



MEMORANDUM

TO: Marijuana Control Board DATE: September 11, 2019

FROM: Erika McConnell, Director RE: Regulations Project – Handler Permit
Revocation

The board initiated this project in February of 2019, to expand on how and why a handler permit may be revoked.

The draft proposes to repeal and readopt 3 AAC 306.812, in order to do the following:

1. Expand the reasons for revoking a handler permit to violations of statute, regulation, or municipal ordinance, not just “violations of this chapter” which is the current regulation.
2. Allow a licensee to request that the board suspend a handler permit.
3. Clarify that notice shall be provided to the permit holder at their email address.
4. Require a list of suspended, revoked, and expired permits to be maintained and published.
5. Provide an appeal provision for an individual whose permit was revoked.
6. Allow the director to suspend a permit if the applicant’s check bounces, until such time as payment is satisfactorily received.

At the July 2019 meeting, the board voted to put this draft out for public comment. The public comment period closed on September 5, 2019. No comments were received.

Options for the board:

- Vote to adopt as written
- Amend; if amendment is significant, put out for public comment
- Send back to staff for revisions
- Close the project without action

3 AAC 306.812 is repealed and readopted to read:

3 AAC 306.812. Suspension or revocation of marijuana handler permit. (a) The board may suspend or revoke a permit issued under 3 AAC 306.700, refuse to renew a permit, or impose a civil fine if the board finds that a marijuana handler permit holder acted in violation of a statute, regulation, or municipal ordinance.

(b) The director or a licensee may request the board to suspend or revoke a permit issued under 3 AAC 306.700 by submitting a written statement of reasons for the permit to be revoked or suspended to the director and the permit holder. The director shall bring the request to the board at the next available meeting.

(c) Before a proceeding to revoke a permit issued under 3 AAC 306.700, the board shall notice the holder of the permit at the electronic mail address provided by the permit holder in their permit application.

(d) The director shall maintain a list of people with a suspended, revoked, or expired permit, which shall be available to licensees and the public.

(e) A person may appeal the board’s decision to suspend or revoke their permit in accordance with AS 44.62.390 – 44.62.560.

(f) Notwithstanding the requirements of (a) – (e) of this section, the director may suspend a permit issued under 3 AAC 306.700 if the permit holder’s check is returned for insufficient funds, until such time as the permit fee and any associated bank fee is paid. (Eff. 5/23/2018, Register 226; am ___/___/_____, Register _____)

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