

From: Jana Weltzin
To: [Marijuana, CED ABC \(CED sponsored\)](#)
Cc: [Brenda Mills](#); [Klinkhart, Glen Edward \(CED\)](#); [Gregory Smith](#)
Subject: Fwd: MJ Control Board Ltr
Date: Wednesday, August 5, 2020 9:52:07 AM
Attachments: [7.20 MJ Control Board Letter.pdf](#)

Dear Marijuana Control Board:

Please see attached correspondence submitted on behalf of my client, Nome Grown, LLC, a retail and cultivation facility located in Nome, Alaska. Thanks!

Jana D. Weltzin, Esq.

JDW, LLC

Principal Owner

901 Photo Avenue

Anchorage, Alaska 99503

jana@jdwcounsel.com

907-231-3750 Office Line

630-913-1113 Cell

*Licensed in Alaska and Arizona

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IRS Circular 230 Disclaimer: To ensure compliance with IRS Circular 230, we are required to inform you that unless we have specifically stated to the contrary in writing, any advice we provide in this email or any attachment concerning federal tax issues or submissions is not intended or written to be used, and cannot be used, to avoid federal tax penalties.

Thank you.



Think green, please don't print unnecessarily

----- Forwarded message -----

From: **Gregory Smith** <nomegrownorganics@gmail.com>
Date: Mon, Aug 3, 2020 at 6:35 PM
Subject: MJ Control Board Ltr
To: Jana Weltzin <jana@jdwcounsel.com>

Hi Jana,

Attached is the MJ Control Board letter regarding changes to travel regs that I would love to see enacted. Please submit on my behalf. I kept it the same and will be available via phone for any questions and/or concerns the board or Travel board may have.
Thanks for your assistance,

Warmest Regards,

Greg Smith/ Nome Grown LLC
907-304-2191

Date: July 20, 2020

To: Marijuana Control Board

From: Gregory Smith, Managing Member of Nome Grown LLC #18545 and #17594

PO Box 808, Nome, AK, 99762

Dear AMCO and Board Members,

I would like to take a moment to thank you for your service to the industry and to congratulate the actions and efforts put forth regarding the COVID-19 pandemic.

When the Emergency Order that allowed rural entities the option of shipping product on a common carrier was put into place, it allowed rural business to utilize such services as Alaska Airlines "GoldStreak". Marijuana retailers in Nome were provided the temporary opportunity to access products that could not previously be transported at a price that rendered us competitive with the rest of the legal market. It also illuminated the inequalities that rural locations must face and carry due to the current regulations.

In their current form, we assume an average increase of 36% to be compliant. Ultimately, rural stores are penalized monetarily due to increased costs inherent to their location and the limitations imposed while remaining compliant with the current regulatory environment. We cannot offer competitive pricing for marijuana and marijuana products as we do not have the same access to marijuana and marijuana products as non-rural shops. This in turn create two problems; first, this incentivizes rural community members not to shop local, but to shop in larger, more accessible communities such as Anchorage, and stock up before returning home. Secondly, this also opens the door of possibility of community members turning to black market marijuana that is neither tested, taxed, or regulated. This is an unwarranted result of the current regulations, and it hurts rural small business owners like me and so many others serving the small communities. Due to the increased cost of transport during Covid times and the regulations as written, results in it becoming virtually impossible to compete with black market prices. This in turn hurts public safety and health; it makes it so less folks buy from local licensed shops, and more buy from black market sources which is the exact opposite intent of the regulated marijuana industry.

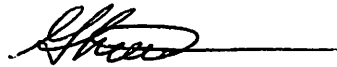
I am writing to you today to suggest amending the current regulations to enable a more level playing field as well as keeping public safety at foremost. I believe allowing product to be transported not only on one's personal carry-on baggage but also in checked luggage will address some of the objectives above. Allowing checked marijuana and/or marijuana product in baggage would reduce the need for repeat trips. Thus, assisting in decreasing the chances of introducing COVID-19 into rural small

communities and reducing costs. Security can be maintained via the employment of requirements such as:

1. Use of TSA approved locks that enable TSA to check contents of luggage.
2. The carrier would go on the plane with the luggage and have:
 - a. Physical handler card on them and a copy of their handler card in the luggage
 - b. A trip manifest copy in the luggage
 - c. Other measures can be implemented as deemed appropriate to ensure the public's safety and security.

I would like to thank the board for taking the time to consider my humble suggestions and look forward to the wisdom of your decisions.

Warm Regards,

A handwritten signature in black ink, appearing to read 'Gregory Smith', followed by a horizontal line.

Gregory Smith/ Nome Grown LLC

From: Cheryl Bowie
To: [Marijuana, CED ABC \(CED sponsored\)](#)
Subject: Cannabis, Justice & Virus Update
Date: Thursday, August 6, 2020 12:18:27 PM

Cannabis, Justice & Virus Update

Cannabis

Cannabis and Cannabis-Derived Compounds: Quality Considerations for Clinical Research Guidance for Industry <https://t.co/7LPLTqfjQ9>

FDA Approves New Indication for Drug Containing an Active Ingredient Derived from Cannabis to Treat Seizures in Rare Genetic Disease <https://t.co/YmEU5DWsD>

Children's Hospital Colorado Paves the Way for Pediatric Medical Marijuana Policy <https://t.co/oXVxqzbxdB>

One thing for sure... The first marijuana and Inuit studies have already happened! Aho.

Cannabis use in relation to obesity and insulin resistance in the inuit population <https://t.co/GcHIlbSf6L>

Scientific Data and Information about Products Containing Cannabis or Cannabis-Derived Compounds; Public Hearing; Request for Comments <https://t.co/HltKFGtXty>

Justice News

Nine Charged with \$24 Million COVID-Relief Fraud Scheme <https://t.co/4xLv9IlueL>

Former Pharmacy Owner Admits Role in Large-Scale Illegal Kickback Scheme <https://t.co/6PsCZIHuw7>

Justice Department Sues To Block Geisinger Health's Transaction With Evangelical Community Hospital <https://t.co/GipUl4gock>

Arctic Efforts

Kotzebue Long Range Transportation Plan <https://t.co/47HkBgJ2nG>

Viral update

Alaskan Native Corporations Allowed to Take Covid-19 Funds (1) <https://t.co/OmvoDAtm6U>

Minority report: hidden memory genomes in HIV-1 quasispecies and possible clinical implications <https://t.co/GzNqNO0cyh> <https://t.co/9Ke7vOo5Sv>

Unfinished stories on viral quasispecies and Darwinian views of evolution

<https://t.co/roMBv8zdKJ>

RNA virus quasispecies: significance for viral disease and epidemiology

<https://t.co/GvYZcNZdMr>

Replicative homeostasis II: influence of polymerase fidelity on RNA virus quasispecies biology: implications for immune recognition, viral autoimmunity and other "virus receptor" diseases <https://t.co/4YSNvaZCdc>

Characteristics of pediatric SARS-CoV-2 infection and potential evidence for persistent fecal viral shedding

<https://t.co/aEMQgdAQfC>

Age-Related Differences in Nasopharyngeal Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2) Levels in Patients With Mild to Moderate Coronavirus Disease 2019 (COVID-19)

<https://t.co/klmpkkMVjV>

Novel paediatric presentation of COVID-19 with ARDS and cytokine storm syndrome without respiratory symptoms

<https://t.co/FLROttzOeE>

Features of COVID-19 post-infectious cytokine release syndrome in children presenting to the emergency department

<https://t.co/VVzyjio74w>

Cheryl Bowie

@dreamgbutterfly botanicals

From: Terriann Shell
To: [Marijuana, CED ABC \(CED sponsored\); CED AMCO REGS \(CED sponsored\)](#)
Subject: Regulation project: Accommodation for breastfeeding
Date: Sunday, August 23, 2020 1:29:44 PM

Dear AMCO,

It is a Federal requirement, as you state, that stipulates that breastfeeding parents need to be accommodated with a time and place (that is clean, has a lock, and not the bathroom) to express milk (does not say the baby must be brought in). Even businesses that do not have 50 employees must show it is an undue burden not to accommodate an employee.

First before making a decision, please read the actual Act!

In 2010, Section 7 of the Fair Labor Standards Act (FLSA) was amended to require employers to provide basic accommodations, such as time and space, for breastfeeding mothers at work. This is call the Break Time for Nursing Mothers Act.

Marijuana facilities SHOULD be held to this requirement (not that they have the choice since it IS a Federal Act) because:

1. The employee is trained for their job and capable of working. Alaska Governor Dunleavy is mandating the “right-touch” regulations and disregarding this Federal requirement would be barring some people from working so that they can continue to breastfeed which is against what our Governor is directing. This would not be the “right-touch” at all!
2. These businesses should want to retain this employee since it would take time and money to train another person if they did not accommodate this employee and the employee terminated employment.
3. It is good for the employer to have an employee who continues to breastfed their baby since the baby is sick less (less missed time for the employee from work) and the employee gains lifelong health benefits.
4. Over 93% of Alaska newborns are breastfed at birth and local, state, and federal efforts are ongoing to increase this percentage for the benefits of our families. You would be discriminating against employees who give birth. If not accommodated, the employee may be facing issues such as low milk production and mastitis causing increased health issues for the employee and their child.
5. You cannot regulate what people do on their off-time breaks or lunchtimes.
6. It is good for Alaska to provide what a breastfeeding parent needs to continue breastfeeding especially after return to employment by raising a healthier population.
7. No where in the Break Time for Nursing Mothers Act does it say the child needs to be brought onto the premises! It would be beneficial if the child could direct feed during the day (there are special benefits to that), but that can be left to the health department to prove there is any harm in allowing visits. **YOU added the “infants on premise” to this argument which just confuses the issue!**

More information can be found at the Office of Women’s Health:

<https://www.womenshealth.gov/supporting-nursing-moms-work/what-law-says-about-breastfeeding-and-work>

I am ready, willing, and able to consult with businesses (at no fee) that wants to explore how to comply with this Federal requirement. There is no excuses not to comply!

Sincerely,
Terriann Shell, International Board Certified Lactation Consultant
Big Lake, Alaska

From: Lacy Wilcox
To: [Marijuana, CED ABC \(CED sponsored\)](#)
Cc: [Klinkhart, Glen Edward \(CED\)](#)
Subject: Letter regarding Tax Delinquency
Date: Tuesday, September 15, 2020 1:59:27 PM
Attachments: [AMIA Letter on Taxes to MCB 9-15-2020.pdf](#)

Dear MCB Member and Director Klinkhart,

Please see the attached letter from the AMIA. We hope that you find this timely in your discussion around enforcement priorities.

Director Klinkhart, if appropriate, please forward to MC Board Members if the marijuana mailbox doesn't get to them in time for your discussion tomorrow.

We are always eager to assist, please let us know if we can do so.

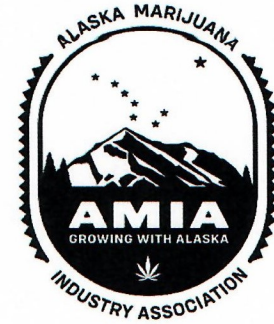
Thank you for your service.

~Lacy

Lacy Wilcox, President
Alaska Marijuana Industry Association
president@alaskamia.org
(907)419-0961

September 15, 2020

Via email to: marijuana@alaska.gov



Subject: Public Statement on Tax Delinquency

Dear Honorable Marijuana Control Board Members:

We are writing to express concern over the clear lack of consequence for chronic delinquency in tax payments.

This issue is no secret. It's been covered in the news media, debated on social media, and brought to your attention by many in the industry through the Marijuana Mailbox and public testimony. We have struggled in the past to offer an opinion on this issue as we represent an industry that faces significant financial challenges.

The AMIA supports compliant businesses, and where compliance is a challenge we engage this board to ensure regulations are developed and applied fairly. However, members of our industry have expressed to us that they are losing their drive to stay compliant because there is no meaningful consequence for not paying the state marijuana tax. It appears clear that, in some cases, money that should be paid in tax is instead being used to enhance the business, including to pursue additional licenses or buy new equipment to gain a competitive advantage.

A goal of the AMIA is to bring the industry into compliance, so of course we continue to advocate and expect our members to maintain good standing in that regard; however, we recognize a level of unfairness, whether accidental or intentional, when some businesses do not pay taxes and others do.

It has been noted by board members that if a renewal isn't granted, then the state will never see its money. This logic is flawed in demonstration as there are clear paths to negligence that are publicly visible by some of these taxpayers.

We are asking that the board recognize its authority to enforce compliance with state tax payments, regardless of what tax enforcement authority, either civil or criminal, AMCO or the Department of Revenue have or don't have.

First authority is given in statute here:

Sec. 17.38.121. Powers and duties of the board.

(a) The board shall control the cultivation, manufacture, and sale of marijuana in the state. The board is vested with the powers and duties necessary to enforce this chapter.

(b) The board shall

(1) propose and adopt regulations;

(2) establish by regulation the qualifications for licensure including fees and factors related to the applicant's experience, criminal justice history, and financial interests;

And those established rules in regulations here:

3 AAC 306.080. Denial of license application

(b) After review of the application and all relevant information, the board will deny an application for renewal of a marijuana establishment license if the board finds

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

We are encouraged to hear board members ask applicants at renewal if they owe taxes but are concerned that a standard has not been set or implemented, which causes undue friction within the industry when there is a perceived lax approach to tax collection and enforcement by the board.

We are fortunate that there has been so much tax payment plan flexibility as this industry has gotten on its feet, and we advocate that exceptions should be considered on a case by case basis when the board finds it warranted. We do not want to get to a point where lawmakers, state officials, or even industry players ask the legislature to institute some sort of surety bonds, as access to startup capital in this industry is nearly insurmountable as it is. But short of some action being taken, we don't see another option as the legislature will undoubtedly begin to grapple with this obvious problem. We will support legislation that gives proper enforcement authority to the Department of Revenue, but in the meantime we ask you to set a threshold and precedence, that taxes are not a cultivators safety net for access to capital, and that the behavior of good tax paying cultivators is meaningful and recognized. The surest way to give this recognition is to clear the deck of industry competitors who, by chronically not paying taxes, are essentially receiving an unfair competitive advantage over Alaskan business owners who are in compliance. In an industry where access to financial loans are limited to non-existent, the ability to delay tax payments effectively is a loan from the state.

A cultivator who pays their taxes often has a higher wholesale price per pound, which they consider to be a fixed cost, and have proven to be at a competitive disadvantage over those who discount the wholesale price by the omitted tax amount (-\$800 per pound). This is not to be redundant but to make clear the disparity between actors. It is at your discretion to allow or disallow licensees to continue to take advantage of this loophole.

We would like to someday engage in the debate on big issues like whether Alaska needs a cap on licenses, or a different tax structure, but in order to evaluate market factors and examine these issues in an informed way, the playing field needs to be level when it comes to taxes, and not in the fog of inconsistent application of the regulations.

Thank you for your attention and dedication.

Respectfully,



Lacy Wilcox

On behalf of the Alaska Marijuana Industry Association
Board of Directors & Governance Committee

*The Alaska Marijuana Industry Association
is Alaska's only statewide cannabis industry trade group.*

Our mission is to promote and advocate for a vibrant and reasonably regulated Alaska-based marijuana industry. The AMIA serves to strengthen and enhance a network of connected, independent, informed, regionally and community directed Alaska marijuana organizations.

www.alaskamia.org

From: [Marijuana Licensing \(CED sponsored\)](#)
To: [Deven Shorey](#)
Cc: [Marijuana Licensing \(CED sponsored\)](#); [Marijuana, CED ABC \(CED sponsored\)](#)
Subject: RE: Question
Date: Monday, October 5, 2020 7:54:10 AM

Good morning,

You are correct, the “drive-thru” concept is only for the purpose of Covid, the board does not intend to make these regulations permanent indefinitely.

In this email, I have copied the MCB’s email. The board will see your email at the next regular board meeting.

Thanks

Jane P Sawyer
Regulations Specialist
Alcohol & Marijuana Control Office
550 W 7th Avenue, Ste. 1600,
Anchorage, AK 99501
907-269-0350

From: Deven Shorey [mailto:shoreyhome09@gmail.com]
Sent: Monday, October 5, 2020 3:03 AM
To: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
Subject: Question

Hello,

I’m writing because I’m curious as to if I am able to operate a retail establishment out of a coffee shop similar to what you find all around the state. I own a small 8.5’ x 19’ hut that I’ve wanted for the longest to sell prepackaged flower and edibles out of, I have an idea and have thought about security and can lay out a business plan, however I read the regulations 2 years ago when I first wanted to proceed and seen the requirements for security and location. I do not see in the current regulations as to why this idea would be shot down but I know it’s only due to laid back regulations passed thru during this COVID pandemic situation. To summarize, can I do this and if not how to I propose to the board to change such regulations to make it so I don’t have to go outside municipal city limits?

Thank you for your time,

Deven Shorey
9073519175