



## MEMORANDUM

TO: Board Chair and Members of the  
Marijuana Control Board

DATE: October 16, 2018

FROM: Sarah Oates, Program Coordinator

RE: Licensing & Education Report

### **Staff and Operations**

The licensing unit currently has two vacancies – the licensing Administrative Assistant (AAI) position and an Occupational Licensing Examiner (OLE) position. The former licensing AAI, Campbell Anderson, transferred to our administrative unit and has generously continued to process permits and assist with license application intake while we recruit to fill the vacancy. The OLE vacancy is due to the promotion of former examiner Mikal Milton to the Records & Licensing Supervisor position. She now oversees our licensing team and has been training with me over the past few weeks on procedures for board meeting preparation and alcohol license renewal preparation. Interviews were conducted for the AAI last week, and interviews will be conducted for the OLE position this Friday. We hope to have both positions filled by early November, which would make us fully-staffed during our busiest season.

### **Alcohol License Renewal Applications**

On Monday, September 24, our team mailed out 909 alcohol license renewal applications. So far, licensees have submitted 59 of those applications, and historically, approximately half of all renewal applications are submitted to our office during the last two weeks of December and first week of January. During the alcohol renewal (holiday) season last year, Jane Sawyer was the only OLE who was solely processing marijuana license applications.

This year, we have strategized ways to ensure that three OLEs will be able to continue processing marijuana applications throughout the alcohol renewal season – we mailed out applications to licensees five weeks earlier, are providing renewal application training sessions and materials to licensees to minimize errors, and are doing more outreach to encourage licensees to submit their applications earlier, which should distribute the workload more evenly throughout the season. With the addition of the new Records & Licensing Supervisor position, we plan to be more efficient and effective than ever.



### **Education, Outreach, and Travel**

At the requests of multiple community councils, Local Government Specialist Jed Smith has been attending community council meetings to answer questions from community members about marijuana and alcohol regulation. He has provided training to a number of stakeholders' and licensee groups, and he has additional presentations scheduled over the next few months, including a regulatory update at the Alaska Municipal League's annual conference next month.

In two weeks, I will be participating on a panel at the Marijuana Management Symposium in Denver, Colorado, with regulators from Portland, Oregon and Denver, to discuss regulation of social consumption in our states.

### **Revisions to Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental**

Due to the fact that the current question on this form requires applicants/licensees to list all pesticides, fertilizers, and other additives all in one section, there has been confusion and difficulty in determining which products are pesticides, and which should be approved for use at a marijuana cultivation facility. The licensing team has worked closely with DEC's Pesticide Control Program Coordinator, Karin Hendrickson, on a solution. We determined it best to have a separate question on the form that is specific to pesticides, and she recommended that we request EPA registration numbers, if available, for all pesticide products. The revised questions are highlighted on the bottom of page 3 in Tab 9.

### **Minor Revisions to Forms; Consideration of Delegation**

Minor revisions have been made to some of the other forms to either provide clarity or to conform to adopted regulation changes. I would recommend that the Board delegate to the director and staff the authority to make minor revisions to existing forms for those purposes, with only major changes to be brought to you for approval.

If the Board does not wish to delegate any approval authority to the staff for form revisions, I will bring the other nine revised forms to the December meeting for approval.

### **Approval of Form MJ-27: Marijuana from Unlicensed Source**

On October 20, 2018, regulatory changes will become effective regarding the legal introduction of new strains from an unlicensed source to a licensed cultivation facility's inventory (specifically, the addition of subsection (9) to 3 AAC 306.405(a)). These regulations allow a cultivator to receive – without compensation and from a person 21 years of age or older – up to six clones or cuttings, or up to ten seeds. The language has specific requirements, including the necessity for the licensee to obtain written approval from the director on a form prescribed by the Board. A draft version of Form MJ-27 is provided in Tab 10 for your consideration.



**2018 Licensing & Education Statistics as of October 8, 2018**

Alcohol licensing emails received/sent:	48,447
Alcohol event permit applications:	1,122
Alcohol new/transfer applications:	275
Alcohol renewal applications:	1,030
Marijuana licensing emails received/sent:	31,695
Marijuana new/transfer applications:	167
Marijuana renewal applications:	213
Local government/education emails:	17,243

**License Applications as of October 8, 2018**

Status	Testing	Limited Cult.	Standard Cult.	Concen. Manuf.	Product Manuf.	Retail	Total
Active - Operating	2	66	93	5	16	71	253
Active - Pending Inspection	3	10	16		3	9	41
Delegated		16	17	1	5	9	48
Tabled		3				2	5
Complete		5	7	1	2	5	20
Incomplete		5			2	6	13
Queue		19	14	3	10	20	66
Initiated	1	71	60	18	42	55	247
New		6	13	4	4	11	38
Failed to Complete	2	43	76	17	15	50	203
Denied		2	3			3	8
Surrendered	1	1	1				3
Revoked					1	1	2
Rescinded		7	15	2		2	26
Void	7	56	58	13	29	52	215
Expired		2	2			1	5
Returned					1		1
<b>Total</b>	<b>16</b>	<b>312</b>	<b>375</b>	<b>64</b>	<b>130</b>	<b>296</b>	<b>1193</b>



**Timeline for New/Transfer Applications on This Agenda**

The following applications are listed in the order in which they were placed into the queue.

The average time it has taken for the applicant to receive an incomplete letter from the licensing team, from the date that the application went into the queue, is 164 days (5.5 months) for new applications and 86 days (3 months) for transfer applications.

The average time it has taken for the applications on this agenda to be determined complete, from the date that they went into the queue, is 196 days (6.5 months) for new applications and 105 days (3.5 months) for transfer applications.

License Number	DBA	Initiated	Moved Into Queue	Incomplete Sent	Final Corrections Received	Determined Complete
15814	Tanana Herb Company, LLC	11/14/2017	1/4/2018	6/4/2018	8/29/2018	9/6/2018
10686	Turnagain Herb Company	9/29/2016	1/12/2018	6/8/2018	8/29/2018	9/6/2018
15867	Ayme's Garden, LLC	11/17/2017	1/16/2018	6/4/2018	9/1/2018	9/6/2018
10117	Alaska Fireweed Farm	3/20/2016	1/30/2018	6/19/2018	9/10/2018	9/14/2018
16276	Alaskan Dream, LLC	1/19/2018	2/7/2018	6/7/2018	8/28/2018	9/5/2018
16091	Tanana Herb Company, LLC	12/7/2017	2/12/2018	6/14/2018	9/6/2018	9/11/2018
16791	RCJ Legacy, LLC	1/30/2018	2/22/2018	8/9/2018	9/6/2018	9/7/2018
15788	Scorpion Grass	12/4/2017	2/27/2018	8/15/2018	9/10/2018	9/12/2018
15789	Scorpion Grass	12/5/2017	2/27/2018	8/15/2018	9/10/2018	9/12/2018
15790	Scorpion Grass	12/5/2017	2/27/2018	8/15/2018	9/10/2018	9/12/2018
16446	420 on Main, LLC	1/9/2018	2/27/2018	8/24/2018	9/29/2018	10/1/2018
16738	vanGreen's, LLC	1/26/2018	3/1/2018	9/6/2018	9/28/2018	9/28/2018
16916	Dutch Buds Cannabis Co.	2/10/2018	3/2/2018	8/28/2018	8/30/2018	8/30/2018
13279	The Mason Jar, LLC	5/24/2017	3/12/2018	8/31/2018	9/26/2018	9/28/2018
13839	Frontier Manufacturing	7/10/2017	3/13/2018	9/7/2018	9/24/2018	9/25/2018
16181	Potter's Harvest, LLC	12/14/2017	3/20/2018	9/14/2018	9/26/2018	9/27/2018
16529	Good Buds, LLC	1/22/2018	3/21/2018	9/17/2018	9/27/2018	9/28/2018
15015	The Fire Supply	9/22/2017	3/22/2018	9/18/2018	9/27/2018	9/28/2018
12612	Absolem's Garden	(Transfer)	4/23/2018	8/10/2018	9/24/2018	9/26/2018
10747	Great Northern Cannabis	(Transfer)	6/21/2018	8/29/2018	9/7/2018	9/14/2018
11966	Great Northern Cannabis	(Transfer)	6/21/2018	9/13/2018	9/28/2018	9/28/2018
10293	AK Fuzzy Budz	(Transfer)	6/28/2018	9/21/2018	10/4/2018	10/5/2018
10864	AK Fuzzy Budz	(Transfer)	6/28/2018	9/21/2018	9/27/2018	10/2/2018
10933	Alaska's Green Light District	(Transfer)	6/28/2018	9/21/2018	10/2/2018	10/2/2018