



MEMORANDUM

TO: Marijuana Control Board

DATE: October 20, 2020

FROM: Glen Klinkhart, Interim Director

RE: Director's Report

OPERATIONS:

The office and staff for the Alcohol and Marijuana Control Board have been working diligently processing applications. We are down one Licensing Examiner however the position opening has been posted and we look forward to filling the spot as soon as possible.

Without going into specific COVID19 or specific medical situations, the AMCO COVID19 Contingency Plans have proven valuable to help insure the ongoing safety of the staff in the office as well as those who are working remotely.

MCB/ABC ENFORCEMENT WORKING SESSION:

In September 2020 both boards held separate Enforcement Working Sessions (ABC on September 30, and MCB on September 9th, 2020). These meetings were extremely successful and the work derived from them continues to move the AMCO enforcement group forward.

AMCO Enforcement Principals – Enforcement Supervisor James Hoelscher has been working on refining the Enforcement Principals discussed by the board and will have those shortly for both boards to review.

AMCO Enforcement Policies and Procedures were also discussed and are ongoing in their development. One question brought up was the issue of making such policies public. After contacting both the Alaska Department of Public Safety and the Anchorage Police Department, both organizations make their policies available to the public, and thus when our enforcement policies are finalized, I intend to request that such policies become public as well.

AMCO Enforcement Fine Schedule – Possible fine schedules for consideration by both boards were discussed. It appears each board has the ability to levy fines for specific accusations in certain circumstances which we believe will fit in nicely with the proposed AMCO Enforcement Processes being finalized.

AMCO Enforcement Process -

The marijuana regulations are just different enough from the alcohol statutes and regulations that some minor changes to the AMCO Enforcement Processes are being made. These are not large changes, but they are enough that two separate charts were necessary to help communicate the entire scope of the process. Additionally, there may need to be some additional regulatory changes for consideration by the board to help keep the process fair and moving forward, however these will be brought forth at another meeting or special working session.

WORKING GROUPS:

Transportation - Hubbing/Layovers

AMCO enforcement is currently working with the industry to test the layover option in METRC to see if how well the option works for licensees and product transporters. The results are pending and will be provided to the board when they become available.

Working Group: Enforcement – Fine Schedules

From the MBC Enforcement Working Sessions in September, a working group was delegated to look into resurrecting a reasonable Fine Schedule to present to the board. After working with MCB members Lt. Christopher Jaime and member Casey Dschaak a public working group session was set for October 22, 2020. As the meeting is after the deadline for my Director’s report, I will update the board verbally as to the progress made during the October 22nd working group meeting.

MARIJUNANA CONTROL BOARD 2021 CALENDER:

Here are the proposed ABC/MCB 2021 calendar meeting dates for your review.

January 2021

ABC January 5th, 2021, Juneau, Alaska* Consideration by MCB Chair

MCB January 6th – January 7th, 2021, Juneau, Alaska* Consideration by MCB Chair

March 2021

ABC March 30th, 2021, Anchorage, Alaska

MCB March 31st – April 1st, 2021, Anchorage, Alaska

June 2021

ABC June 8th, 2021, Fairbanks, Alaska

MCB June 9th – June 10th, 2021, Fairbanks, Alaska

August 2021

ABC August 17th, 2021, Nome, Alaska

MCB August 18th – August 19th, 2021, Nome, Alaska

October 2021

ABC October 26th, 2021, Anchorage, Alaska

MCB October 27th – October 28th, 2021, Anchorage, Alaska

NEXT MEETING:

The next MCB Board meeting is scheduled for January 6th and 7th, 2021. The Juneau, in person, location has not been finalized.*

UPCOMING SPECIAL BOARD SESSIONS:

Depending on the outcome of the Governor's end date of November 15, 2020 for the emergency declarations, the staff and Assistant A.G. Joan Wilson have been working to have ready for the board's consideration, reinstatement of the ongoing marijuana and alcohol emergency regulations. Both boards will likely be affected by any changes to the Governor's orders come November. At this time no meeting date for a regulations special session has been determined.

Additionally, there are expected to be at least two requests of the board in November or December to hold a public meeting to hear these formal accusations. The first set of accusations may be ready to be heard by the board in November while the other 2 -5 accusations are still under review by the A.G.'s office. We will keep the board members apprised as to when both sets of accusations are ready to present to the board.

DISMISSED ACCUSATION:

I wish to inform the board that after a full review of AMCO accusation number 2019-05, I made the decision to dismiss the case against the accused licensee in the interests of justice. Without going into the full details of an unheard accusation, the concerns I had with moving this specific case forward to the board were based upon several concerns, including this office's inability to bring the case to the board in a reasonable amount of time after the investigation was concluded. The case stemmed from administrative METRC errors on the part of the new licensee which occurred back in 2017 and 2018. Furthermore, to make matters worse the accusation was not completed by AMCO until October of 2019, over one year later.

Additionally, the investigation revealed the METRC errors made by the licensee were not intentional, were administrative in nature, and were a part of an overall learning curve for a then brand-new licensee. Finally, the record shows this licensee has had no further violation issues since the errors were made back in 2018.

I believe this case is a good example of how, moving forward, I wish AMCO to work toward reviewing a case's entire fact pattern and try to make fair charging decisions in a reasonable amount of time. In that vein, this case has been motivating for myself and this office to work with the board to create fair and PROMPT enforcement processes as the board has been implementing with these Enforcement Working Sessions.

Glen Klinkhart
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