MEMORANDUM

State of Alaska
Department of Law

TO:	Marijuana Control Board	DATE:	October 19, 2021
		FILE NO.:	2019200399
		TEL. NO.:	(907) 269-3039
FROM:	Joan M. Wilson JMW Senior Assistant Attorney General Commercial, Fair Business and Child Support Section	SUBJECT:	RC Tinderbox Licenses 10299 and 10301 – Completed Transfer and Renewals #

The Marijuana Control Board will be considering the renewal of RC Tinderbox Cultivation License 10299 at its upcoming meeting. This license has outstanding notices of violation that are also the subject of accusations before the Office of Administrative Hearings (OAH) and this board. AMCO is also bringing the renewal of RC Tinderbox Manufacturing License 10301 before the board. It has no outstanding notices of violation. However, since this license is also subject to this same administrative proceeding, AMCO requests the board to address its status as well.

The consideration of these license renewal applications provides the Board the opportunity to consider specific issues that will potentially streamline matters for the administrative hearing. They are as follows.

Delegated Status of License Transfers. At the April 2, 2020 MCB meeting, the Board approved with delegation the transfer of licenses 10299 and 10301 from RC Tinderbox to Great Northern Cultivation, Inc. and Great Northern Manufacturing, Inc., respectively. The issue that required delegation – completion of criminal backgrounds – has been resolved. However, in light of the outstanding accusations subsequently initiated against both licenses, the Director did not complete the transfers.

I am writing to request the Board to permit the Director to complete the pending transfers for two reasons. First, Christina and Richard Euscher have, or are soon leaving the state. If not an issue in this renewal application, lack of state residency may be a concern in future applications. It will create one less future issue with these licenses by permitting the transfers (subject to the condition soon discussed) now. Second, both Great Northern Cultivation, Inc. and Great Northern Manufacturing, Inc. are still willing to

perfect the transfer. They will agree in writing that any discipline or sanction – including revocation, suspension, and fines – against license 10299 and 10301 will apply to both Great Northern entities as successors-in-interest to the RC Tinderbox licenses.

I am requesting that the Board permit the Director to complete the license transfers upon receipt of the referenced written acknowledgement.

Accusations Against Christina and Richard Euscher's Handler Permits. All evidence and interviews reviewed by AMCO and my office show that neither Christina Euscher nor Richard Euscher played any role in the sample-swapping allegation that is the subject of one of the accusations (AM20-1062-1) against License 10299 and 10301. While the Director has the enforcement authority to dismiss the accusations against these individuals, I have advised the Director to provide the Board notice of the dismissal of the actions against the Euscher's permits in advance of doing so. We are hoping this dismissal raises no concern for the Board.

Resolution of License Reinstatement Matter. Two of the accusations against License 10299 and 10301 concern the late renewal of both of these licenses in 2020, such that license reinstatement was required. While the board has rejected settlement of all issues, it is our understanding that license reinstatement issue (the subject of Accusations AM20-1056 and AM20-1058) was not the Board's primary concern. The Director has discretion under his enforcement authority to permit this matter to resolve, consistent with regulations. At issue is whether the Board might object to him doing so, for example, by notice of violation and an agreed-upon fine, so long any resolution is consistent with statute and regulation.

I respectfully request discussion and resolution of these issues as proposed during the Board's consideration of the license renewal applications.