



MEMORANDUM

TO: Marijuana Control Board DATE: June 1, 2020

FROM: Jane P. Sawyer, Regulations Specialist RE: Regulations Project – Marijuana
Handler Permit

At one of the emergency meetings in April 2020, the board opened a regulations project to extend the validation period for marijuana handler permit cards from three years to four years. Attached is the draft that would do just that. It is a very simple regulations project, but it may not be a very simple change. I'll explain.

When this regulation was being created back in the day, the board at that time, struggled, if I remember correctly, with the validation period (how long to make the permit good for) due to possible disqualifying event(s) someone would incur during that time but we/AMCO would not know until the permit holder would renew his/her permit.

Should the board wish to proceed with this regulations project, perhaps you would want to have that conversation again, or not, but please consider the following if moving forward with the project:

- Constant regulations changes require constant training/education on the part of the permit holder which in some instances might only be happening at the time they renew his/her knowledge through a course provider. With this project, you would make that training/education required every four years rather than every three years.
- Are the requirements under 3 AAC 306.700(f)(2) and (3) being diluted by issuing marijuana handler permits valid for four years rather than three?
- Disqualifying events of the permit holder will only be reviewed by AMCO every four years rather than every three years.
- Course providers need to renew every three years why not keep those two aligned.
- This change would not be retroactive so it would only apply to new permits. There are over 7,000 current permit holders in our system right now to which this change would not apply.
- Increasing the fee from \$50 to \$75 to offset the revenue loss.
- This list is non-inclusive.

At one of the April 2020 meetings, the board, by motion, extended the expiration date for marijuana handler permits through March 2021 in response to Covid-19. If the board does not move forward with the project, does the board want to continue this extension? This extension:

- Affects about 2,619 permit holders as of April 2020 (\$130,950 in renewal fees + possible loss on training/education on the part of the permit holder)
- New applications for a permit have not ceased and neither have the renewals.
- It is heavily manually intensive to extend the expiration date on permits.

Options for the board:

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

(Words in boldface and underlined indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.700(c) is amended to read:

(c) To obtain a marijuana handler permit, a person who has completed the marijuana handler permit education course described in 3 AAC 306.701 shall present the course completion certificate to the director. The director shall issue a marijuana handler permit card valid for **four** [THREE] years from the date of issue of the course completion certificate. A person may renew a card issued under this section by taking a marijuana handler permit education course approved by the board and passing a written test demonstrating an understanding of the course subjects.

(d) A licensee, employee, or agent of a marijuana establishment shall keep the marijuana handler permit card described in (c) of this section in that person's immediate possession or a valid copy on file on the premises at all times when on the licensed premises of the marijuana establishment.

(e) Repealed 8/21/2019.

(f) The board will not issue a marijuana handler permit to a person who

(1) has been convicted of a felony in the state and either

(A) less than five years have elapsed from the time of the person's conviction; or

(B) the person is currently on probation or parole for that felony,

~~(2) has within the two year period immediately preceding submission of an~~

Register _____, _____20__

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application, been convicted of a class A misdemeanor in the state involving a controlled substance other than a Schedule VIA controlled substance, under AS 11.71.190,

(3) has within the two year period immediately preceding submission of an application, been convicted of a class A misdemeanor in the state relating to selling, furnishing, or distributing marijuana; or,

(4) is currently under indictment for an offense listed in this section. (Eff.

2/21/2016, Register 217; am 5/23/2018, Register 226; am 9/7/2018, Register 227; am 2/21/2019,

Register 229; am 8/21/2019, Register 231; am ____/____/_____, Register _____)

Commented [SJP(1): Could the intent of this section be diluted (for lack of a better word) by issuing marijuana handler permits for four years rather than three? In other words, we would be reviewing a handler's background check every four years instead of three.

Authority: AS 17.38.010 AS 17.38.070 AS 17.38.121

AS 17.38.150 AS 17.38.190

AS 17.38.200 AS 17.38.900