THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

Alcohol and Marijuana Control Office

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MEMORANDUM

TO: Marijuana Control Board

DATE: December 23, 2020

FROM: Jane P. Sawyer, Regulations Specialist

RE: Renewal Application – VanGreen's, LLC lic. 16738

VanGreen's, LLC doing business as VanGreen's, LLC, is a standard marijuana cultivation facility in the City and Borough of Sitka.

Issue: VanGreen's LLC 2020-2021 renewal application has been incomplete since August 21, 2020. Per 3 AAC 306.035(g), the deadline to have had this application complete was August 31, 2020. They have been operating with monthly temporaries for over four months.

Reason for incompleteness: some individual licensees did not submit form MJ-20 Renewal Application Certifications and as of the day of this memo, AMCO has not received them.
Missing MJ-20s: Anna Cleaver, Darby Ipock, and Virginia Olney (from incomplete letter)
Individual licensees listed in our system: Eric vanVeen, Bae Olney-Miller, Lewis Schumejda, Brian Blankenship, Anna Cleaver, Darby Ipock, and Virginia Olney.

What is form MJ-20: under 3 AAC 306.035, MJ-20 form is required for each person/licensee of the licensed business entity and listed in our records. It is a form on which the individual licensee certifies (not exactly quoting the statements)

- they have not been convicted of a criminal charge…
- they have not committed a civil violation of AS 04, AS 17.38, or 3 AAC 306…
- no violations have been issued against the specific license…
- no person other than the licensee on record has a direct or indirect financial interest…
- they meet Alaska residency requirement under AS 43.23…
- their business complies with health, fire, safety, and tax statute, ordinance, regulation, or other law in the state
- the license is operated in accordance with the operating plan currently approved by the board
- they are operating in compliance with Department of Labor…
- they have not violated any restrictions pertaining to the particular license type, and the license has not been operated in violation of a condition or restriction imposed by the board

- they understand that providing a false statement on the form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of the renewal application or revocation of any license issued

MJ-20 is then signed in front of a notary under penalty of unsworn falsification by the individual licensee.

Some background of the issue: On August 21, 2020, an incomplete notice for the renewal application was sent to the licensee, at that time the licensee submitted a change of ownership application to remove the individual licensees in question, it was then just a matter of licensing getting to processing the ownership change and remove the licensees. The renewal application would have been complete. However, when we got to the ownership change application and reviewed it, sometime late October 2020, the licensee withdrew that application. Effectively rendering the renewal application incomplete because we still didn't have the required MJ-20 for the renewal application from each of the individual licensees in question. The attorney involved in this matter requested that AMCO issued a blanket temporary to operate under until they resolved their issues and are able to provide the missing MJ-20s. A blanket temporary was not approved but they have operating with monthly temporaries pending this meeting.

What is staff asking: staff is asking the board to consider either

- giving the licensee a hard deadline by which to comply and get the renewal application complete by either submitting the missing MJ-20s, ownership change, or, if necessary, a license transfer application. Without a hard deadline to meet and/or consequences, some licensees are prone to forget to address the issues; or
- under 3 AAC 306.080(b) deny the renewal application due to it being incomplete. 3 AAC 306.080(b) states: after review of the application and all relevant information, the board will deny an application for renewal…if the board finds
    - any cause listed under 3 AAC 306.080(a)
        - 3 AAC 306.080(a)(1) states: the board will deny…the application if the board finds it is not complete as required under the applicable provisions of 3 AAC 306.020-3 AAC 306.055, …
            - Applicable provisions(s): 3 AAC 306.035

Attachments: online application and the MJ-20s received.