

Notice of Violation

Email

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 1/15/19

License #/Type: 10005

Standard Cultivation

Designated Licensee: Michael J Embers

AMCO Case#:

DBA: Rosie Creek Farm

Premises Address: 2659 Livingston Loop, Fairbanks, AK 99709

Mailing Address: PO Box 181, Ester, AK 99725

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 1/11/2019, Rosie Creek Farm, 10005, Standard Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation will be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date:

Received by AMCO 6.28.19



THE STATE
of ALASKA
GOVERNOR BILL WALKER

Department of Revenue

TAX DIVISION

Robert B. Atwood Building
550 West 7th Avenue, Suite 500
Anchorage, Alaska 99501-3566
Main: 907.269.6620
Fax: 907.269.6644

November 15, 2018

Marijuana Control Board
Alcohol & Marijuana Control Office
550 W. 7th Avenue, Suite 1600
Anchorage, AK 99501

Re: Failure to pay taxes under AS 43.61.010 by licensed marijuana cultivation facilities

Pursuant to Alaska Statutes and Regulations, AS 43.61.030 and 15 AAC 61.020, the Department of Revenue will inform the Marijuana Control Board of licensed cultivators that have failed to pay tax due or file a return as required by law.

As of November 15, 2018, there were 20 licensed cultivation facilities that failed to pay marijuana excise taxes as required under AS 43.61.010 totaling \$392,000. The list below does not include accounts that are currently on payment plans or have past due balances under \$100. If we reported the total number of past due accounts, we would report 32 taxpayers owing a total of \$728,400 – this is 25% of all marijuana taxpayers that owe past due taxes.

The high number of past due accounts is alarming and the Department of Revenue will continue to report the names of the delinquent taxpayers monthly to the Marijuana Control Board through AMCO, excluding the accounts that are currently on payment plans.

Taxpayer Name	MCB Licensee Name	License No.
BRANDEN M. ROYBAL	ALASKA CANNABIS CULTIVATORS	10592
ALASKA CANNABIS PROP	ALASKA CANNABIS PROPAGATION	11651 (Expired)
DAVID J. STRAUB	ALASKA PRECISION	10040
AZDREN POSHKA	ALASKA TASTY CANNABIS, LLC.	11488
JACOB NYMAN	ALASKAN DEVILS LETTUCE	11556
ARCTIC GREENERY, LLC	ARCTIC GREENERY, LLC	10286
BRENNAN NORDEN	BOB'S MORNING BEAR CULTIVATION	10063
DANISH GARDENS, LLC	DANISH GARDENS, LLC	10310
DAVID PARKER	FAT TOPS, LLC	11138
DARREN PHILLIPS	FIBERFLITE	13577
GREEN LEAF, INC	GREEN LEAF	10066
GREENSTAR INC	GREENSTAR, INC.	12872
TIMELESS ADVENTURES, LLC	HERBAL INSTINCTS	10156
PRESTIGE WORLDWIDE MANAGEMENT	KUSHTOPIA	11611
MIKE D. KEISER	LAST FRONTIER JOINT OPERATIONS LLC	11957
LAZY MOUNTAIN HARVEST, LLC	LAZY MOUNTAIN HARVEST LLC	10291 (Expired)
JONATHAN MANSKER	MUSKY OX, LLC	10135
SE MOOG DROOG LLC	SE MOOG DROOG LLC	10814
CASEY J. WILKINS	STONED SALMON FARMS	11605
KRYSTAL DIETRICH	TALKEETNA HERB COMPANY	10004

Kelly Mazzei, Excise Tax Supervisor
Department of Revenue – Tax Division

Received by AMCO 6.28.19



**P.O. Box 181
Ester, Alaska 99725**

January 16, 2019

Erika McConnell
Director, AMCO
550 W. 7th AVE, SUITE 1600
Anchorage, AK 99501

Dear Director McConnell, Chief Hoelscher, and the Marijuana Control Board,

I am responding to the Notice of Violation (NOV) dated January 15, 2019 concerning our delinquency on paying state excise taxes. As of January 15th we were \$2,403.03 behind on our taxes. This was rectified with a check sent on the same date to get us current on taxes. This was the first date we also had funds available to pay our tax debt.

I would like to use this opportunity of responding to this NOV to comment on taxes in general for the marijuana industry and our situation in particular. I understand that the Department of Revenue and AMCO needs to work within the guidelines set by state law. However the Marijuana Control Board (MCB) has, and has had, the opportunity to guide the legislature to recommend changes in the tax structure. At present the tax structure entirely on cultivators puts, in my opinion, an unfair burden on us. For 2018, Rosie Creek Farm paid 45.9% of our gross profits on excise taxes. Given that high percentage that we pay, its remarkable that we have gone over two years before we were unable to pay our taxes on time. I'm not sure if other cultivators paid the same high percentage of profits on taxes but as more cultivators become licensed, as more legal product comes on the market, and as prices continue to decrease, cultivators will be squeezed between an immovable floor of taxes and dwindling income. In the

attached letter to my NOV from Kelly Mazzei from the Department of Revenue, she mentions that it is “alarming” that nearly one quarter of licensed cultivators are delinquent on taxes. I would agree that not only is it alarming, but it will very soon put many cultivators out of business, decreasing state revenue and bolstering a still vibrant black market.

The MCB needs to take a position on taxes to the state legislature. With the current tax system based solely on wholesale weight, the state is taking in less than 10% of total end retail sales. If the system was changed to a percentage of sales at the retail end (as is being done in most other states), then the state would be taking in much more revenue, the market would be allowed to reach a more realistic price to the consumer, and the black market would have less of an attraction.

Please work to change this broken system – do not force legal cultivators out of business.

Thank you,

A handwritten signature in cursive script that reads "Michael Emers". The signature is written in dark ink and is positioned above the printed name.

Michael Emers
Rosie Creek Farm

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 12/27/18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: #10005 Standard Marijuana Cultivation Facilities

Address: 2659 Livingston Loop Fairbanks, AK 99709

AMCO Case #: AM18001503

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 12/14/18 licensee Mike Emers reported on 12/13/18 his product was manifested (Manifest # 0000571301) and transport to a marijuana retailer, AK Joint License #11614, to be held for transfer the following day (12/14/18) to Hollyweed 907 Product Manufacturing License #11304. The product could not be transferred to Hollyweed 907 Manufacturing from a Retail license holder per the provisions of Sec. 17.38.070 (a) (1-6) Lawful operation of marijuana-related facilities and 3 AAC 306.305 Retail marijuana store privileges.

Review of the manifest in METRC and the signed copy showed conflicting information. The time of departure on 12/13/18 on the signed manifest is 08:00 am and the METRC copy shows 10:30 am. Both show an approximate date and time of arrival of 12/12/18, a day prior to the departure time. The signed copy shows the product was accepted by AK Joint on 12/13/18 at 9:40 (am or pm unknown); yet the METRC copy reflects the product was not accepted in METRC by AK Joint until 12/14/18 at 12:24 p.m.

This is a violation of 3 AAC 306.435 (b) Marijuana inventory tracking system; 3 AAC 306.750 (b) Transportation; and 3 AAC 306.755 (a) (8-9) Business Records

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice of Violation. A licensee may respond, either orally or in writing to the Notice. 3 AAC 306.810 (2)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation, to correct any defect that is the subject of the notice of violation of AS 17.8 or this chapter.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.


***Please send your response to the address below and include your marijuana license number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: A. Stonecipher

Received by: Michael Emers

SIGNATURE: 

SIGNATURE: 

Delivered VIA: Email

Date: 1/9/19



**P.O. Box 181
Ester, Alaska 99725**

January 9, 2019

Erika McConnell
Director, AMCO
550 W. 7th AVE, SUITE 1600
Anchorage, AK 99501

Dear Director McConnell,

I am responding to the Notice of Violation (AMCO case # AM18001503) dated December 28, 2018. I concur with the facts described by Investigator Stonecipher in her report. We transferred product to AK Joint (3a-11614) with the intent that it be transferred to the product manufacturing facility of Hollyweed 907 (5a-11304). We overlooked the fact that AK Joint would be unable to transfer to from retail to product manufacturing due to the rules of transport. We then needed to get permission to have AK Joint virtually transfer the product back to our facility whereby we transported the product directly to Hollyweed ourselves.

When looking in to the case, Investigator Stonecipher noticed that the original manifest had the date to be received by AK joint was the day I wrote the manifest (December 12, 2018) and not the date intended for delivery (December 13, 2018). This was an oversight on our part that I normally correct when writing the manifest. Also, although AK Joint physically received the product on the 13th of December, it was not

entered into Metrc until the next day (December 14, 2018). I believe that Investigator Stonecipher has already communicated with AK Joint about this.

If I were more diligent in filling out the manifest correctly to begin with, this incident could have easily been avoided. I thank both the AMCO staff and the Metrc support team for helping me to correct my mistake.

Please contact me if you have further questions.

Thank you,

A handwritten signature in black ink that reads "Michael Emers". The signature is written in a cursive, flowing style.

Michael Emers
Rosie Creek Farm

Alcohol & Marijuana Control Office

License Number: 10005

License Status: Active-Operating

License Type: Standard Marijuana Cultivation Facility

Doing Business As: ROSIE CREEK FARM

Business License Number: 2088752

Designated Licensee: Michael J Emers

Email Address: mike@rosiecreekfarm.com

Local Government: Fairbanks North Star Borough

Community Council:

Latitude, Longitude: 64.745000, -148.090000

Physical Address: 2659 Livingston Loop
Fairbanks, AK 99709
UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10035620

Alaska Entity Name: RCFC, LLC

Phone Number: 907-479-3642

Email Address: mike@rosiecreekfarm.com

Mailing Address: P.O. Box 181
Ester, AK 99725
UNITED STATES

Entity Official #1

Type: Individual

Name: Joan E Hornig
[REDACTED]
[REDACTED]

Phone Number: 907-479-3642

Email Address: jehornig@rosiecreekfarm.com

Mailing Address: P.O. Box 181
Ester, AK 99725
UNITED STATES

Entity Official #2

Type: Individual

Name: Michael J Emers
[REDACTED]
[REDACTED]

Phone Number: 907-479-3642

Email Address: mike@rosiecreekfarm.com

Mailing Address: P.O. Box 181
Ester, AK 99725
UNITED STATES

Note: No affiliates entered for this license.



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

Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	RCFC, LLC	License Number:	10005		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Rosie Creek Farm				
Premises Address:	2659 Livingston Loop				
City:	Fairbanks	State:	Alaska	ZIP:	99709

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Joan E Hornig
Title:	Member, Manager

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

Initials

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

Initials

I certify that a notice of violation has **not** been issued for this license.

Initials

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

Initials



Form MJ-20: Renewal Application Certifications

Section 4 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.



I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.



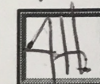
I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.



I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.



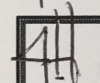
I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.



I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.



I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.



As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee

Joan E Hornig

Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: _____

Subscribed and sworn to before me this _____ day of _____, 20____.

**See Attachment for
Notarization**

CALIFORNIA JURAT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA }

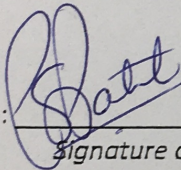
COUNTY OF Alameda }

Subscribed and sworn to (or affirmed) before me on this 27th day of June, 2019
Date Month Year

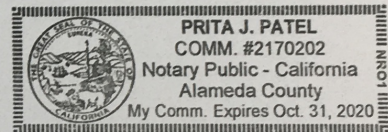
by Joan E Hornig

Name of Signers

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature: 

Signature of Notary Public



Seal

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent attachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Form NJ-20 Renewal Application Certifications

Document Date: 06/27/2019

Number of Pages: 1

Signer(s) Other Than Named Above: None



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	RCFC, LLC	License Number:	10005		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Rosie Creek Farm				
Premises Address:	2659 Livingston Loop				
City:	Fairbanks	State:	Alaska	ZIP:	99709

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Michael J Emers
Title:	Manager, Member

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

--

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

--

I certify that a notice of violation has **not** been issued for this license.

--

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

--

**Form MJ-20: Renewal Application Certifications****Section 4 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee

Michael J Emers

Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: 03/28/2023Subscribed and sworn to before me this 26th day of June, 2019.

"Official Seal"
Notary Public
K. L. Speck
State of Alaska

Commission #190328007 Expires: 03/28/2023