering.

New Slide

Header: 6. Scan the Barcode



Scan barcode if it is an option. The barcode contains information which should match the information on the front of the card. Most forgers cannot encode the information because it is too expensive. Scan the barcode and see if any information has been encoded and whether it matches the information on the front. There's an app you can use and can be downloaded onto your smartphone.

New Slide

Header: 7. Tilt the Card





Look at it from different angles. Some cards have security features that are only visible from certain angles. For example, you can check for an image overlay by tilting the card. The card might also have the government issuer name that is visible when you tilt the card toward the light. For example, on some driver's license, the name shows up in diagonal across the front of the card.

New Slide

Header: 8. Search for Misspellings



Make sure everything is spelled correctly. Search for misspellings on the identification. You can spot a forgery if the identification contains a misspelling, such as using the wrong abbreviation. Any identification with a misspelling is not legitimate.

New Slide

Header: 9. Studying the Cardholder

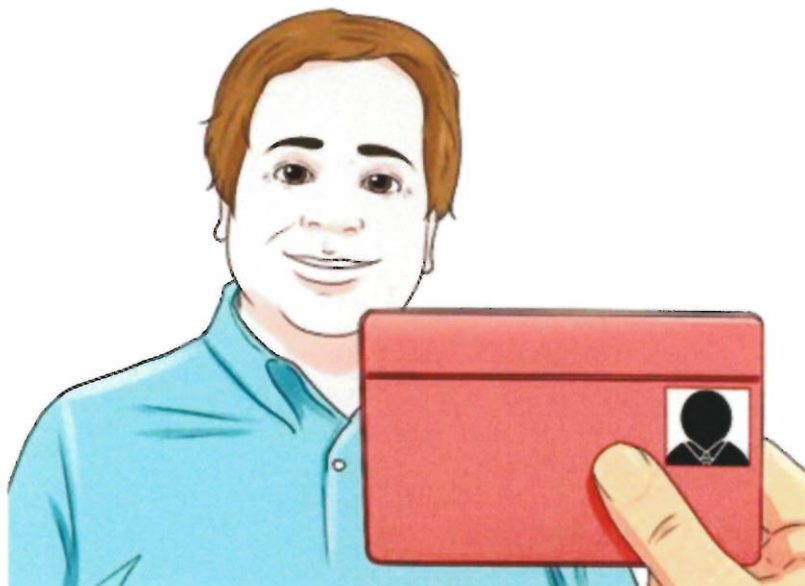


Look for signs of anxiety and be suspicious if the cardholder avoids eye contact, is shaking, or otherwise looks nervous. This may be the first time they've tried to use a fake identification and could fear getting caught. Other signs of lying include pursing their lips or touching their face as they talk. If the person is right-handed, then they will usually look to the right when they tell a lie.

New Slide

Header: 10. Review Physical Description





Compare the physical description to the cardholder. A driver's license and other identifications should include a physical description that includes height, age, eye color, and weight. Check that the person handing over the identification matches the description. It can be difficult to judge height in the abstract. However, compare the person to your own height.

New Slide

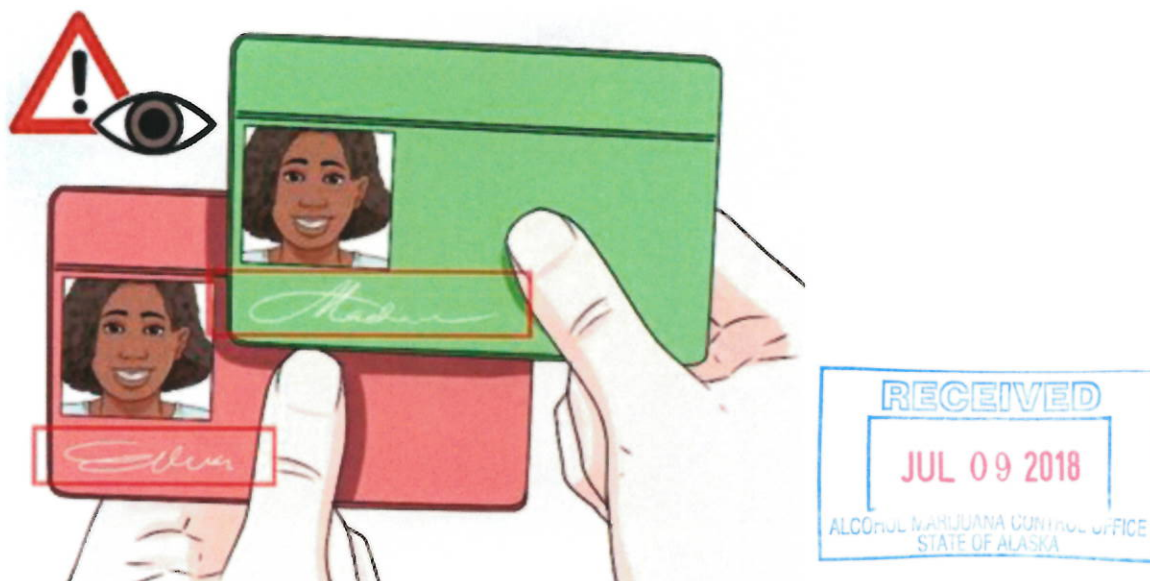
Header: 11. Compare the Picture



Compare the picture to the person. The identification should also have a picture. Analyze whether the person looks remotely like the person handing you the identification. Although the picture may be a few years old, the person should look generally the same. Instead of focusing on someone's hairstyle, look at those features that don't change: nose, ears, eyes, and chin. Be suspicious if they look exactly like the picture or are wearing the same clothing. This indicates they made the fake identification recently.

New Slide

Header: 12. Try Comparing Signatures



Compare signatures. If the cardholder is signing for something, compare the signatures. If they don't match, then the identification is probably fake. You might suspect someone buying with a fake identification. In that situation, ask them for their signature and then compare it. Sometimes, people will accidentally sign their real name, so this is a good test.

New Slide

Header: Additional Tips

Have a flashlight handy and hold it behind the identification to look for cuts, punch outs, or pinholes. Ask for a second piece of identification if you have any doubts about the first. People with false identification rarely carry backup identification.

- Look, don't just glance at identification.
- Always have the customer remove the identification from their wallet.
- Feel along the card for:
 - Raised Edges
 - Bumpy Surfaces
 - Irregular Lamination



- Cuts, Slits, or Pin Holes
 - Peeling Lamination or Uneven Corners
 - Thickness and Quality of Identification
- Look carefully at the most commonly altered areas:
 - Expiration Date
 - Birth Date
 - "Minor Until" Date
 - Review Photo

Remember to consider whether the type of identification is sufficient. Birth certificates, for example, might establish age, but don't include pictures. College identifications often include pictures but might not have birth dates or other important information.

When in doubt, remember that a licensed cannabis business shall refuse to sell cannabis or a cannabis product to any person who does not produce a form of valid identification showing that person is of age or older.

A valid form of identification includes an unexpired, unaltered passport, an unexpired, unaltered driver's license, instruction permit, or an identification card issued by a government agency authorized to issue a driver's license or identification card. No other forms of identification can establish age.

New Slide

Header: Valid Identification

Cannabis businesses can only sell cannabis products to legal consumers, so those businesses and their employees are vital in preventing minor's access to cannabis items. Even in other cannabis businesses, however, there may be reasons to know how to check identifications; for example, your employer may offer tours of the facilities, and you need to ensure that no one under age enters the premises.

Remember, government law requires that you check identification before making a sale of any cannabis item to any consumer. You are responsible for accurately checking identification to keep from selling or making cannabis available to persons under the required years of age. If you have any doubt about a person's age or whether their identification is valid, do not sell cannabis to that person or allow them entry into the licensed business.

New Slide

Header: Types of Acceptable Identification

There are four types of acceptable identification to verify age typically. These are known as stand-alone identifications because each alone is sufficient proof of age:

1. Driver License with a Photo



A valid driver license from any valid government issuer with a photo is acceptable.

New Slide

Header: 2. Government Issued Identification Card

A valid identification card issued by any government issuer is acceptable if it includes the person's photo, name, date of birth, and physical description. Caution: Beware of mail order identification cards that say "Resident" or "Personal Identification." These cards are made to look like official identifications, but they are not. If you can't tell whether the card was issued officially by a government, don't accept it.

New Slide

Header: 3. Military Identification

The service seal is to the right of the photo and will vary by branch of service. The signature is on the front of the card; the date of birth and physical description are on the back.

New Slide

Header: 4. Passport

A valid passport that you can read and understand, including a passport card, is acceptable identification. Valid passports issued by any country will have at least the following:

- Name of the Issuing Country
- Person's Full Name
- Passport Number
- Person's Nationality
- Date of Birth
- Sex
- Date of Expiration
- Photograph
- Signature (on passports)



Remember that all forms of identification you accept must be valid and readable. Expired identification is not valid and is not acceptable as legal proof of age, and if you can't read the identification because it's worn or damaged, do not accept it.

New Slide

Header: Checking Identification

These are some tips and techniques for checking identification. Remember, it is the customer's obligation to present identification which verifies their age: they must prove they are the legal age or older. You can always ask for secondary identification if you are unsure. Remember, if you have



any doubt that a piece of identification is valid, do not accept it and do not sell cannabis to that person.

New Slide

Header: Confiscating Fake Identification

You do not have a legal duty to confiscate identification you believe is false, and most of the time it is not recommended to do it. If you decide to confiscate an identification, turn it over to your local law enforcement, or the Department of Motor Vehicles as soon as possible. Include the name and address of your business, and the date, time, and reason the identification was taken.

For example, the picture on the identification did not match the person presenting it, the identification is torn, or the person could not accurately repeat information on the identification such as birthdate, address, etc.



Section 3, Module 2

How to Intervene to Prevent Unlawful Marijuana Consumption.

A plan for diversion prevention and the unlawful use of cannabis for a cannabis business facility needs to be designed to ensure compliance and that every facet is represented. The following topics will be fully covered in this course:

- Tactical Strategies and Practices
- Transportation Diversion Prevention Policy
- Storage and Security Considerations
- Internal Procurement Controls
- Product Disposal Systems
- Cognitive Behavioral Therapy
- Reporting and Documentation
- Diversion Programs

New Slide

Header: Purpose and Objectives

The primary way to prevent unlawful consumption is through a diversion plan concerning cannabis products. This includes the following:

1. Provide a safe and secure cannabis business environment for all employees and visitors.
2. Safeguard the business storage, handling, and distribution of cannabis products.
3. Ensure comprehensive internal audit procedures for the entire operation in connection with the cultivation, extraction, and distribution of concentrates, topical applications, enteral capsules and tablets, and other finished cannabis products.
4. Ensure proper interface with the local jurisdiction and law enforcement agencies, and the seed-to-sale software system.

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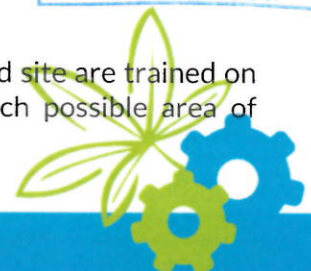
Header: Unlawful Consumption and Diversion

There are several common areas for possible unlawful use of cannabis and diversion:

- Product Procurement
- Preparation and Transportation
- Product Sale
- Inventory Administration
- Removal of Waste Products



It is necessary to ensure that all employees staffed at the business facility and site are trained on the detection and prevention of unlawful use of cannabis products at each possible area of



diversion. It is the responsibility of any licensed premise employee who witnesses or suspects criminal activity to report this information to security personnel and senior leadership.

Diversion tactics should identify the employees who commit unlawful consumption or theft behaviors and mitigate the damage. Employee training needs to address instances of internal and external diversion practices, the movement of each cannabis concentrate, topical application, enteral capsule and tablet, tincture, and accessory products from seed to sale. Training also needs includes rotating inventory practices to ensure unpredictability and breaking routine behavior that ensures oversight from managers, the compliance department, and security team.

New Slide

Header: Education and Training

Employee education and training concerns internal diversion threats that includes employee theft, operational phase opportunities during the production, inventory practices, disposal and/or dispensing of cannabis products, and the personnel styles of diversion of either individual actions or collaborative teamwork.

Other mechanisms of product diversion discussed include the removal of cash or other monetary items, cannabis products, cannabis business equipment, physical and digital proprietary items and information, employees placing cannabis concentrates, topical applications, enteral capsules and tablets, tinctures, or finished cannabis products into personal belongings like pockets, wallets/purses, socks, and shoes throughout their shift. This also includes liquids being poured into soda cans or water bottles kept by employees within the cannabis business.

Education and training needs to address operational practices of sabotage and/or vandalism of high-value assets like the seed-to-sale system and cannabis business product inventory. Training needs to highlight these potential diversion avenues due to their difficulty in tracking because no retail transaction occurs. Additionally, traditional theft and robbery strategies will be acknowledged and addressed as they may be utilized to obtain larger quantities of cannabis concentrates, topical applications, enteral capsules and tablets, tinctures, or accessory products.

New Slide

Header: Reducing Unlawful Use and Diversion

Security personnel and employees need to be educated on strategies to reduce cannabis diversion. Neither supply or demand of cannabis can be stopped because it is necessary to have access to product inventory, due to this circumstance, employees need to be trained by security personnel and law enforcement and third-party risk management specialists.

Information needs to be provided to employees regarding the dispensing of cannabis and the health risks and legal dangers of cannabis misuse and abuse. This includes allowing non-registered individuals to consume legally dispensed medicine intended for qualifying customers. Because any form of diversion of cannabis concentrate product or accessory products can occur at any point in the cultivation, extraction, dispensing, and transportation process, it is important to place emphasis on the most common phase of manufacturing diversion theft - transit. This includes transit



involving all internal cannabis business workflow needs, secure storage processes, and the physical transportation and relocation of concentrate gram packs, bulk batch containers, unit dose capsule and tablet packages, tincture and liquid bottles, and individual accessory products.

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Header: Internal Audits

Employees need to be educated and trained in a company culture of accountability for the security of cannabis products. Employees need to be aware that the compliance department in conjunction with the security team to conduct regular internal audits of all workflow processes and procedures.

Internal audits include government regulations and law enforcement standards regarding onsite use of cannabis or products prohibited, disposal of cannabis product(s), reporting of source, quantity and sales, using safe rooms and vaults for storage, utilizing a working alarm access control system, and ensuring the overall security plan is consistent with organizational standard operating procedures and policies. Audits entail standards compliance pertaining to records to be maintained, both physically and digitally, the disclosure of those records upon request by law enforcement agencies, and the consent to have all company records inspected.

New Slide

Header: Detection, Documentation and Cooperation

Employees need to be educated and trained in the detection, documentation and if required, cooperation in operational procedures to stop ongoing instances of cannabis concentrate product diversion and theft. External diversion practices that employees cover in their in-service workshops should include the recognition of prohibited acts regarding cannabis finished products such as customers reselling their cannabis in the community, established personal relationships with known criminals, the consumption of cannabis products on the licensed premise or public space, or the use of alcohol or any other controlled substance or prescription medication on the licensed premise.

This ensures that employees, according to job description and function, have limited authorized access within the cannabis business to include critical operational zones in which cannabis is dispensed, handled, transported and securely stored. Employees need to be taught that while limited access to cannabis products is sacrificed for logistical convenience, priorities are to securely and safely dispense cannabis for customers while protecting and ensuring public safety.

All cannabis, cannabis product packaging, and physical logbooks need to feature tamper-evident tape, child-resistant lids, and zip-tie locks when and where applicable. Any facet of these security devices found adulterated should be reviewed on recorded security surveillance camera footage. Cannabis product waste disposal processes need to be visually audited both by an in-person inspector and recorded video footage. Aside from workstations, employees need to be oriented to the full security landscape of the cannabis business to include the cannabis waste secure storage, quarantine and disposal areas.

New Slide



Header: Trash Receptacles and Dumpsters

Staff need to be trained to understand that trash receptacles and dumpsters are common staging areas for product diversion and that clear trash bags are implemented for all operational zones to mitigate employee diversion opportunity, and all green waste needs to be disposed of immediately to avoid any illicit removal or consumption.

It is necessary to have private, industrial grade dumpsters with steel lids and lockable container bars onsite to ensure surveillance camera sightlines and emergency lighting coverage of all cannabis product disposal practices. To verify the plan for disposing of or destroying cannabis waste or cannabis products, the same employee tasked with documenting waste weights and amounts, or returned, unused cannabis product(s) for disposal, should not be responsible for physically processing the cannabis concentrate, topical application, enteral capsule or tablet, tincture, or accessory product to its ultimate disposal.

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Header: Inventory Protocols

Employees need to be trained in inventory protocols related to diversion practices that entail counting products in full view of the surveillance cameras, recording inventory numbers at the beginning and end of each shift, and final sorting before finished cannabis products are deposited into the secure storage room. In the event of a discrepancy between weight or amount of cannabis currently in transit, on the shelf, stored, or otherwise accounted for onsite, or in the event of a suspected or confirmed diversion incident, security needs to immediately perform an internal audit.

This audit determines the source of the discrepancy or diversion incident by viewing video surveillance footage, reviewing all operational reporting logs and creating a missing inventory report. If it is determined the discrepancy is due to theft or diversion, security will immediately notify senior leadership who will then contact law enforcement and the required government department(s) within 24 hours after discovering any of the following:

1. Discrepancies identified during inventory, diversion, theft, loss, or any apparent criminal activity involving an employee.
2. Any suspicious act involving the sale, distribution, processing, or production of cannabis by any person on the licensed premise.
3. Unauthorized destruction of cannabis by an employee.
4. Any loss or unauthorized alteration of cannabis business records, physical and digital.
5. An alarm activation or other event that requires response by local law enforcement or public safety personnel.
6. The failure of the security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than 8 hours.
7. Any other breach of security warranting notification of law enforcement.

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Header: Law Enforcement Investigations and Cooperation



It is necessary to cooperate with all law enforcement investigations or directives. Security personnel need to isolate any area of the facility that is critical to the investigation and preserve the area until investigators arrive. All considerations need to be taken during the isolation and onsite investigation processes to maintain and uphold cannabis business sanitation and sterilization standards. The detection and prevention of diversion of cannabis concentrate, topical application, enteral capsule or tablet, tincture, or accessory product is recognized as a public health and safety concern. Employees need to be thoroughly trained in all aspects of quality control and product security to include financial assets, cannabis concentrate products, and accessory products.

The security department needs to conduct a full, annual evaluation of the cannabis business facility and site security vulnerability assessment that is reviewed by senior leadership who will revise operational protocols and implement new operating procedures. The security diversion vulnerability assessment checklist to include physical walk-throughs of cannabis business spaces and the building perimeter, interviewing employees individually to ascertain all pertinent data regarding cannabis concentrate products, financial and equipment procedures, and assess the adequacy of the security systems already in place and determining the cannabis business's needs.

New Slide

Header: Results of Risk and Security Assessment

The results of the risk and security assessment need to be summarized, information redacted where necessary, and distributed to employees for awareness. Personnel needs to be trained and made aware that all incidents of internal or external employee product diversion that is investigated, documented, and kept on file onsite.

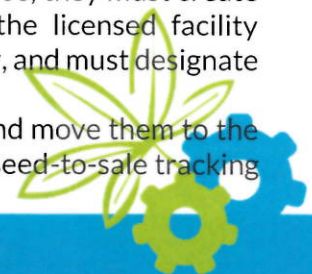
Employees need to read and sign the employee handbook acknowledging that upon termination, all security codes, access key cards, biometric identifiers, database log-in passwords, and email access will be revoked to ensure the safety and security of our cannabis business, cannabis product stock, financial information, digital documentation, accessory product(s), current employees, and end-users. Any employee found guilty of any form of cannabis diversion or negligence in reporting suspected or confirmed instances of diversion will have their employment terminated, and law enforcement will be notified of the situation.

New Slide

Header: Transportation and Delivery Diversion

Employees preparing deliveries must perform all job functions in pairs to provide oversight, prevent opportunities for diversion, and ensure employee safety. No employee should be alone with cannabis product at any time, procedures are as follows:

1. Once a product delivery request is received and verified by an employee, they must create a delivery manifest to establish chain of custody. This indicates the licensed facility requesting the delivery, which products are to be prepared for delivery, and must designate two employees to prepare the shipment.
2. The designated employees remove products from the storage vault and move them to the packaging area, making sure to indicate on the storage log and in the seed-to-sale tracking



software which products were removed. Products need to have a barcode for scanning that will track the package movement from inventory to in-transit inventory and finally to dispense.

3. Each employee needs scan and count all products on surveillance video and then place them into an opaque, child-resistant shipping unit package or bulk container.
4. Once all products listed on the delivery manifest have been accounted for by two different employees, they must seal the shipping package or container with tamper evident tape and initial across the tape.
5. The employees must then place the sealed package in the appropriate section of the storage vault, making sure to indicate the addition of product on the storage log.
6. A copy of the delivery manifest will be attached to the shipment package.
7. Employees are required to immediately report any deviation from these policies and procedures to management.

New Slide

Header: Storage and Security Diversion

Storage and security of cannabis products require a coordinated approach that includes facility controls (camera surveillance), physical access controls (locks and biometric access technology), and frequent inventory checks and surveillance audits to allow for discrepancies to be discovered in a timely manner. Monitoring of secure locations (video surveillance and recording), particularly in high-volume storage areas at risk for theft and diversion, such as the main vault, inventory storage location, packaging areas, and transport staging zones are critical to the success of the protocols below.

Controls are in place to monitor inventories for discrepancies. All potential product capable of diversion should be manually inventoried by two rotating, licensed, or otherwise authorized employees. For high-volume or high-risk areas, more frequent verification audits need to be implemented to prevent or minimize inventory count discrepancies and minimize the time window for discovery of the discrepancy.

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Header: Key Elements of Storage and Security

The key elements of a cannabis storage and security plan include:

1. Products should be stored in a locked and secured location always unless in the direct physical control of an authorized individual. Camera surveillance will be utilized in locations where there is high risk for diversion, locations where electronic or biometric access is not available, in remote locations, or to assist with an active diversion investigation.
2. Storing cannabis products in transportable lock boxes onsite should be avoided if possible and only implemented when physically moving product.
 - a. If used, such lock boxes follow the same requirements for storage, security and chain of custody controls as other inventory.



- b. Transportable locked boxes are not considered secure and are stored in a locked area accessible only to authorized personnel when not in use or otherwise unattended.
3. Lock-out times for electronic locks containing cannabis or derivative products are limited to the narrowest window of time that is appropriate for the setting.
4. Establish a defined process to ensure that only authorized employees have access to cannabis concentrate products.
5. Access to product storage areas is minimized and limited to authorized personnel.
 - a) A complete assessment of all employees with access privileges prior to access to ensure that only those permitted to access have access (ex. currently employed, temporary employees or licensed independent practitioners with privileges) should be conducted with regular organizational audits.
 - b) Removal of all access privileges occurs immediately upon separation with the cannabis business.
6. Policies and procedures regarding cannabis access, including restrictions through assignment, key controls, and use of passwords will be implemented.
7. Storage cabinets and carts are secured with an electronic lock that requires a user-specific identification, code, badge swipe, or other key card/fob item.
8. Access is recorded and retrievable for surveillance purposes.
9. Where traditional key lock security and manual inventory systems are used, with set a procedure to track keys, secure keys after hours, replace lost keys and change locks.
10. Employees authorized to have access to cannabis, regardless of form, need to provide photo identification upon request.
11. Inventory of any form of cannabis product will be manually inventoried by two authorized employees at the beginning and end of every shift when the cannabis business is open for services.

New Slide

Header: Internal and Procurement Controls

Internal controls include controls related to procurement, preparation, transportation and dispensing of cannabis products. Diversion can occur at various points within these processes, and it is important to apply key principles to effectively minimize opportunities for any type of diversion. Key principles include limiting the number of people authorized to order cannabis products, creating separation of duties and rotation of employees through various responsibilities within the process, and observing for variation in processes. cannabis business has purchasing safeguards in place that prohibit the ordering of cannabis by those not authorized by the organization, to include:

- Cannabis products may only be ordered by authorized employees.
- An electronic seed-to-sale tracking system will be utilized in creating purchase orders, delivery manifests, and chain of custody documentation eliminating, or minimizing, use of paper and creating an audit trail.
- Separation of duties exists between ordering and receipt of cannabis products. Two authorized employees count, and check-in received packages and/or bulk containers and confirm that order, invoice, and product received documentation to match. At least one of the receivers has been designated as an authorized employee. This process is overseen by a



member of the management team who has been authorized to inventory cannabis products and trained in organizational standard operating procedures.

- Process to investigate and remedy discrepancies when cannabis products are received in the cannabis business from a grower/processor facility, wholesaler, or another licensed program distributor.
- Processes to track, reconcile, and audit cannabis products where preparation is outsourced to and received from a third party.
- Procedures exist that ensure the chain of custody is maintained for inter-organization transfer or transport of cannabis.
- Procedures define controls and documentation required where cannabis products are transferred between locations.
- All procurement paperwork is reviewed for completion and filed per applicable laws and regulations and secure record keeping best practices.
- Procedures are in place for customer care areas of the organization that are considered under common control that support the management to provide oversight and authority to ensure proper procurement controls are being utilized.

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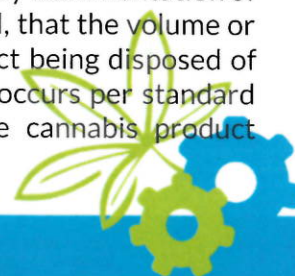
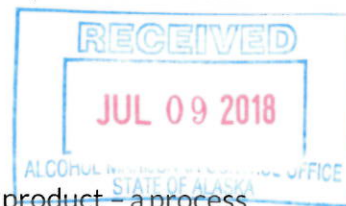
Header: Preparation and Packaging Controls

- A perpetual inventory should be maintained, and a blind-count process needs to be used when adding or removing cannabis from an inventory location.
- Access to inventory should be limited, with controls to identify who accessed the inventory, when the inventory was accessed, and what changes were made to the inventory; access provides a readily accessible audit trail.
- To minimize diversion through drug product alteration or tampering, drug products are inspected for alteration or tampering, and any potential discrepancy is investigated for possible diversion.
- To minimize diversion during repackaging, cannabis products are purchased and dispensed in pre-packaging whenever possible. Diversion controls are in place when cannabis product is repackaged, and repackaged products are routinely inspected to ensure product integrity.
- Delivery and restocking of cannabis products in employee, customer and procedural areas require a second witness, with verification of delivery and receipt.

New Slide

Header: Disposal Controls

The disposal of cannabis requires both the employee and a witness to dispose of product – a process derived from medical practices for disposing of unused, post-operational anesthesia narcotics. Procedures and documentation will define what constitutes complete and timely documentation of waste. An individual witnessing waste disposal should verify the product label, that the volume or amount being wasted matches the inventory documentation, that the product being disposed of physically matches the product in the documentation, and that the disposal occurs per standard operating procedures for safe disposal and in a manner that makes the cannabis product irretrievable.



The entire process of disposal needs be witnessed and carried out on video, so the individual verifying can be certain that the actual product is being wasted, and not substituted for an adulterated product. Approved methods for wasting cannabis are defined in government laws and regulations, as well as by guidance given by the government addressing pharmaceutical agents. Key elements of returning, wasting, and disposal of cannabis products include:

- For defined high-risk areas, waste is witnessed and reconciled with an authorized employee.
- Approved methods for disposal are defined in policies, government laws and regulations of the appropriate authorities.
- Procedures should comply with Universal Precautions and specific organizational waste disposal requirements.
- Waste containers with any waste cannabis product are secured to prevent tampering or made otherwise irretrievable.

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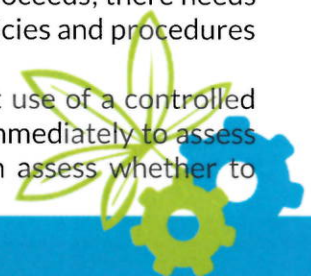
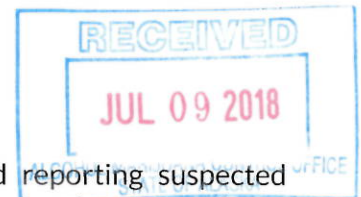
Header: Reporting Suspected Diversion

It is imperative a detailed and thorough approach to investigating and reporting suspected diversion. Incomplete investigations and subsequent follow-ups have serious legal and compliance implications. Any unaccountable discrepancy should be considered a possible instance of diversion and escalated to an investigation, with notifications to local law enforcement occurring as defined in the diversion prevention plan and standard operating procedures. Processes need to be in place to prompt an immediate investigation, appropriate internal and external communications, and completion of required reporting.

The supervisor in the area where diversion is suspected should assist in conducting the investigation, however, those external to the area will be centrally involved to ensure that biases do not influence the investigation. The designated supervisor, his or her designee, and a security officer need to be notified immediately of any suspected diversion within the organization and participate in all active investigations.

Diversion investigations should always be conducted as expeditiously, thoroughly and completely as possible. Investigation and reporting elements procedures detailed in the security and diversion plan include:

1. Guidance is provided about the review process, including who will coordinate the investigation, appropriate team members, leadership, and legal counsel notification, documentation of the investigation, and coordinate internal and external reporting.
2. Appropriate reporting occurs when it is determined that the discrepancy is unresolved or that there has been a known theft or diversion. As the investigation proceeds, there needs to be an escalation and broadening of notifications specified in the policies and procedures defined by the cannabis business.
3. If management becomes aware of an arrest of an employee for illicit use of a controlled substance, an investigation into the employee's transactions begins immediately to assess whether diversion has occurred. The cannabis business should then assess whether to



suspend, transfer, terminate, or take other action (remove access to product) or other sanctions against the employee.

- a) Immediately remove access privileges to cannabis concentrate products and/or financial assets if diversion is suspected until the investigation is completed and determination of diversion or other risk to community safety and/or customers is made.
- b) Established guidelines for engaging others external to the cannabis business, such as government regulations, licensure boards, laboratories (for testing), and law enforcement agencies.
- c) Guidance is provided regarding the review processes to determine who is required to be notified, when to notify, who is responsible for contacting the proper agency, and other circumstances for the notification. Fulfill reporting requirements for diversion or other unaccountable loss of product in accordance with laws and regulations of the government.

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Header: Cognitive Behavioral Therapy Prevention

Cognitive Behavioral Therapy (CBT) diversion prevention is a problem-focused approach that attempts to help people identify and change dysfunctional beliefs, thoughts, and patterns of behavior that contribute to their problem behaviors. It can be used to educate and train staff on how “criminal thinking” contributes to criminal behavior and offending. This assists employees to understand how cognitive deficits, distortion, and flawed thinking processes can lead to criminal behavior.

This type of diversion prevention program emphasizes individual accountability and attempts to help adult offenders to understand their thinking processes and the choices they make before they commit a crime. Techniques to address these problems should include cognitive skills training, role-playing, anger management, and other strategies that focus on improving social skills, moral development, or relapse prevention.

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Header: Human Resources Diversion

Human Resources always plays an important role ensuring employees approach cannabis diversion prevention with the same diligence they would apply to any potential compromise to customer safety. Human Resources helps to create a culture of awareness that supports an effective organization-wide cannabis prevention diversion. A comprehensive Human Resources approach to support cannabis diversion should include:

1. An employee and provider substance abuse policy.
2. An education and awareness program.
3. A supervisor training program.
4. An employee and provider assistance program.
5. Peer support and systems (ex. pharmacist recovery networks).
6. Requirements for drug testing, including a for-cause policy for drug testing.



7. Return to work policies.
8. Sanctions for performance and diversion violations.

New Slide

Header: Employees Participation

Employees should participate in or contribute to the development of substance abuse prevention and assistance programs within the organization. First and foremost, dispensaries must implement policies to protect customers and communities from potential harm related to diversion. They must also have a process to remove an employee suspected of being impaired from delivering care and to prevent further access to cannabis products either pending investigation or after confirmed diversion or policy breach. Policies need to ensure that they follow government laws regarding referral to local law enforcement and applicable licensing boards.

New Slide

Header: Substance Abuse Policy

Senior leadership should determine the repercussions or sanctions for violations and for confirmed thefts or diversion and should ensure those repercussions or sanctions are consistently applied across all disciplines. Policies should not vary depending on whether the employee is supporting his or her own use (or that of an associate) or there has been theft of cannabis for sale and financial gain.

A substance abuse policy should address circumstances in which an employee is discovered to be diverting to support an addiction. Such diversion should be addressed as theft and referred to local law enforcement and applicable licensing boards. Substance abuse policies should also address actions to take when a person separates from the employer during an investigation, including when the organization should inform local authorities and notify the relevant licensing board.

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Header: Recognizing Diversion

There are signs that signal possible cannabis diversion, and all employees need to understand their role in recognizing diversion. Senior leadership should communicate the expectation that employees speak up when they become aware of or suspect an issue related to cannabis diversion and ensure that employees will be protected from retaliation if they report a suspected issue related to product diversion. All employees should receive initial orientation and annual education in diversion prevention and substance abuse and diversion awareness (signs, behavior patterns and symptoms of impairment) and reporting options. Education on medication diversion and cannabis product policies and procedures that are required prior to granting an employee authorization to access cannabis products.

It is important to emphasize the importance of reporting signs of a potentially impaired employee, substance addiction behavior or suspected cannabis diversion, and its potential impact on customers and workplace safety, including ramifications for failure to report. Employees need to be made aware that random compliance checks take place and that they are held accountable for



complete compliance with policies, laws, and recordkeeping requirements. Additionally, managers need to also receive training in signs, symptoms, and behavior alerts, what to do when they suspect an employee is impaired, managing an employee in recovery, and their responsibilities should they become aware of a known or suspected cannabis diversion.

New Slide

Header: Diversion Programs

Without a doubt, those who are most successful in reducing cannabis inventory shrink and preventing loss are those with a consistent, well-structured program. You must be focused and consistent with program elements. Whether it is pertaining to how your location investigates loss, scoring audits, or conducting training with associates, management must make sure it is consistent. There are six facets to an effective diversion reduction program:

1. Prevention
 - Dedicated Loss Prevention Resources and Creation and Implementation of Standard Loss Prevention Procedures.
2. Awareness
 - Implementation of a program with a variety of delivery mediums with consistent and repetitive messaging.
 - a) Materials should be written for all levels of the workforce not only for management or specific roles within the business.
 - b) Focused on increased education and awareness of loss prevention concepts.
3. Compliance
 - Following the laws and Standard Operating Procedures
4. Detection
 - Use available technologies and create procedures to help detect possible losses involving thefts and errors.
5. Investigation
 - Identify compliance issues.
 - a) Design and use effective audits to reduce exposure.
6. Resolution
 - For those investigations involving theft, the resolution can be the identification of culprits involved, admissions of theft and the establishment of restitution and civil recovery processes.



- a) For losses identified as training or compliance, resolution can be the review and alterations of existing policies and procedures, and/or the establishment of new policies.

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Header: Strategies for Reducing Diversion

For a program to be consistent, it must start with some key elements; these include documented policies and procedures, a well-developed audit and audit schedule (for all locations) and an understanding of how the company handles theft investigations. Without a consistent program and key elements, associates will not understand your expectations and be able to help prevent loss in their locations.

Visibility plays a large role in preventing loss. Conducting audits, holding training meetings, and stopping into stores unexpectedly are all things that can be done to increase loss prevention presence. Experts agree that the best defense is a watchful eye. Be aware of these strategies as an employee:

- Use the inventory-tracking system. Legal regulations require the tracking of all sales of cannabis.
- Check the z-tape and z-tape numbers. If yesterday's z-tape was number 24 and today's is 27, what happened to 25 and 26?
- Provide all employees with training on theft-prevention, both shoplifting and employee theft.
- Encourage anonymous tips. Publish a phone number employee can call to leave an anonymous message if they suspect a co-worker of stealing product or cash.
- Watch for employees with calculators and receipt books. Many retailers say that a sure sign of a problem is an employee who has a calculator next to the cash drawer, or a separate receipt book tucked into a drawer or pocket.
- Watch the "no-sales." Many retail owners know that the leading indicator of theft is a single piece of data: the "no sale" number. If a typical day's no-sale tally is four, but every time an employee works the tally is ten, there may be a problem.

Creating a supportive workplace will help reduce the stigma associated with substance use or dependence, and ideally, reducing the need for substances in general.

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Header: Creating a Healthy Workplace

Workplace Factors

There are many personal and social factors that can influence an individual and could lead to a substance dependence issue. There are also some work-related factors that can negatively impact an individual and potentially lead to substance use:

- Jobs that offer little control or low job satisfaction
- Repetitive, monotonous jobs with periods of inactivity
- Working in isolation or remote areas with little supervision



- High stress, low control
- Long hours or irregular shifts
- Fatigue
- Easy access to substances

Also, individuals with substance dependence may feel fear of discrimination and stigma, which can prevent them from seeking help and addressing the issue. For these reasons, it's important to create supportive workplaces in which there is a culture of respect and inclusion to help those facing challenges and keep employees safe and healthy.

New Slide

Header: Foster Supportive Workplaces

Often substance use and mental illness are concurrent disorders, and substance use can have a significant impact on the mental health of an individual as well as the culture of the organization. A comprehensive workplace health and safety program is a recommended approach that will not just benefit individuals who are facing challenges, but all employees.

In a supportive workplace, employees will feel safe to share their concerns and seek assistance. A workplace health and safety program are a series of strategies and related activities, initiatives and policies developed by the employer, in consultation with employees, to continually improve or maintain the quality of working life, health, and the well-being of the workforce. This program addresses:

- Occupational Health and Safety
- Psychosocial Work Environment
- Workplace Health Promotion (wellness/well-being, personal health resources)
- Organizational Community Involvement

These activities are developed as part of a continual improvement process to improve the work environment (physical, psychosocial, organizational, economic), and to increase personal empowerment and personal growth. Note that these are not four distinct or separate areas, they overlap and should be integrated within the program, and not addressed in isolation.

New Slide

Header: Workplace Health Policy and Program

The program should start with a needs assessment to help identify the scope of the issue, and any concerns that should be addressed, determine what is already in place, and what resources are available for individuals with substance dependence problems. Once the needs assessment has been completed, the policy can be drafted and implemented. The policy should include the following sections:

- Scope
- Objectives
- Roles and Responsibilities
- Rules
- Policy Violations and Consequences



- Procedure
- Prevention
- Assessment and Rehabilitation
- Confidentiality and Privacy
- Policy and Program Evaluation

Once the policy and program are complete, then there is a need for education and training for both employees and supervisors. Finally, appropriate supports should be identified.

New Slide

Header: Conclusion

The key steps to reducing the impact of unlawful consumption of cannabis in the workplace are to have these mechanisms in place, to provide clear guidance to all workplace parties, and to apply workplace policies and programs using a fair and consistent approach.



Section 3, Module 3

Penalty for an Unlawful Act by a Licensee, an Employee, or an Agent of a Marijuana Establishment.

New Slide

Header: Introduction

All licensees, employees, or agents of a marijuana establishment are responsible for following the Alaska laws. Any unlawful act can result in the suspension or revocation of an establishment license, and/or criminal charges against those involved.

Penalty for an unlawful act by a licensee, employee, or an agent of a marijuana establishment can result in the suspension or revocation of an establishment license, and/or criminal charges against those involved. A marijuana establishment, and any licensee, employee, or agent in charge shall cooperate with the director, an enforcement agency, an employee of the board, or a peace officer acting in an official capacity, and must:

- Permit entry and inspection of the licensed premise.
- Provide access to business records at reasonable times.

New Slide

Header: Penalties for an Unlawful Acts

Marijuana sales by unlicensed individuals or entities remain subject to criminal penalties, all marijuana establishments must be state licensed.

- To deliver for compensation less than 1 ounce of marijuana without a marijuana retail license may result in a class A misdemeanor punishable by up to 1-year imprisonment and/or a fine up to \$10,000.
- Delivery with or without compensation of an ounce or more of marijuana will result in a class C felony punishable by up to 5 years imprisonment and/or a fine up to \$50,000.
- Retail marijuana sales are restricted to adults 21 years of age or older, delivery to a person under the age of 19 by a person at least 3 years his senior is a class B felony punishable by up to 10 years imprisonment and/or a fine up to \$100,000.

New Slide

Header: Inspection and Investigation

In addition to local and state law enforcement, several individuals are responsible for inspecting and investigating the marijuana industry to ensure safe practices and lawful action. These individuals are referred to as "investigators," and include the director of the board, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity. They may inspect the licensed premises of any marijuana establishment, including any marijuana and marijuana product on the premises, as well as equipment used in cultivating, processing, testing, or storing marijuana. Investigators also have authority to access to the marijuana establishment's



inventory tracking system, business records, and computers, at any reasonable time and in a reasonable manner.

If need arises, investigators may issue a report or notice of a violation, exercise peace officer powers, and take any other action Alaska's Alcohol and Marijuana Control Office (AMCO) determines is necessary. A marijuana establishment, and any licensee, employee, or agent in charge must cooperate with investigators to enforce the laws related to marijuana. Cooperation includes permitting entry and inspection of the licensed premises, as well as access to business records at reasonable times when requested. Investigators must be able to provide proof of authority/identification.

New Slide

Header: Report or Notice of Violation

Investigators may issue an inspection report, an advisory report, or a notice of violation before acting to suspend or revoke a marijuana establishment license. An inspection report documents each inspection of licensed premises and must be prepared on a form the board prescribes. Inspection reports must include information prescribed by statute, regulation, or the board. Investigators may issue an advisory notice when an incident occurs, or a defect is noted that could result in a violation of a statute, regulation, or municipal ordinance. An advisory notice may result from an inspection report but is not a basis for administrative action unless the incident or defect continues or is not corrected.

Investigators may issue a notice of violation when an inspection report or other credible information shows a marijuana establishment is in violation Alaska laws, or other law relating to marijuana. The notice of violation must be delivered to the marijuana establishment at its licensed premises, and to the board. The notice must describe any violation, and cite the applicable statute, regulation, or order of the board. A marijuana establishment that receives a notice of violation may respond to the notice orally or in writing, and may, within ten days after receiving the notice, request an opportunity to appear before the board. A notice of violation may be the basis of a proceeding to suspend or revoke a marijuana establishment license.

New Slide

Header: Suspension or Revocation of License

The board will suspend or revoke a marijuana establishment license if any licensee is convicted of a felony, has been found guilty of selling alcohol without a license, selling alcohol to a minor, a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty, a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed contrary to state law. The board will suspend or revoke a marijuana establishment license if the board becomes aware that a licensee did not disclose a previous felony conviction or a conviction of a crime.

The board may suspend or revoke a license, refuse to renew a license, or impose a civil fine if the board finds that a licensee for any marijuana establishment misrepresented a material fact on an



application for a marijuana establishment license. The board may also take act protect the best interest of the public in response to:

- Using any process not approved by the board for extracting or manufacturing marijuana concentrate or products.
- Selling or distributing any marijuana concentrate or product that has not been approved by the board.
- Failing to correct any defect that is the subject of a notice of violation.
- Knowingly allowing an employee or agent to violate Alaska marijuana laws and regulations
- Failing to comply with any applicable public health, fire, safety, or tax law or regulation in the state.
- Using the licensed premises for any illegal purpose including gambling, possession or use illegal narcotics, prostitution, or sex trafficking.

New Slide

Header: Suspension or Revocation of License

If Alaska's Alcohol and Marijuana Control Office (AMCO) finds that a person holding a marijuana establishment license has acted and appears to be continuing to act in a way that constitutes an immediate threat to the public health, safety or welfare, AMCO may issue an order immediately suspending the license of that person and ordering an immediate stop to the activity that constitutes the threat to the public health, safety, or welfare.

When AMCO issues a summary suspension AMCO must immediately give the marijuana establishment notice of the reasons for the summary suspension, and of the time and place for an expedited hearing before the board. Unless the marijuana establishment requests a delay, the hearing will be held within five days after AMCO gives notice of the reasons for the summary suspension and the scheduled hearing.

A local government may notify AMCO if it obtains evidence that a marijuana establishment has violated a provision of Alaska laws, or a condition the board has imposed on the marijuana establishment. Unless the board finds that the local government's notice is arbitrary, capricious, and unreasonable, AMCO will prepare the notice and supporting evidence as an accusation against the marijuana establishment and conduct proceedings to resolve the matter.

A proceeding to suspend or revoke a license must be initiated by service of an accusation on the marijuana establishment. The accusation must be served at the address of the licensed premises, or at the address of the licensee who is responsible for management and compliance with laws as listed in the marijuana establishment license application. The marijuana establishment is entitled to a hearing.

New Slide

Header: Suspension or Revocation Based on Act of Employee

If evidence shows that an employee or agent of a licensed marijuana establishment was responsible for an act that would justify suspension or revocation of the marijuana establishment



license if committed by a licensee, the board may find that licensee knowingly allowed the act. The board may find the licensee responsible for the violation if the licensee was physically present when the violation occurred and knew or should have known the violation was occurring and took no action to stop it. If the licensee was reckless or careless in hiring the agent or employee, or failed to adequately supervise or train the employee, the licensee may be held responsible.

New Slide

Header: Seizure of Marijuana or Marijuana Product

Investigators may seize marijuana or any marijuana product from a licensed or previously licensed marijuana establishment if the marijuana establishment has:

- Any marijuana or marijuana product not properly logged into the marijuana establishment's marijuana inventory tracking system.
- Any forbidden adulterated marijuana food or drink product.
- Any marijuana or marijuana product that is not properly packaged and labeled.
- Not renewed its license as required.

If an investigator seizes marijuana or a marijuana product, Alaska's Alcohol and Marijuana Control Office (AMCO) must update the marijuana inventory control tracking system to reflect the seizure and ensure that the seized items are stored in a reasonable manner. AMCO must immediately give the marijuana establishment from which the marijuana or marijuana product was seized notice of the reasons for the seizure and the time and place of a hearing before the board. Unless the marijuana establishment requests a delay, the hearing will be held within ten days after AMCO gives notice of the reasons for seizure and the scheduled hearing. If the seizure occurs in connection with a summary suspension, the hearing will be combined with a hearing on the summary.

If the marijuana establishment does not request or participate in a hearing, or if after a hearing the board finds that seizure of the marijuana or marijuana product was justified, the marijuana or marijuana product will be destroyed by burning, crushing, or mixing with other material to make the marijuana or marijuana product unusable.

If a seizure of marijuana plants takes place in a licensed standard or limited marijuana cultivation facility, the seizure order may direct the cultivation facility to continue care of the plants until the hearing, but prohibit any transfer, sale, or other commercial activity related to the plants.

New Slide

Header: Hearings and Appeals

Any person aggrieved by an action of Alaska's Alcohol and Marijuana Control Office (AMCO), the director, an enforcement agent, or an employee of the board, may request a hearing filing a notice of defense within 15 days after receiving a written accusation. Failure to file a notice of defense constitutes a waiver of the right to a hearing.

An aggrieved party may appeal to the board regarding any action of AMCO, an enforcement agent, or an employee of the board charged with enforcing Alaska laws, including suspending or



revoking a license, seizing marijuana or a marijuana product, or imposing a civil fine. A person aggrieved by a final decision of the board suspending or revoking a license or imposing a civil fine may appeal to the Superior Court.

New Slide

Header: Civil Fines

The board may, in addition to any other penalties, impose a civil fine on a marijuana establishment, licensee, or person that the board determines has violated a provision of Alaska laws, the board may impose a civil fine not to exceed the greater of:

- An amount that is three times the monetary gain realized by the marijuana establishment, licensee, or person because of the violation, as determined by the board.
- \$10,000 for the first violation.
- \$30,000 for the second violation.
- \$50,000 for the third or subsequent violation.

New Slide

Header: Surrender or Destruction of License

A license must be surrendered to Alaska's Alcohol and Marijuana Control Office (AMCO), an enforcement agent, or an employee of the board on demand if AMCO or board so orders. The license must be surrendered within 10 days after the marijuana establishment loses or vacates the licensed premises. If a license is destroyed, the marijuana establishment must promptly notify the board.



Section 1-3 Assessments

Section 1:

1. Public Consumption of Marijuana is legal under Alaska Law.
Answers: True/**False**
2. How many ounces of marijuana can an adult possess at one time?
 - a) 1 gram
 - b) **1 ounce**
 - c) 1 pound
 - d) 1 kilogram
3. It is a felony to possess more than _____ ounces of marijuana.
 - a) 1
 - b) 2
 - c) 3
 - d) 4
 - e) 5
4. It is legal for adults to possess marijuana with the intent to distribute?
Answers: True/**False**
5. It is legal for an adult to possess more than 25 marijuana plants.
Answers: True/**False**
6. You can grow 10 marijuana plants in your own home for personal use.
Answers: **True**/False
7. It is legal to drive under the influence of marijuana?
Answers: True/**False**
8. What is the fine for public consumption under Alaska Law?
 - a) \$50
 - b) **\$100**
 - c) \$200
 - d) \$500
9. Persons under the age of 18 can purchase marijuana for adult use.
Answers: True/**False**
10. The State of Alaska regulates the retail sale of marijuana.
Answers: **True**/False



11. You can lose your license for driving while under the influence of cannabis.
Answers: **True/False**
12. You can gift up to an ounce of marijuana to someone over the age of 21.
Answers: **True/False**
13. Possession within 500 feet of school grounds, a recreation or youth center, or on a school bus is a class C felony.
Answers: **True/False**
14. Possession with intent to distribute an ounce or more of marijuana is a class C felony.
Answers: **True/False**
15. Marijuana Handler Cards are valid for _____ years after issue.
 - a) 1
 - b) 2
 - c) 3
 - d) 4
16. A retail marijuana store may allow consumers to consume marijuana on the premises.
Answers: **True/False**

Section 2:

1. Research indicates that cannabis can be used as pain reliever.
Answers: **True/False**
2. Which of the following creates the "high" feeling from cannabis?
 - a) **THC**
 - b) CBD
 - c) CBN
 - d) CBC
3. THC is popular among patients seeking alternative treatments without the traditional side effects of consuming or smoking medical cannabis?
Answers: **True/False**
4. THC can cause anxiety in some users.
Answers: **True/False**
5. Regardless of purpose, cannabis has immediate, short-term effects when used.
Answers: **True/False**



6. When taken orally (in the form of capsules, food or drink), the psychoactive effects take longer to manifest and generally last longer, typically lasting for 1–2 hours after consumption?

Answers: **True/False**

7. Cannabidiol (CBD), another cannabinoid found in cannabis in varying amounts, has been shown to reduce the adverse effects of THC, including anxiety, that some consumers experience?

Answers: **True/False**

8. Select the short term physical effects of cannabis use.

- a) Increased heart rate
- b) Dry mouth
- c) Reddening of the eyes
- d) Muscle relaxation
- e) Sensation of cold or hot hands and feet
- f) **All of the above**

9. Over time, people develop a tolerance to THC.

Answers: **True/False**

10. The duration of the effects of cannabis when smoked is based on the potency, method of smoking, and how much is smoked.

Answers: **True/False**

11. Which method has been found the most effective for diseases discussed in this module apart from colon cancer?

- a) Smoking
- b) Vaporization
- c) **Oral Delivery**
- d) Transdermal

12. Which method has been found effective for localized muscle pain?

- a) Smoking
- b) Vaporization
- c) Oral Delivery
- d) **Transdermal**

13. You can drive after you've eaten an edible.

Answers: **True/False**

14. Wait at least _____ hours after eating or drinking less than 18 milligrams of THC before driving, biking, or performing other safety-sensitive activities.



- a) 1
- b) 3
- c) 5
- d) 8

15. Synthetic marijuana substances like spice are the same as marijuana?

Answers: True/False

16. THC is recommended for pregnant and breastfeeding mothers.

Answers: True/False

Section 3:

1. Spelling errors are often found on Valid Identification.

Answers: True/False

2. When inspecting identification, you should ask the customer to remove their ID from their wallet.

Answers: True/False

3. You should check an ID under a _____ light.

- a) Infrared
- b) **Ultraviolet**
- c) Flash

4. A leading indicator of diversion is a single piece of data: the _____.

- a) Z-tape
- b) **No Sale Number**
- c) POS
- d) Clock-in

5. The most commonly altered areas on a ID are?

- a) Expiration Date
- b) Birth date
- c) "Minor Until" Date
- d) Photo
- e) **All of the Above**



6. A licensed marijuana business shall refuse to sell marijuana or a marijuana product to any person who does not produce a form of valid identification showing that person is _____ or older.

- a) 16
- b) **18**



- c) 21
d) 25
7. Which form of ID is valid to purchase marijuana?
a) Expired Passport
b) School ID
c) Credit Card
d) Library Card
e) **Driver's License**
8. If you have questions about someone's ID, you should_____.
a) **Ask for a second form of ID**
b) Call the Police
c) Ask your manager
d) Let them in
9. When checking ID remember to use the _____ method.
a) U-CHECK
b) **U-CARD**
c) U-CARE
d) U-Can't
10. Many IDs have security features such as raised lettering or holograms to prevent forgery.
Answers: **True/False**
11. The fine for providing a false ID is _____.
a) \$100
b) \$200
c) \$300
d) **\$400**
12. Peeling Lamination on an Identification likely means_____.
a) The ID has expired
b) **The ID has been altered**
c) The ID is new



Final Exam

A written test, demonstrating that each student has learned the information correctly.

Read all questions and answers carefully and provide the best possible response for each question.

1. All licensed establishments must have an approved _____ in place.

- a) Marijuana Growth Tracking System
- b) Medical Marijuana Registration System
- c) Marijuana Handling System
- d) **Marijuana Inventory Tracking System**

2. A marijuana retail store must be closed for business between which hours?

- a) 2am to 6am
- b) **5am to 8am**
- c) Midnight to 8am
- d) Midnight to 5am

3. Patients may apply for a medical marijuana card more than once every six months.

Answers: True/False

4. Medical marijuana customers may possess up to _____ of marijuana in usable form.

- a) **1 ounce**
- b) 2 ounces
- c) 3 ounces
- d) 4 ounces



5. Once you start working at a marijuana facility, you have ___ days to get your marijuana handler permit card.

- a) 30 days
- b) 60 days
- c) 90 days
- d) **None. You must have your marijuana handlers permit card prior to working at a marijuana establishment.**

6. A copy of a marijuana registry identification card is valid for purchasing marijuana in Alaska.

Answers: True/False

7. Video surveillance requirements include maintaining a min of _____ days continuous surveillance recordings both inside and outside the licensed establishment.

- a) 20
- b) **30**



- c) 40
d) 50
8. How long may a person experience the short-term effects of marijuana?
a) Up to 2 hours after inhaling marijuana smoke or up to 10 hours if consumed
b) Up to 4 hours after inhaling marijuana smoke or up to 12 hours if consumed
c) Up to 6 hours after inhaling marijuana smoke or up to 24 hours if consumed
d) Up to 4 hours after inhaling marijuana smoke or up to 5 hours if consumed
9. Genuine IDs display the following characteristics:
a) **Photo, license number, proper text and images**
b) Wording such as "official" or "authentic"
c) Both a and b
d) A person's astrological sign
10. What are some of the signs of marijuana use?
a) Loss of train of thought during conversation
b) Increased appetite
c) Lack of energy
d) All of the above
11. Having a medical marijuana card gives the patient the right to smoke marijuana anywhere if the person has their medical marijuana card in their possession.
Answers: True/False
12. If a person under 21 years old tries to purchase marijuana at a licensed establishment, they may be fined up to \$ ____
a) \$100
b) \$200
c) \$400
d) \$750
13. Valid IDs must display the following:
a) Birth date
b) Current expiration date
c) Photo
d) All of the above
14. Medical marijuana customers must be at least ____ years of age.
a) 18
b) 20
c) 21
d) 16



15. What are some of the signs that someone has used too much marijuana?

- a) Extreme confusion, anxiety, panic or paranoia; Fast heart rate
- b) Hallucinations or delusions; Severe nausea and vomiting
- c) Increased blood pressure
- d) **All of the above**

16. It is the responsibility of the marijuana handler to ensure that a customer's identification is valid.

Answers: **True**/False

17. You can accept a photocopy of a customer's medical marijuana card, if they have valid ID with the same name.

Answers: True/**False**

18. A Marijuana Handler Permit Card is valid for a period of _____

- a) 1 Year
- b) 2 Years
- c) **3 Years**
- d) 4 Years

19. Edible marijuana products may contain a maximum of _____ mg active THC per serving.

- a) 2
- b) 4
- c) **5**
- d) 7

20. The Marijuana Excise Tax to be paid by a marijuana cultivation facility is _____, or proportionate part thereof.

- a) \$25 per ounce
- b) **\$50 per ounce**
- c) \$100 per ounce
- d) \$150 per ounce



21. Licensed premises may not be within _____ feet of school ground, a recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility.

- a) 250
- b) **500**
- c) 1000
- d) 1500

22. Owners of any licensed premises located in Alaska must be a resident of the state of Alaska.

Answers: **True**/False



23. Marijuana may be smelled outside of a licensed establishment if it is not beyond 10 feet.

Answers: True/**False**

24. A marijuana establishment shall limit the number of visitors into a Restricted Access Area to not more than ____ visitors for each licensee, employee, or agent of the licensee who is actively engaged in supervising those visitors.

- a) 5
- b) 7
- c) 10
- d) No limit

25. What are four types/categories of licenses that are available from the Alaska Marijuana Control?

- a) Growing, Research, Testing, and Retail
- b) **Cultivation, Manufacturing, Testing, and Retail**
- c) Cultivation, Manufacturing, Development, and Retail
- d) Cultivation, Manufacturing, Distribution, and Retail



26. Someone under the age of 21:

- a) May enter a marijuana establishment if accompanied by a parent or guardian.
- b) **May face a fine of \$400 if attempting to purchase marijuana from a retailer.**
- c) Can consume/use marijuana if they have a valid Marijuana Users Permit.
- d) All of the above.

27. When securing a location for a marijuana business,

- a) **you must disclose to the landlord that you intend to use the location for a marijuana business.**
- b) you should expect to lose money during the first year of business.
- c) you must apply for your license with the Marijuana Control Office BEFORE signing a lease for the location.
- d) you do not need to disclose to the landlord that it will be for a marijuana business as they may not lease or rent to you.

28. Local government can ban marijuana cultivation and marijuana for personal use entirely?

Answers: True/**False**

29. Of these fees, which is potentially refundable?

- a) Change of Product Fee
- b) Application Fee
- c) Late Fee
- d) **Licensing Fee**



30. Which of the following statements is NOT correct relating to your Marijuana Handlers Permit?

- a) You must submit your proof of training by an approved Marijuana Handler Certification course to the Marijuana Control Board
- b) **Replacement cards are free of charge**
- c) There is a fee of \$50
- d) It is valid for a period of 3 years

31. Which of the following may be reviewed during an inspection?

- a) Marijuana Inventory Tracking System
- b) Marijuana Handlers Permit Cards
- c) Business Records / Financial Records
- d) **All of the above**

32. A licensed marijuana establishment shall, not later than _____ days after an ownership change, report the change on a form prescribed by the board.

- a) **10**
- b) 15
- c) 30
- d) 60

33. The choice available to a local administration or government to accept or reject state wide or national legislation is referred to as: _____

- a) Local Control
- b) Local Restriction
- c) **Local Option**
- d) Local Mandate

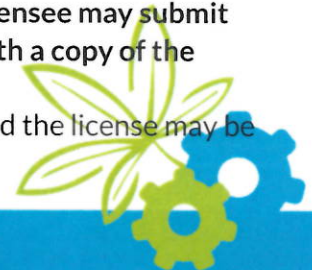
34. A retail marijuana store may not sell in a single transaction more than (1) _____ ounce of usable marijuana, or; more than (2) _____ grams of marijuana concentrate for inhalation, or; marijuana or marijuana products if the total amount of marijuana, marijuana products, or both marijuana and marijuana products sold contains more than (3) _____ milligrams of THC.

- a) One; (2) Five; (3) 4,500
- b) **One; (2) Seven; (3) 5,600**
- c) Two; (2) Seven; (3) 4,000
- d) One; (2) Ten; (3) 5,600



35. What happens if an individual who is the sole licensee of a marijuana establishment dies?

- a) **The marijuana establishment shall cease operation and a personal representative appointed by the superior court for the estate of the deceased licensee may submit to the director a written request to reopen the business, along with a copy of the court order appointing the personal representative.**
- b) The marijuana establishment may continue operation as normal and the license may be transferred to the closest living relative by court order.



- c) The marijuana establishment shall cease operation for 10 days so that a personal representative may be appointed by the superior court for the estate of the deceased licensee who then may submit to the director a written request to transfer the business.
- d) The marijuana establishment shall cease operation and the license will be sold and transferred to the highest bidder.

36. Driving while under the influence of marijuana is safer than driving sober since someone who is 'high' will typically drive slower.

Answers: True/**False**

37. 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 _____.

- a) Freight Manifest
- b) **Transport Manifest**
- c) Bill of Lading
- d) Cargo Document

38. At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within _____ feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.

- a) Ten
- b) Fifteen
- c) **Twenty**
- d) Fifty

