



MEMORANDUM

TO: Marijuana Control Board

DATE: August 5, 2020

FROM: Glen Klinkhart, Interim Director

RE: Director's Report – August 2020 Board Meeting

OPERATIONS:

As the increased numbers and urgency of the COVID-19 virus issues became more dire and widespread, the plans we had are once again revised into our ongoing AMCO contingency plans. These plans are more geared towards what the “new normal” will look like for AMCO and for the licensees we work with. Unfortunately, until the number of confirmed cases begins to decrease to an acceptable level we will continue to make do with the majority of the AMCO staff teleworking from home or separated within the office environment. Initially myself and the staff seemed to be highly effective and efficient while teleworking from home. The initial push during the lockdown showed promise, however it appears in the long term, a work-only-from-home situation is not the perfect solution for everyone and every situation. Hopefully as we work through this crisis, we can craft a plan which gives the AMCO office options as things continue to change.

TREND(S):

On a brighter note: The ongoing trends for the Alaska Marijuana Industry appear to be a bright spot amongst the ongoing economic difficulties facing most Alaskan businesses. Every month this year has seen increases in the number of marijuana licenses being approved, increasing amounts of bud and flower being produced by licensees, and increasing volumes of marijuana products being sold each month (edibles, concentrates, pre-rolls, buds and flowers). Of course, along with those increases there are expanding amounts in taxes collected by the SOA Department of Revenue.

WORKING GROUP(S):

We have begun the process of testing a new Working Group system. Board member Nick Miller was instrumental in helping to set up our first attempt at a working group. This first test was centered around the issue of “Permitting layovers at licensed facilities (“hubbing”) on a single METRC manifest.” On Thursday, August 6th, AMCO we met online/virtually with subject matter experts and a cross section of potentially affected parties. Additionally, the public could also log

into the working group meeting. The overview and action items which came from our discussions will be presented in a separate memorandum during this meeting. I wish to thank all the participants, including industry, AMCO staff, and the public for their assistance and their patience with this process.

INFANT/BREASTFEEDING ON LICENSED PREMISES:

With the assistance of Board Member Nick Miller, AMCO Regulation Specialist Jane Sawyer, and the Department of Health and Human Services, we managed to steal some time and consider possible solutions regarding the ongoing question of infant breastfeeding as it pertains to a licensed premises. Ms. Sawyer and I will be discussing a proposed solution for board consideration during the regulations section of the meeting, however the key we discovered is that Federal Labor Laws already cover the issue. Our problem however is current marijuana regulation is in direct conflict of those specific federal labor laws, so we are presenting for board consideration a narrowly focused exception which would allow licensees to support and assist their staff who need to nurse their infant child in a specific and designated area within the licensed premises.

ENFORCEMENT UNIT:

At AMCO we have been working on a clear, concise, and consistent enforcement process and policy for our Enforcement Unit. The goal is to have a clear method of how enforcement warnings, Notices of Violations, fines, and potential actions against a license (accusations) are made, how the board acts upon them, and what options are available to a licensee. Additionally, it is hoped a written process will help AMCO and both boards be consistent with what comes before them and that you, the board, can make good decisions based upon good information. I hope to have a proposal for discussion at the next regular meeting. Additionally, enforcement and I have been working on finalizing and updating written policies and procedures for the entire enforcement unit. This much needed written update will help to ensure the enforcement section continues to have clear operating processes and to continue to provide quality public safety and enforcement services. As normal board meetings don't often lend themselves to bigger picture or long detailed conversations of the board, I will be asking the board members to consider setting up a special meeting specifically to discuss enforcement, including, but not limited to, enforcement priorities, operational processes, and goals. Additionally, as some of these items also concern and effect the Alcohol Beverage Control board enforcement needs we may want to consider a joint discussion.

NEXT MEETING:

The next MCB Board meeting is scheduled for October 28th and 29th, 2020 in Anchorage, Alaska or, depending on the ongoing COVID-19 situation, telephonically or online via online ZOOM meetings.

Glen Klinkhart
Interim Director

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