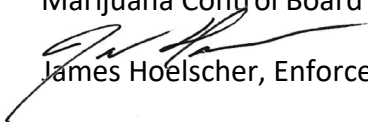




MEMORANDUM

TO: Marijuana Control Board DATE: Wednesday, July 03, 2019
FROM:  James Hoelscher, Enforcement Supervisor RE: Enforcement Report, Marijuana

This year marks the third year we have had alcohol and marijuana licenses operating during the summer and it has proven to be a continuing challenge for Enforcement. We are starting to gain a base line and an idea of some of the strengths and challenges of enforcing the regulations of alcohol and marijuana.

We opened recruitment for a special investigator I in Fairbanks after Investigator Stonecipher resigned. We hope to fill the position quickly with a qualified applicant.

We are in the home stretch in creating student intern positions which will be utilized for Compliance Checks/Shoulder Taps for both alcohol and marijuana. According to Human Resources(HR), who has received feedback from Department of Administration(DOA), Division of Personnel and Labor Relations (DOP&LR), it appears Student Intern I or II positions will work best. Enforcement has provided all requested documents to Director McConnel for review and final submission to HR. It is normally illegal to hire based off of age, ethnicity and gender. However, in very specific situations, it is appropriate to hire (or not hire) for these specific reasons. This is one of the many challenges we have been presented with, but the goal line is in sight and we hope to have more positive news in the future.

Enforcement Activity	4/15/19 to 6/28/19	1/1/19 to 6/28/19
Investigations	67	221
Alcohol Walk-throughs	64	191
Alcohol Inspections	158	291
Alcohol NOVs	11	58
Alcohol Advisory Notices	13	25
Alcohol Permits reviewed	176	410
Marijuana Walk-throughs	30	74
Marijuana Inspections	56	89
Marijuana NOVs	65	112
Marijuana Advisory Notices	5	9
Marijuana Background Conducted (MJ-18)	0	2
Marijuana Handler Cards Issued	146	671
Compliance Checks/Shoulder Taps	0	0

Criminal Charges	2	2
Training Provided	2	3
Public Appearance	0	1
Combined Contacts, Calls, and emails	2,875	7130

3 AAC 306.770(f) & (g) – Advertisement Location & Warnings Printed on the back of advertisement

Enforcement has received numerous questions regarding the printing of warnings on the back of an advertisement or coupon. Enforcement has informed licensees that this practice is prohibited due to the warning not being plainly visible to everyone that may read the advertisement. This is further supported by the required font size for the warning being visible.

We are also being asked that if marijuana licensees can utilize newspapers to advertise product. As the board does more work on its advertising regulations, there needs to be more clarity on what kinds of advertising are meant to be restricted within 1,000 feet of schools, etc. (3 AAC 306.770(f)(1-5). Does the board intent this restriction to apply to print advertising in publications which can be moved in and out of the restricted area? I would like to confirm the Boards position regarding this type of advertising.

3 AAC 306.355. Limit on quantity sold

(a) A retail marijuana store may not sell to any one person per day

(1) more than one ounce of usable marijuana;

(2) more than seven grams of marijuana concentrate for inhalation, or

(3) 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.

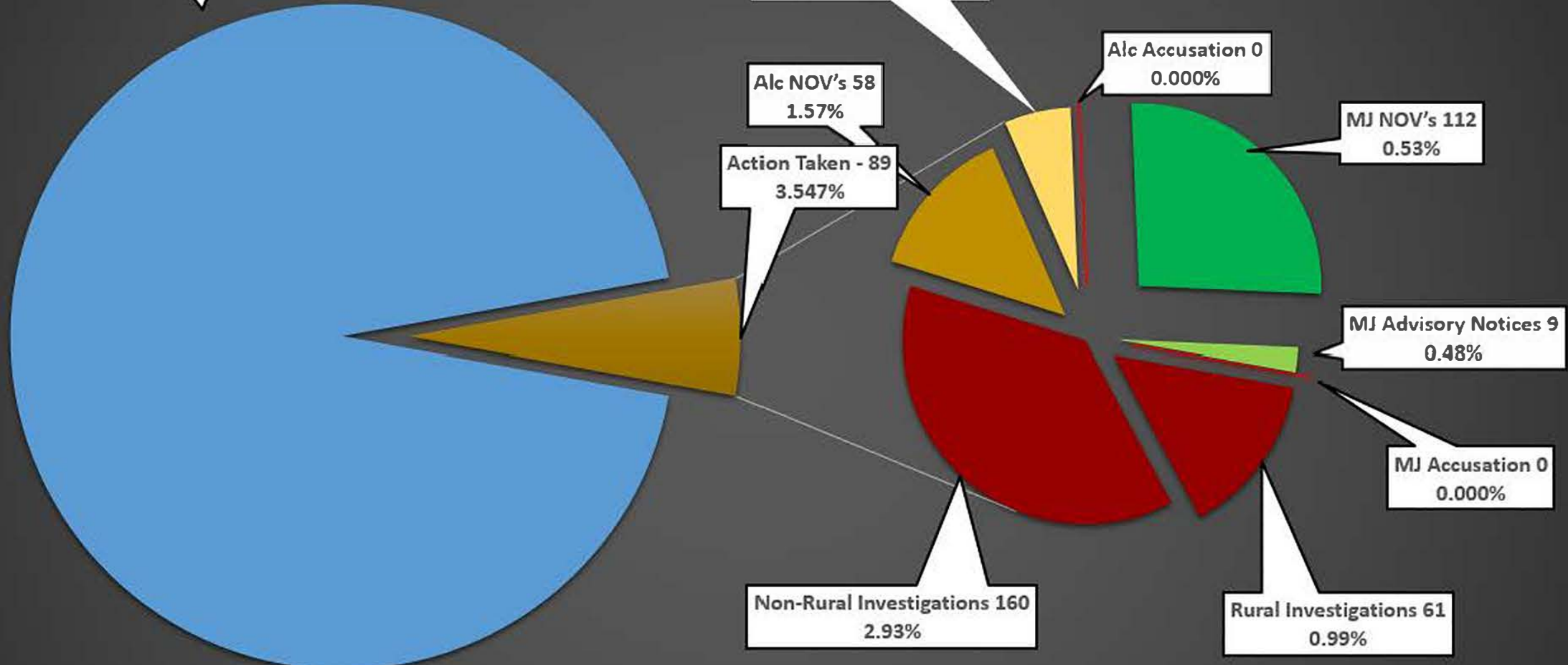
(b) These limits include marijuana or marijuana product sold for onsite consumption under 3 AAC 306.370(a)(2).

The board determined and gave direction that regardless of the potency of the marijuana, it was legal to sell an ounce of marijuana, even if the THC exceeded the 5,600mg as allowed by statute. Recently we have been informed that if a concentrate is over 80%, then the sale of 7 grams is over the 5600 mgs. Possessing one ounce of flower, regardless of potency, is supported by statute, however the same cannot be said about concentrates.

I would recommend, once again, that the board create a regulation project to address the conflicting provisions of 3 AAC 306.355(a)(3).

January 1, 2019 to June 30, 2019

Combined Contacts, Calls, and Emails - 7130
100%



Combined Contacts, Calls, and Emails - 7130

Combined Contacts, Calls, and Emails - 7130

Alc NOV's 58

MJ NOV's 112

Rural Investigations 61

Alc Advisory Notices 25

MJ Advisory Notices 9

Non-Rural Investigations 160

Alc Accusation 0

MJ Accusation 0