



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Commerce,  
Community,  
and Economic Development

ALCOHOL AND MARIJUANA CONTROL OFFICE  
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## MEMORANDUM

TO: Marijuana Control Board                      DATE: January 23, 2020  
FROM: Glen Klinkhart, Interim Director      RE: Regulations Project – Onsite  
Consumption Clean Up

This regulations project proposes the following changes relating to onsite consumption:

1. Amends 3 AAC 306.030, to require a petition for an onsite consumption endorsement in an area with no local government.
2. Amends 3 AAC 306.080 to provide criteria for the denial of a new or renewal onsite consumption endorsement.
3. Repeals and readopts 3 AAC 306.370 with changes:
  - a. Only indoor onsite consumption areas where smoking is to be allowed are required to be in a retail store that is freestanding.
  - b. Outdoor onsite consumption areas where smoking is to be allowed must comply with laws related to outdoor smoking.
  - c. Vaping is not permitted as a method of consumption—addresses Mr. Jones' concern about vaping of bud/flower.
  - d. Clarifies that products containing concentrate that are intended for consumption by smoking or vaping may not be sold for onsite consumption.
  - e. Limits ventilation requirements only to endorsements where consumption by smoking would be allowed.
  - f. Clarifies that the meaning of "freestanding" does not include buildings that contain establishments other than licensed marijuana establishments.
  - g. Defines "smoking" and "vaping."

This is a revised draft for board consideration. The first draft of this project was brought before the board in May and put out for comments which were considered in July.

Attached, after the draft regulation, is SB 63, which provides the references to Title 18.

Options for the board:

- Put out for public comment
- Amend and put out for public comment
- Send back to staff for revisions
- Close the project without action

3 AAC 306.030 is amended to read:

(a) The board will not approve a new license **or a new onsite consumption endorsement** in an area outside, but within 50 miles of, the boundary of a local government unless the board receives a petition to issue the license **or endorsement** signed by a majority of the permanent residents residing within one mile of the proposed premises.

(b) The board will not approve a new license **or a new onsite consumption endorsement** in an area that is 50 miles or more from the boundary of a local government unless the board receives a petition to issue the license **or endorsement** containing the signatures of two-thirds of the permanent residents residing within a radius of five miles of the United States post office station nearest to the proposed licensed premises. If there is no United States post office station within a radius of five miles of the proposed licensed premises, the petition must be signed by two-thirds of the permanent residents residing within a five-mile radius of the proposed licensed premises.

(c) A petition authorized by this section must be on a form the board prescribes. The applicant must obtain the required signatures within the 90-day period immediately before submitting the petition to the board. A signature may not be added to or removed from the petition after the board has approved the application.

(d) In this section, "permanent resident" means a person 21 years of age or older who has established a permanent place of abode. A person may be a permanent resident of only one place.

3 AAC 306.080(a) is amended to read:

(a) After review of the application, including the applicant's proposed operating plan and all relevant information, the board will deny an application for a new license **or a new**

**endorsement** if the board finds that

- (1) the application is not complete as required under the applicable provisions of 3 AAC 306.020 - 3 AAC 306.055, or contains any false statement of material fact;
- (2) the license **or endorsement** would violate any restriction in 3 AAC 306.010 or 3 AAC 306.015;
- (3) the license **or endorsement** would violate any restriction applicable to the particular license **or endorsement** type authorized under this chapter;
- (4) the license **or endorsement** is prohibited under this chapter as a result of an ordinance or election conducted under AS 17.38.210, 3 AAC 306.200, or 3 AAC 306.230;
- (5) the applicant's actions or the operating plan does not adequately demonstrate that the applicant will comply with applicable provisions of this chapter;
- (6) the license **or endorsement** would not be in the best interests of the public; or
- (7) a protest by the local governing body is not arbitrary, capricious, and unreasonable.

3 AAC 306.080(b) is amended to read:

- (b) After review of the application and all relevant information, the board will deny an application for renewal of a marijuana establishment license **or endorsement** if the board finds
  - (1) any cause listed in (a) of this section;
  - (2) repealed 8/21/2019;
  - (3) that the license **or endorsement** has been operated in violation of a condition or restriction the board previously imposed;

(4) that the applicant is delinquent in the payment of taxes due in whole or in part from operation of the licensed business;

(5) that a protest by the local governing body is not arbitrary, capricious, and unreasonable; or

(6) that the applicant has lost right to possession of the applicant's licensed premises.

3 AAC 306.370 is repealed and readopted to read:

3 AAC 306.370. Onsite consumption endorsement for retail marijuana stores. (a) Unless prohibited by local or state law, the board may approve an onsite consumption endorsement for a licensed retail marijuana store for

(1) consumption by any method except smoking or vaping;

(2) consumption by any method except vaping, in an indoor area, as long as the licensed retail marijuana store is freestanding; or

(3) consumption by any method except vaping, in an outdoor area, in compliance with AS 18.35.301.

(b) A licensed retail marijuana store with an approved onsite consumption endorsement for consumption by any method except vaping, is authorized to sell marijuana bud or flower, in quantities not to exceed one gram to any one person per day, and edible marijuana products, in quantities not to exceed 10 mg of THC to any one person per day, to patrons for consumption at the time of purchase and only in an area designated as the marijuana consumption area.

(c) A licensed retail marijuana store with an approved onsite consumption endorsement for consumption by any method except smoking or vaping, is authorized to sell edible marijuana

products, in quantities not to exceed 10 mg of THC to any one person per day, to patrons for consumption at the time of purchase and only in an area designated as the marijuana consumption area.

(d) A licensed retail marijuana store with an approved onsite consumption endorsement may

(1) sell food or beverages not containing marijuana or alcohol; and

(2) allow a person to remove from the licensed premises marijuana or marijuana product that has been purchased on the licensed premises for consumption under this section, provided it is packaged in accordance with 3 AAC 306.345.

(e) A licensed retail marijuana store with an approved onsite consumption endorsement may not

(1) sell marijuana concentrate or marijuana products containing concentrate that are consumed by smoking or vaping, for consumption in the marijuana consumption area,

(2) allow vaping in the marijuana consumption area;

(3) allow any licensee, employee, or agent of a licensee to consume marijuana or marijuana product, including marijuana concentrate, during the course of a work shift;

(4) allow a person to consume tobacco or tobacco products in the marijuana consumption area;

(5) allow a person to bring into or consume in the marijuana consumption area any marijuana or marijuana product that was not purchased at the licensed retail marijuana store for the purpose of onsite consumption;

(6) sell, offer to sell, or deliver marijuana or marijuana product at a price less than the price regularly charged for the marijuana or marijuana product during the same calendar week;

(7) sell, offer to sell, or deliver an unlimited amount of marijuana or marijuana product during a set period of time for a fixed price;

(8) sell, offer to sell, or deliver marijuana or marijuana product on any one day at prices less than those charged the general public on that day;

(9) encourage or permit an organized game or contest on the licensed premises that involves consuming marijuana or marijuana product or the awarding of marijuana or marijuana product as prizes; or

(10) advertise or promote in any way, either on or off the premises, a practice prohibited under this section.

(f) A marijuana consumption area shall have the following characteristics:

(1) the consumption area shall be isolated from the other areas of the retail marijuana store, separated by walls and a secure door, and shall have access only from the retail marijuana store;

(2) a smoke-free area for employees to monitor the marijuana consumption area;

(3) a ventilation system, separate from the ventilation system of the other areas of the retail marijuana store, that directs air from the marijuana consumption area to the outside of the building through a filtration system sufficient to remove visible smoke, consistent with all applicable building codes and ordinances, and adequate to eliminate odor at the property line, if consumption by smoking is permitted;

(4) if outdoors, be found by the board to be compatible with uses in the surrounding area through evaluation of

(A) neighboring uses;

(B) the location of air intake vents on neighboring buildings, if consumption by smoking is permitted;

(C) a sight-obscuring wall or fence around the outdoor marijuana consumption area;

(D) objections of property owners, residents, and occupants within 250 linear feet or the notification distance required by the local government, whichever is greater; and

(E) any other information the board finds relevant.

(g) An applicant for an onsite consumption endorsement must file an application on a form the board prescribes, including the documents and endorsement fee set out in this section, which must include

(1) the applicant's operating plan, in a format the board prescribes, describing the retail marijuana store's plan for

(A) security, in addition to what is required for a retail marijuana store, including:

(i) doors and locks;

(ii) windows;

(iii) measures to prevent diversion; and

(iv) measures to prohibit access to persons under the age of 21;

(B) ventilation, if consumption by smoking is to be permitted in an indoor area; ventilation plans must be

(i) signed and approved by a licensed mechanical engineer;

(ii) sufficient to remove visible smoke; and

(iii) consistent with all applicable building codes and ordinances;

(C) monitoring overconsumption;

(D) unconsumed marijuana, by disposal or by packaging in accordance with 3 AAC 306.345; and

(E) preventing introduction into the marijuana consumption area of marijuana or marijuana products not sold by the retail marijuana store, and marijuana or marijuana products not sold specifically for onsite consumption;

(2) the applicant's detailed diagram of the marijuana consumption area which must show the location of

(A) the licensed premises of the retail marijuana store;

(B) serving area or areas;

(C) ventilation exhaust points, if applicable;

(D) the employee monitoring area;

(E) doors, windows, or other exits; and

(F) access control points;

(3) the title, lease, or other documentation showing the applicant's sole right of possession of the proposed marijuana consumption area, if the area is not already part of the approved licensed premises for the retail marijuana store;

(4) for an outdoor marijuana consumption area,



(A) an affidavit that notice of an outdoor marijuana consumption area has been mailed to property owners, residents, and occupants of properties within 250 linear feet of the boundaries of the property on which the onsite consumption endorsement is proposed, or the notification distance required by the local government, whichever is greater; and

(B) information showing compliance with AS 18.35.301.

(e) The retail marijuana store holding an onsite consumption endorsement under this chapter shall

(1) destroy all unconsumed marijuana left abandoned or unclaimed in the marijuana consumption area in accordance with the operating plan and 3 AAC 306.740;

(2) monitor patrons in the marijuana consumption area at all times, specifically for overconsumption;

(3) display all warning signs required under 3 AAC 306.360 and 3 AAC 306.365 within the marijuana consumption area, visible to all consumers;

(4) provide written materials containing marijuana dosage and safety information for each type of marijuana or marijuana product sold for consumption in the marijuana consumption area at no cost to patrons;

(5) package and label all marijuana or marijuana product sold for consumption on the premises as required by 3 AAC 306.345; and

(6) comply with any conditions set by the local government or placed on the endorsement by the board.

(f) The holder of an onsite consumption endorsement must apply for renewal annually at the time of renewal of the underlying retail marijuana store license.

3 AAC 306.990(b)(42) is amended to read:

(42) “freestanding” has the meaning given in AS 18.35.301(i)(1), **and does not include buildings that contain establishments other than licensed marijuana establishments;**

3 AAC 306.990(b) is amended to add:

(49) “smoking” has the meaning given in AS 18.35.399(12);

(50) “vaping” means the action or practice of inhaling the aerosol produced by an electronic device that heats up and vaporizes a liquid or solid;

**HOUSE CS FOR CS FOR SENATE BILL NO. 63(RLS) am H**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**THIRTIETH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE RULES COMMITTEE**

**Amended: 5/12/18**

**Offered: 4/11/18**

**Sponsor(s): SENATORS MICCICHE, Meyer, Gardner, Giessel, Stevens, Bishop, Costello, Begich, Wielechowski**

**REPRESENTATIVES Kopp, Spohnholz, Guttenberg, Kito, Foster, Grenn, Kawasaki, Birch, Drummond, Gara, Josephson, Ortiz, Millett, Pruitt, Johnston, Johnson, Wool, Tarr, Kreiss-Tomkins, Parish, Fansler, Zulkosky, Tuck, Claman, Saddler**

**A BILL**

**FOR AN ACT ENTITLED**

1   **"An Act prohibiting smoking in certain places; relating to education on the smoking**  
2   **prohibition; relating to municipal regulation of smoking in certain places; relating to**  
3   **established villages and local option elections to allow smoking in public places; and**  
4   **providing for an effective date."**

5   **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6       **\* Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
7   to read:

8           LEGISLATIVE INTENT. It is the intent of the legislature that nothing in this Act is  
9   intended to alter applicable law relating to liability of a manufacturer, dispenser, or other  
10   person for a cause of action that may arise from smoking tobacco, e-cigarettes, or other oral  
11   smoking devices in an enclosed area or to otherwise limit the state immunity from liability  
12   provided for in state law. In this section, "e-cigarette," "enclosed area," and "smoking" have  
13   the meanings given to those terms in AS 18.35.399.

14       **\* Sec. 2.** AS 18.35 is amended by adding new sections to read:

**Article 4. Prohibition of Smoking in Certain Places.**

**Sec. 18.35.301. Prohibition of smoking.** (a) An individual may not smoke in an enclosed area in a public place, including an enclosed area

(1) at an entertainment venue or a sports arena;

(2) on a bus, in a taxicab, on a ferry, or in another vehicle used for public transportation;

(3) at a public transit depot, bus shelter, airport terminal, or other public transportation facility;

(4) at a retail store or shopping center;

(5) at a place of government or public assembly located on property that is owned or operated by the state, a municipality, or a regional educational attendance area, or by an agent of the state, a municipality, or a regional educational attendance area.

(b) An individual may not smoke in an enclosed area

(1) in an office building, office, hotel, motel, restaurant, bar, retail store, or shopping center;

(2) in a common area in an apartment building or multiple-family dwelling;

(3) in a place of employment, including a vehicle;

(4) at a public or private educational facility;

(5) at a health care facility, including residential units in the health care facility;

(6) in a building or residence that is used to provide paid child care, whether or not children are present in the building or residence, or care for adults on a fee-for-service basis; however, nothing in this paragraph is intended to prohibit an individual from smoking in a private residence that is in a building where another residence provides paid child care or care for adults;

(7) on a vessel operating as a shore-based fisheries business under AS 43.75.

(c) An individual may not smoke outdoors

(1) within 10 feet of playground equipment located at a public or

private school or a state or municipal park while children are present;

(2) in a seating area for an outdoor arena, stadium, or amphitheater;

(3) at a place of employment or health care facility that has declared the entire campus or outside grounds or property to be smoke-free;

(4) within

(A) 10 feet of an entrance to a bar or restaurant that serves alcoholic beverages;

(B) 20 feet of an entrance, open window, or heating or ventilation system air intake vent at an enclosed area at a place where smoking is prohibited under this section; or

(C) a reasonable distance, as determined by the owner or operator, of an entrance, open window, or heating or ventilation system air intake vent of

(i) a vessel covered by this section; or

(ii) a long-term care facility as defined in AS 47.62.090.

(d) Notwithstanding (a) and (b) of this section, unless the owner or operator prohibits it, an individual may smoke at a retail tobacco or e-cigarette store that

(1) is in a building that

(A) is freestanding; or

(B) if it is attached to another business or building,

(i) has a separate entrance;

(ii) is separated from the other business or building in a manner that does not allow e-cigarette vapor or aerosol to travel into the other business or building;

(iii) the other business or building does not serve as a residence, child care facility, facility providing care for adults on a fee-for-service basis, school, or health care facility; and

(iv) smoking is limited to the use of an e-cigarette;

(2) is not

(A) a business that is licensed under AS 04.11 to serve alcoholic beverages at an outdoor location;

(B) a business that is licensed under AS 05.15 to sell pull-tabs;

or

(C) a retail store that is within an indoor public place or workplace.

(e) Notwithstanding (a) and (b) of this section, smoking may be permitted in a separate enclosed smoking area located in a terminal for international passengers who are in transit in a state-owned and state-operated international airport and who are restricted by federal law from leaving the airport, if the smoking area is vented directly to an outdoor area that is not an area where smoking is prohibited under (c) of this section.

(f) Notwithstanding (b) of this section, unless the owner or operator prohibits it, an individual may smoke

(1) in a vehicle that is a place of employment when the vehicle is used exclusively by one person;

(2) on a vessel when the vessel is engaged in commercial fishing or sport charter fishing.

(g) Notwithstanding (a) and (b) of this section, an individual may smoke at

(1) a private club if the private club

(A) has been in continuous operation at the same location since January 1, 2017;

(B) is not licensed to serve alcoholic beverages; and

(C) is not a place of employment;

(2) an e-cigarette store if the e-cigarette store has been in continuous operation at the same location since January 1, 2017.

(h) Nothing in this section prohibits an individual from smoking

(1) at a private residence, except a private residence described in (b) of this section or while a health care provider is present;

(2) in a stand-alone shelter if the stand-alone shelter meets the following requirements:

(A) food or drink may not be sold or served in the stand-alone shelter; and

(B) the stand-alone shelter meets the minimum distance requirements of (c) of this section; or

(3) in an establishment licensed under AS 17.38 that is freestanding if the smoking is in accordance with regulations adopted by the Marijuana Control Board created under AS 17.38.080.

(i) In this section,

(1) "freestanding" means a building that is not supported by another structure and does not share ventilation or internal air space with an adjoining structure and smoke from the building cannot travel into the adjoining structure;

(2) "health care provider" has the meaning given in AS 09.65.300;

(3) "private club" means an organization, legal entity, or informal association of persons that

(A) is the owner, lessee, or occupant of a building or portion of a building used exclusively for club purposes at all times;

(B) is operated solely for a recreational, fraternal, social, patriotic, political, benevolent, or athletic purpose; and

(C) has been granted exemption from the payment of federal income tax as a club under 26 U.S.C. 501;

(4) "retail tobacco" or e-cigarette store

(A) means a store

(i) that primarily sells cigarettes, e-cigarettes, cigars, tobacco and products containing tobacco, and pipes and other smoking or e-cigarette accessories;

(ii) in which the sale of other products is incidental; and

(iii) that derives at least 90 percent of its gross revenue from the sale of cigarettes, e-cigarettes, cigars, tobacco and products containing tobacco, and pipes and other smoking or e-cigarette accessories;

(B) does not include

(i) a tobacco or e-cigarette department or section of a business that does not meet the criteria in (A) of this paragraph; or

(ii) a business that is also a restaurant or grocery store.

**Sec. 18.35.306. Notice of prohibition.** (a) A person who is in charge of a place or vehicle where smoking is prohibited under AS 18.35.301 shall conspicuously display in the place or vehicle a sign that

(1) reads "Smoking Prohibited by Law--Fine \$50";

(2) includes the international symbol for no smoking; or

(3) includes the words "No Puffin" with a pictorial representation of a puffin holding a burning cigarette enclosed in a red circle crossed with a red bar.

(b) A person in charge of a building at which smoking is prohibited within a specific distance from the entrance of the building under AS 18.35.301(c)(4) shall conspicuously display a sign that reads "Smoking within (number of feet) Feet of Entrance Prohibited by Law--Fine \$50" visible from the outside of each entrance to the building.

(c) The department shall furnish signs required under this section to a person who requests them with the intention of displaying them.

**Sec. 18.35.311. Duty of employers and building managers.** (a) An employer may not permit an employee, customer, or other person to smoke inside an enclosed area at a place of employment.

(b) The owner, operator, manager, or other person who manages a building or other place where smoking is prohibited under AS 18.35.301 may not provide ashtrays or other smoking accessories for use in that building or place.

(c) An employer may not require an employee, customer, or other person to enter a stand-alone shelter as defined in AS 18.35.301(h) for a purpose other than smoking.

**Sec. 18.35.316. Powers and duties of the commissioner.** (a) The commissioner

(1) shall administer and enforce the requirements of AS 18.35.301 - 18.35.399;

(2) may adopt regulations under AS 44.62 (Administrative Procedure Act) necessary to carry out the duties under this section.

(b) In addition to other powers granted the commissioner under AS 18.35.301



1 - 18.35.399, the commissioner may delegate to another agency the authority to  
2 implement and enforce one or more provisions of AS 18.35.301 - 18.35.399.

3 **Sec. 18.35.321. Public education.** (a) The commissioner shall ensure that  
4 employers, property owners, property operators, and other members of the public are  
5 provided ongoing access to

6 (1) a program of education regarding the requirements in AS 18.35.301  
7 - 18.35.399;

8 (2) an electronically published printable brochure that summarizes the  
9 requirements in AS 18.35.301 - 18.35.399.

10 (b) The program of education under (a) of this section may be provided in  
11 combination with the comprehensive smoking education, tobacco use prevention, and  
12 tobacco control program established in AS 44.29.020(a)(14).

13 **Sec. 18.35.326. Nonretaliation.** (a) An employer may not discharge or in any  
14 other manner retaliate against an employee because the employee cooperates with or  
15 initiates enforcement of a requirement in AS 18.35.301 - 18.35.399.

16 (b) The owner or operator of a vehicle or other place that is subject to a  
17 requirement in AS 18.35.301 - 18.35.399 may not retaliate against a customer or other  
18 member of the public for cooperating with or initiating enforcement of a requirement  
19 in AS 18.35.301 - 18.35.399.

20 **Sec. 18.35.331. Conflicts with local requirements.** Nothing in AS 18.35.301  
21 - 18.35.399 prohibits a municipality from adopting an ordinance imposing additional

22 (1) limitations on smoking;

23 (2) duties on employers, owners, operators, and other persons who are  
24 subject to the requirements of AS 18.35.306 or 18.35.311 related to smoking; or

25 (3) limitations on smoking in an outdoor area at a municipal park  
26 designated as a children's playground.

27 \* **Sec. 3.** AS 18.35.340(a) is amended to read:

28 (a) The commissioner shall develop and maintain a procedure for processing  
29 reports of violations of AS 18.35.301, 18.35.306, 18.35.311, and 18.35.326  
30 [AS 18.35.300, 18.35.305, AND 18.35.330].

31 \* **Sec. 4.** AS 18.35.340(b) is amended to read:

(b) If, after investigating a report made under this section, the commissioner determines that a violation has occurred, (1) the commissioner may file a civil complaint in the district court to enforce the provisions of AS 18.35.301 - 18.35.399 [AS 18.35.300 - 18.35.365]; or (2) an employee of the department designated by the commissioner to enforce the provisions of AS 18.35.301 - 18.35.399 [AS 18.35.300 - 18.35.365] may issue a citation under AS 18.35.341(b). If an employee of the department issues a citation, the violation shall be processed and disposed of under AS 18.35.341.

\* **Sec. 5.** AS 18.35.340(c) is amended to read:

(c) A person who violates AS 18.35.301 [AS 18.35.300 OR 18.35.305] and against whom the commissioner has filed a civil complaint under this section is punishable by a civil fine of [NOT LESS THAN \$10 NOR MORE THAN] \$50. A person who violates AS 18.35.306 or 18.35.311 [AS 18.35.330] and against whom the commissioner has filed a civil complaint under this section is punishable by a civil fine of not less than \$50 [\$20] nor more than \$300. Each day a violation of AS 18.35.306 or 18.35.311 [AS 18.35.330] continues after a civil complaint for the violation has been filed and served on the defendant constitutes a separate violation. A person who violates AS 18.35.326 and against whom the commissioner has filed a civil complaint under this section is punishable by a civil fine of not more than \$500.

\* **Sec. 6.** AS 18.35.341(a) is amended to read:

(a) A peace officer may issue a citation for a violation of AS 18.35.301, 18.35.311, or 18.35.326 [AS 18.35.300 OR 18.35.305] committed in the officer's presence or for a violation of AS 18.35.306 [AS 18.35.330]. The provisions of AS 12.25.175 - 12.25.230 apply to the issuance of a citation under this subsection.

\* **Sec. 7.** AS 18.35.341(b) is amended to read:

(b) An employee of the department designated by the commissioner to enforce the provisions of AS 18.35.301 - 18.35.399 [AS 18.35.300 - 18.35.365] may issue a citation for a violation of AS 18.35.301, 18.35.306, 18.35.311, or 18.35.326 [AS 18.35.300, 18.35.305, OR 18.35.330] regardless of whether the violation was committed in the employee's presence. A citation issued under this subsection shall be

1 in the same form and shall be processed in the same manner as a citation issued by a  
 2 peace officer under (a) of this section. An employee of the department may not arrest  
 3 a person for a violation of AS 18.35.301, 18.35.306, 18.35.311, or 18.35.326  
 4 [AS 18.35.300, 18.35.305, OR 18.35.330].

5 \* **Sec. 8.** AS 18.35.341(c) is amended to read:

6 (c) A person who violates AS 18.35.301, 18.35.306, 18.35.311, or 18.35.326  
 7 [AS 18.35.300, 18.35.305, OR 18.35.330] is guilty of a violation as defined in  
 8 AS 11.81.900(b) and upon conviction is punishable by a fine of [NOT LESS THAN  
 9 \$10 NOR MORE THAN] \$50 for a violation of AS 18.35.301, [AS 18.35.300 OR  
 10 18.35.305 AND] by a fine of not less than \$50 [\$20] nor more than \$300 for a  
 11 violation of AS 18.35.306 or 18.35.311, and by a fine of not more than \$500 for a  
 12 violation of AS 18.35.326 [AS 18.35.330]. Each day a violation of AS 18.35.306 and  
 13 18.35.311 [AS 18.35.330] continues after a citation for the violation has been issued  
 14 constitutes a separate violation.

15 \* **Sec. 9.** AS 18.35.341(d) is amended to read:

16 (d) The supreme court shall establish a schedule of bail amounts for violations  
 17 of AS 18.35.301, 18.35.306, 18.35.311, and 18.35.326 [AS 18.35.300, 18.35.305,  
 18 AND 18.35.330], but in no event may the bail amount exceed the maximum fine that  
 19 may be imposed for the violation under (c) of this section. The bail amount for a  
 20 violation must appear on the citation.

21 \* **Sec. 10.** AS 18.35.342 is amended to read:

22 **Sec. 18.35.342. Multiple fines prohibited.** A person may not be fined more  
 23 than once for each violation of AS 18.35.301, 18.35.306, 18.35.311, or 18.35.326  
 24 [AS 18.35.300, 18.35.305, OR 18.35.330].

25 \* **Sec. 11.** AS 18.35.343 is amended to read:

26 **Sec. 18.35.343. Injunctions.** The commissioner or any affected party may  
 27 institute an action in the superior court to enjoin repeated violations of AS 18.35.301,  
 28 18.35.306, 18.35.311, or 18.35.326 [AS 18.35.300, 18.35.305, or 18.35.330].

29 \* **Sec. 12.** AS 18.35.350 is amended to read:

30 **Sec. 18.35.350. Enforcement authority.** The commissioner or the  
 31 commissioner's designee is responsible for enforcing the provisions of AS 18.35.301 -

1        **18.35.399** [AS 18.35.300 - 18.35.365]. This section does not limit the authority of  
 2        peace officers.

3        \* **Sec. 13.** AS 18.35 is amended by adding new sections to read:

4                **Sec. 18.35.357. Municipal regulation.** A municipality may, by ordinance  
 5        ratified by voters in a regular municipal election, exempt the municipality from the  
 6        provisions of AS 18.35.301 - 18.35.350. Unless the municipality has adopted an  
 7        ordinance banning smoking in certain public places, if a municipality exempts itself  
 8        from the provisions of AS 18.35.301 - 18.35.350, former AS 18.35.300 - 18.35.365  
 9        apply in the municipality as those statutes provided on September 30, 2018.

10              **Sec. 18.35.359. Local option election by an established village.** (a) If a  
 11        majority of the voters voting on the question vote to approve the option, AS 18.35.301  
 12        - 18.35.350 do not apply within the boundaries of the established village and former  
 13        AS 18.35.300 - 18.35.365 apply in the village as those statutes provided on  
 14        September 30, 2018.

15              (b) A ballot question to adopt a local option under this section must at least  
 16        contain language substantially similar to the following: "Shall (name of village) adopt  
 17        a local option not to comply with AS 18.35.301 - 18.35.350, relating to smoking in  
 18        certain public places? (yes or no)."

19              (c) If a majority of the voters voting on the question vote to remove the option,  
 20        an established village shall remove a local option previously adopted under (a) of this  
 21        section. The option is repealed effective the first day of the month following  
 22        certification of the results of the election.

23              (d) A ballot question to remove a local option under (c) of this section must at  
 24        least contain language substantially similar to the following: "Shall (name of village)  
 25        remove the local option currently in effect, that permits smoking in certain public  
 26        places, so that there is no longer any local option in effect? (yes or no)."

27              (e) An election to adopt a local option under (a) of this section or remove a  
 28        local option under (c) of this section shall be conducted as required in this section.

29              (f) Upon receiving a petition of 35 percent or more of the registered voters  
 30        residing within an established village, the lieutenant governor shall place on a separate  
 31        ballot at a special election the local option or removal of local option that constitutes

1 the subject of the petition. The lieutenant governor shall conduct the election under  
2 AS 15.

3 (g) An election under (f) of this section to remove a local option may not be  
4 conducted during the first 24 months after the local option was adopted or more than  
5 once in a 36-month period.

6 (h) After a petition has been certified as sufficient to meet the requirements of  
7 (f) of this section, another petition may not be filed or certified until after the question  
8 presented in the first petition has been voted on.

9 (i) Except as provided under (j) and (k) of this section, for purposes of this  
10 section, the perimeter of an established village is a circle around the established  
11 village that includes an area within a five-mile radius of the post office of the  
12 established village. If the established village does not have a post office, the perimeter  
13 of an established village is a circle around the established village that includes an area  
14 within a five-mile radius of another site selected by the local governing body or by the  
15 department if the established village does not have a local governing body.

16 (j) If the perimeter of an established village determined under (i) of this  
17 section includes an area that is within the perimeter of another established village, and  
18 the other established village has not adopted a local option under (a) of this section,  
19 the local option does not apply in the overlapping area.

20 (k) If the department determines that the perimeter of an established village  
21 determined under (i) of this section does not accurately reflect the perimeter of the  
22 established village, the department may establish the perimeter of the established  
23 village and the overlapping areas described under (j) of this section for purposes of  
24 applying a local option selected under this section.

25 (l) If a majority of the voters vote to adopt a local option under (a) of this  
26 section or remove a local option under (c) of this section, the lieutenant governor shall  
27 notify the department of the results of the election immediately after the results are  
28 certified. The department shall immediately notify the Department of Law and the  
29 Department of Public Safety of the results of the election.

30 \* **Sec. 14.** AS 18.35 is amended by adding a new section to read:

31 **Sec. 18.35.399. Definitions.** In AS 18.35.301 - 18.35.399,

(1) "business" means a for-profit or nonprofit sole proprietorship, partnership, joint venture, corporation, professional corporation, private club, retail seller of goods or services, or other business entity;

(2) "commissioner" means the commissioner of health and social services or the commissioner's designee;

(3) "department" means the Department of Health and Social Services;

(4) "e-cigarette" means any product containing or delivering nicotine or any other substance intended for human consumption that can be used by a person through inhalation of vapor or aerosol from the product, of any size or shape, whether the product is manufactured, distributed, marketed, or sold as an e-cigarette, e-cigar, e-pipe, e-hookah, vape pen, or any other product name or descriptor; "e-cigarette" does not include drugs, devices, or combination products authorized for sale by the United States Food and Drug Administration as those terms are defined in 21 U.S.C. 301 - 392 (Food, Drug, and Cosmetic Act), unless the use of those products simulate smoking or expose others to vapor or aerosol;

(5) "employee" means a person who is employed by a business for compensation or works for a business as a volunteer without compensation;

(6) "employer" means the state, a municipality, a regional educational attendance area, and a person or a business with one or more employees;

(7) "enclosed area" means space between a floor and a ceiling that is bounded on two or more sides by a combination of walls, doorways, windows, or other physical barriers that may be open, partially open, closed, retractable, temporary, or permanent;

(8) "established village" means an area that does not contain any part of an incorporated city or another established village, that is an unincorporated community in the unorganized borough, and that has 25 or more permanent residents;

(9) "health care facility" means an office or institution providing care or treatment for physical, mental, emotional, or other medical, dental, physiological, or psychological diseases or conditions; private, municipal, or state hospital; independent diagnostic testing facility; primary care outpatient facility; skilled nursing facility; kidney disease treatment center, including freestanding hemodialysis units;

intermediate care facility; ambulatory surgical facility; Alaska Pioneers' Home or Alaska Veterans' Home administered by the department under AS 47.55; long-term care facility; psychiatric hospital; residential psychiatric treatment center, as defined in AS 18.07.111 or AS 47.32.900, and other facilities, places of employment, or offices operated for use by doctors, nurses, surgeons, chiropractors, physical therapists, physicians, psychiatrists, or dentists or other professional health care providers to provide health care;

(10) "place of employment" means work areas, private offices, hotel and motel rooms, employee lounges, restrooms, conference rooms, classrooms, cafeterias, hallways, vehicles, and other employee work areas that are under the control of an employer;

(11) "public place" includes

(A) an area to which the public is invited or into which the public is admitted;

(B) a place where services, goods, or facilities are offered to the public;

(12) "smoking" means using an e-cigarette or other oral smoking device or inhaling, exhaling, burning, or carrying a lighted or heated cigar, cigarette, pipe, or tobacco or plant product intended for inhalation.

\* **Sec. 15.** AS 18.35.300, 18.35.305, 18.35.310, 18.35.320, 18.35.330, 18.35.355, and 18.35.365 are repealed.

\* **Sec. 16.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. AS 18.35.301, 18.35.306, 18.35.311, 18.35.316, 18.35.321, 18.35.326, and 18.35.331, added by sec. 2 of this Act, AS 18.35.340(a) - (c), as amended by secs. 3 - 5 of this Act, AS 18.35.341(a) - (d), as amended by secs. 6 - 9 of this Act, AS 18.35.342, as amended by sec. 10 of this Act, AS 18.35.343, as amended by sec. 11 of this Act, AS 18.35.350, as amended by sec. 12 of this Act, and AS 18.35.399, added by sec. 14 of this Act, apply to violations or failures to comply that occur on or after the effective date of secs. 2 - 12 and 14 of this Act.

\* **Sec. 17.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2       TRANSITION: REGULATIONS. The Department of Health and Social Services may  
3 adopt regulations necessary to implement AS 18.35.301, 18.35.306, 18.35.311, 18.35.316,  
4 18.35.321, 18.35.326, and 18.35.331, added by sec. 2 of this Act, AS 18.35.340(a) - (c), as  
5 amended by secs. 3 - 5 of this Act, AS 18.35.341(a) - (d), as amended by secs. 6 - 9 of this  
6 Act, AS 18.35.342, as amended by sec. 10 of this Act, AS 18.35.343, as amended by sec. 11  
7 of this Act, AS 18.35.350, as amended by sec. 12 of this Act, AS 18.35.357 and 18.35.359,  
8 added by sec. 13 of this Act, and AS 18.35.399, added by sec. 14 of this Act. The regulations  
9 take effect under AS 44.62 (Administrative Procedure Act), but not before the effective date  
10 of the section being implemented.

11       \* **Sec. 18.** Section 17 of this Act takes effect immediately under AS 01.10.070(c).

12       \* **Sec. 19.** Except as provided in sec. 18 of this Act, this Act takes effect October 1, 2018.