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

3 AAC 306.020(b)(8) is amended to read:

(8) the address of the premises to include global positioning system (GPS) coordinates where the applicant intends to operate a marijuana establishment, and a detailed diagram of the proposed licensed premises; the diagram must show all entrances and boundaries of the premises, restricted access areas, [AND] storage areas**,**[;]**and, if applicable, areas that may be approved by the board under 3 AAC 306.705(d);**

(Eff. 2/21/2016, Register 217; am 8/11/2018, Register 227; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.047(c)(3) is amended to read:

(3) a detailed diagram of the proposed licensed premises; the diagram must show all entrances and boundaries of the premises, restricted access areas, [AND] storage areas**,**[;]**and, if applicable, areas that may be approved by the board under 3 AAC 306.705(d).**

(Eff. 2/21/2019, Register 229; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.305 is amended by adding a new subsection to read:

(c) A licensed retail marijuana store may also apply for a marijuana cultivation facility license and a marijuana product manufacturing facility license. A retail marijuana store that obtains a marijuana cultivation facility license or a marijuana product manufacturing facility license, shall

(1) conduct any marijuana cultivation or marijuana product manufacturing operation in a room completely separated from the retail marijuana store by a secure door when co-located; and

(2) comply with each provision of this chapter that applies to any other type of marijuana establishment license that the retail marijuana store licensee obtains. (Eff. 2/21/2016, Register 217; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.405(c)(4) is repealed:

(4) repealed ____/____/_____; [EXCEPT AS PERMITTED UNDER A MARIJUANA PRODUCT MANUFACTURING FACILITY LICENSE, EXTRACT MARIJUANA CONCENTRATE, USING ANY PROCESS DESCRIBED IN 3 AAC 306.555, AT THE LICENSED PREMISES;]

3 AAC 306.405(c)(5) is amended to read:

(4) [(5)] sell marijuana that is not packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475;

3 AAC 306.405(c)(6) is amended to read:

(5) [(6)] introduce marijuana or a marijuana product, including plants and seeds, onto the licensed premises from any outside source after the initial preliminary inspection, except

(A) as acquired from another licensed marijuana cultivation facility and accounted for in each marijuana cultivation facility's marijuana inventory tracking system as required under 3 AAC 306.730; or

(B) as provided under this section.

3 AAC 306.405(c) is amended by adding a new paragraph to read:

(6) produce or possess marijuana concentrate that was extracted using any process described in 3 AAC 306.555 on the marijuana cultivation facility's licensed premises unless the marijuana cultivation facility also has a marijuana product manufacturing facility license. Any extraction or production of marijuana concentrate on the premises of a licensed marijuana cultivation facility must

(A) be in a separate room that

(i) is physically separated by a secure door from any cultivation area or areas; and

(ii) has a sign that clearly identifies the room as a marijuana concentrate production are, and warns unauthorized persons to stay out; and

(B) comply with all applicable provisions of 3 AAC 306.500 – 3 AAC 306.570. (Eff. 2/21/2016, Register 217; am 10/20/2018, Register 228; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.450 is repealed:

3 AAC 306.450. Production of marijuana concentrate prohibited. Repealed. (Eff. 2/21/2016, Register 217; repealed ____/____/_____, Register ____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200

AS 17.38.070 AS 17.38.190 AS 17.38.900

AS 17.38.121

3 AAC 306.505 is amended by adding a new subsection to read:

(b) A licensed marijuana product manufacturing facility, including a licensed marijuana concentrate manufacturing facility, may also apply for a marijuana cultivation facility license and a marijuana retail store license. A marijuana product manufacturing facility, including a marijuana concentrate manufacturing facility, that obtains a marijuana cultivation facility license or marijuana retail store license, shall

(1) conduct any marijuana cultivation or marijuana retail store operation in a room completely separated from the marijuana manufacturing facility by a secure door when co-located; and

(2) comply with each provision of this chapter that applies to any other type of

marijuana establishment license that the marijuana product manufacturing facility or marijuana concentrate manufacturing facility licensee obtains. (Eff. 2/21/2016, Register 217; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

3 AAC 306.610(b) is amended by adding a new paragraph to read:

(4) have in common licensed areas including restricted access areas within the licensed premises with any other marijuana establishment licensee. (Eff. 2/21/2016, Register 217; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200
AS 17.38.070 AS 17.38.190 AS 17.38.900
AS 17.38.121

The introductory language of 3 AAC 306.705(a) is amended to read:

3 AAC 306.705. Licensed premises; alteration. (a) A marijuana establishment license will be issued for specific licensed premises. **Licensed premises must be contiguous, except that the board may approve noncontiguous portions of the licensed premises that are not a restricted access area under 3 AAC 306.710.** Specific licensed premises must constitute a place clearly designated in a license application and described by a line drawing submitted with the license application. The licensed premises must

…

3 AAC 306.705(b) is amended to read:

(b) A marijuana establishment's license **and, if applicable, an endorsement issued under 3 AAC 306.110 and 3 AAC 306.370** must be posted in a conspicuous place within the licensed premises.

3 AAC 306.705 is amended by adding a new subjection to read:

(d) The board may approve two or more licenses, owned by the same individual or the same group of individuals, within the same building or with abutting premises to use in common by all the licenses the following areas: office, employee breakroom, bathrooms, non-marijuana storage areas. The common areas under this subsection may not be restricted access areas as

prescribed under 3 AAC 306.710. (Eff. 2/21/2016, Register 217; am ____/_____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200

AS 17.38.070 AS 17.38.190 AS 17.38.900

AS 17.38.121

3 AAC 306.720 is repealed and readopted to read:

3 AAC 306.720. Video surveillance. (a) A marijuana establishment shall install and maintain a video surveillance and camera recording system as provided in this section. The video system must cover

(1) each restricted access area and each entrance to a restricted access area within the licensed premises;

(2) each entrance to the exterior of the licensed premises; and

(3) each point-of-sale area.

(b) At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within

20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.

(c) Any area where marijuana is grown, cured, or manufactured, or where marijuana waste is destroyed, must have a camera placement in the room facing the primary entry door, and in adequate fixed positions, at a height that will provide a clear, unobstructed view of the regular activity without a sight blockage from lighting hoods, fixtures, or other equipment, in order to allow for the clear and certain identification of any person and activity in the area at all times.

(d) Surveillance recording equipment and video surveillance records must be housed in a locked and secure area or in a lock box, cabinet, closet or other secure area that is accessible only to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including a peace officer or an agent of the board. A marijuana establishment may house surveillance recording equipment and video surveillance records in an area approved by the board under 3 AAC 306.705(d) as long as the area meets the security requirements under this subjection.

(e) A marijuana establishment may use an offsite monitoring service and offsite storage of video surveillance records if security requirements at the offsite facility are at least as strict as

onsite security requirements as described in (d) of this section.

(f) Each surveillance recording must be preserved for a minimum of 40 days, in a format that can be easily accessed for viewing. All recorded images must clearly and accurately display the time and date, and must be archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated. After 40 days, a marijuana establishment may erase video recordings, unless the licensee knows or should know of any pending criminal, civil, or administrative investigation for which the video recording may contain relevant information. (Eff. 2/21/2016, Register 217; am ____/____/_____, Register ____)

Authority: AS 17.38.010 AS 14.38.131 AS 17.38.200
AS 17.38.070 AS 17.38.150 AS 17.38.900
AS 17.38.121 AS 17.38.190

3 AAC 306.725(a) is amended to read:

3 AAC 306.725. Inspection of licensed premises. (a) A marijuana establishment or an applicant for a marijuana establishment license under this chapter shall, upon request, make the

licensed premises or the proposed licensed premises, including any place for storage **and areas described under 3 AAC 306.705(d)**, available for inspection by the director, an employee or agent of the board, or an officer charged with the enforcement of this chapter. The board or the director may also request a local fire protection agency or any other state agency with health and safety responsibilities to inspect licensed premises or proposed licensed premises.

(Eff. 2/21/2016, Register 217; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.131 AS 17.38.200
AS 17.38.070 AS 17.38.150 AS 17.38.900
AS 17.38.121 AS 17.38.190

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3 AAC 306.755(a)(1) is amended to read:

(a) A marijuana establishment shall maintain in a format that is readily understood by a reasonably prudent business person

(1) all books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months must be maintained on the marijuana establishment's licensed premises **or in**

an area approved by the board under 3 AAC 306.705(d). [;] **Older [**OLDER] records may be archived on or off premises;

3 AAC 306.755(a)(5) is amended to read:

(5) a current diagram of the licensed premises including each restricted access area[;] **and each area approved by the board under 3 AAC 306.705(d).**

(Eff. 2/21/2016, Register 217; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 14.38.131 AS 17.38.200
AS 17.38.070 AS 17.38.150 AS 17.38.900
AS 17.38.121 AS 17.38.190

3 AAC 306.800(a)(1) is amended to read:

(a) The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity, may

(1) Inspect the licensed premises of a marijuana establishment, including **areas approved under 3 AAC 306.705(d),** any marijuana and marijuana product on the premises,

equipment used in cultivating, processing, testing, or storing marijuana, the marijuana establishment's marijuana inventory tracking system, business records, and computers, at any reasonable time and in a reasonable manner;

(Eff. 2/21/2016, Register 217; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.131 AS 17.38.200

AS 17.38.070 AS 17.38.150 AS 17.38.900

AS 17.38.121 AS 17.38.190

3 AAC 306.990(b)(23) is amended to read:

(23) "licensed premises" means any or all designated portions of a building or structure, or rooms or enclosures in the building or structure[,] **including areas approved by the board under 3 AAC 306.705(d), or designated outdoor areas,** at the specific **location** **[**ADDRESS] for which a marijuana establishment license is issued, and used, controlled, or operated by the marijuana establishment to carry out the business for which it is licensed;

(Eff. 2/24/2015, Register 213; am 2/21/2016, Register 217; am 10/11/2017, Register 224; am

8/11/2018, Register 227; am 10/20/2018, Register 228; am 4/11/2019, Register 230; am

5/9/2019, Register 230; am ____/____/_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200

AS 17.38.070 AS 17.38.190 AS 17.38.900

AS 17.38.121 AS 17.38.200

Repealed language of 3 AAC 306.450 [A MARIJUANA CULTIVATION FACILITY MAY NOT PRODUCE OR POSSESS MARIJUANA CONCENTRATE THAT WAS EXTRACTED USING ANY PROCESS DESCRIBED IN 3 AAC 306.555 ON THE MARIJUANA CULTIVATION FACILITY'S LICENSED PREMISES UNLESS THE MARIJUANA CULTIVATION FACILITY ALSO HAS A MARIJUANA PRODUCT MANUFACTURING FACILITY LICENSE. ANY EXTRACTION OR PRODUCTION OF MARIJUANA CONCENTRATE ON THE PREMISES OF A LICENSED MARIJUANA CULTIVATION FACILITY MUST

(1) BE IN A SEPARATE ROOM THAT

(A) IS PHYSICALLY SEPARATED BY A SECURE DOOR FROM ANY CULTIVATION AREA; AND

(B) HAS A SIGN THAT CLEARLY IDENTIFIES THE ROOM AS A MARIJUANA CONCENTRATE PRODUCTION AREA, AND WARNS UNAUTHORIZED PERSONS TO STAY OUT; AND

(2) COMPLY WITH ALL APPLICABLE PROVISIONS OF 3 AAC 306.500 - 3 AAC 306.570.]