



MEMORANDUM

TO: Marijuana Control Board
FROM: Erika McConnell, Director

DATE: September 11, 2019
RE: Legislative Requests

Legislative requests are due to the Commissioner's Office. Below are some requests made by the board last year that did not become legislation. Is the board interested in making these requests this year? Are there other legislative requests the board would like to make?

1. Tax structure in AS 43.61.—the legislature should ask the Department of Revenue to evaluate the tax structure to determine whether changes to the tax structure could be developed that are revenue neutral, eliminate artificial price floors, do a better job allowing the legal market to compete with the black market, encourage a robust commercial market, more fairly allocate the tax burden across the industry, and don't significantly add to the Department of Revenue's tax collection costs.

2. Transportation between license types—allow the Marijuana Control Board to authorize delivery/ transport/ distribution/ receipt/ purchase of marijuana between license types, as the board is in the best position to determine the business needs of licensees. For example, backflow is not permitted in the statute, but defective product should be able to be returned to the supplier. Additionally, retail to retail transportation is not listed as an allowed activity for retail licensees, but is a commonly accepted practice in other industries.

3. Indemnification for minors—add a provision comparable to AS 04.16.049(f) which indemnifies a person under 21 when assisting with enforcement. That section says, "A person under 21 years of age does not violate this section if the person enters or remains on premises licensed under this title at the request of a peace officer, if the peace officer accompanies, supervises, or otherwise observes the person's entry or remaining on premises, and the purpose for the entry or remaining on premises is to assist in the enforcement of this section."

4. Prohibit personal solvent-based manufacturing—limit solvent-based manufacturing to commercial facilities for public safety. The Municipality of Anchorage has the following language in their code: "It is unlawful for any person to manufacture a marijuana concentrate, hashish, or hash oil by use of solvents containing compressed flammable gases or through use of a solvent-based extraction method using a substance other than vegetable glycerin, unless the person is validly licensed and permitted in accordance with statute, regulation, or ordinance."

5. Six/twelve plant limit—clarify that the six/twelve plant limit for personal possession applies to all personal cultivation. AS 17.38.020(2) restricts the number of plants “present in a single dwelling,” but AS 17.38.030(a)(3) allows personal cultivation to occur on any property “lawfully in possession of the cultivator or with the consent of the person in lawful possession of the property.”

6. Set possession and transport limits for concentrates and edibles—AS 17.38.020(1) allows for the “possessing, using, displaying, purchasing, or transporting...one ounce or less of marijuana.” For clarity, limits for possessing, using, displaying, purchasing, or transporting personal use edibles and concentrates should be provided.

7. Majority required to adopt regulations—add “adopt regulations” to the list of things that require a majority of the whole membership of the board in AS 17.38.111(b).

