



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce,
Community,
and Economic Development

ALCOHOL AND MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
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MEMORANDUM

TO: Marijuana Control Board
DATE: October 14, 2021
FROM: Glen Klinkhart, Director
RE: Director's Report

THE ALCOHOL AND MARIJUANA CONTROL OFFICE:

The Governor recently asked all departments within the State of Alaska to work to develop additional ways to keep staff safe while still providing an acceptable level of service to the public, and our licensees. Luckily for us, we at AMCO had already been balancing such goals as we have been using our COVID19 Contingency plan supplements since the early summer. That being said we did make some minor changes including using some additional options for some staff members to telework where possible. We continue to monitor the situation and will make additional changes as necessary.

STAFF UPDATES/CHANGES:

We have just completed the last job posting for the only currently unfilled AMCO position, a Licensing Examiner. Once that is filled, we will again be at full staff.

Additionally, we are very fortunate to have formally hired our newest Special Investigator, Parrish Moses, who comes to us with lots of enforcement and regulatory experience. Officer Moses has completed his enforcement onboarding and is now officially working out of the Fairbanks office.

Our prior Fairbanks Enforcement Officer, Michael Chiesa, has made the move to Wasilla, where he and his family are setting up new roots in the MatSu Valley as the valley AMCO special investigator. Additionally, on October 11, 2021, the Wasilla City Council voted to accept a lease agreement with the SOA and AMCO to house Officer Chiesa in the new Wasilla Police Department. The new office is an exciting opportunity and will give us a central location to work out of as well as being a cost saving opportunity for AMCO.

ENFORCEMENT UPDATE:

As part of our ongoing efforts to help the AMCO enforcement office become even better than they already are we began with a culture of community-based policing and supporting policy and procedures. Additionally, we have also implemented a method for tracking, investigating, and properly addressing complaints regarding the actions of our enforcement officers. This is a very standard procedure in any law enforcement department. Once investigated, complaints are to be determined to be either be one of the following classifications:

- a. *Sustained*: Evidence sufficient to prove allegations.
- b. *Not sustained*: Insufficient evidence to either prove or disprove allegations.
- c. *Exonerated*: Incident occurred but was lawful.
- d. *Unfounded*: Allegation is false or not factual or the employee was not involved.

Once a determination can be made, appropriate actions will be undertaken by management. Such a system will allow AMCO to document all allegations and to detect early on issues which may be able to be corrected through re-training or education.

This leads me to the next issue. I have discovered that there is no such complaint process as it pertains to the AMCO Director. I feel strongly in the event a serious complaint about the Director is brought forward that there be a process for the board to consider and investigate such allegations. Given the legal authority both boards have over the Director, I believe any such process should only be the purview of the board(s) and not any other outside entity (I.E. Commerce, the Legislature, the Governor's Office, etc.). I ask for some thoughts and ideas from the board(s) in hopes together we may find a reasonable policy and procedure which will endure even beyond my tenure.

COMMUNITY OUTREACH:

On October 13, 2021 I was invited to present an overview of how AMCO and the ABC/MCB boards work to the State of Alaska Advisory Board on Alcoholism and Drug Abuse (ABADA) and the Alaska Mental Health Board (AMHB). The Zoom presentation was well attended and well received, and I hope to continue our new relationship with both of these important organizations.

REQUEST OF THE BOARD:

CROSS DESIGNATION

We at AMCO continue to move ahead with the various enforcement priorities/principals as requested by the board(s). As such the enforcement unit has been actively developing several criminal cases, mostly by non-licensees, all of which are directly connected to public safety including one in which whose products were potentially focused on children. Historically the SOA District Attorney's office has not often had the resources to prosecute these types of lower priority cases. In the past we have found a few D.A.s to assist us however they have often done so only as their own priorities and other caseloads permit. I am recommending to the board a proven alternative to help ensure our enforcement investigations are pursued and successfully

prosecuted in a reasonable amount of time. The idea is, with support from the board(s), to request the SOA District Attorney's Office cross-designate our own Assistant Attorney General Council, Joan Wilson and Richard Moses, to provide prosecution services and oversight to AMCO enforcement criminal cases. This I believe would help alleviate the DA's office of having to spend resources on cases that they do not often have time for and would help to ensure future AMCO criminal investigations would be appropriately prosecuted in a timely manner. Additionally, both Ms. Wilson and Mr. Moses have expressed an interest in providing such prosecution services to AMCO and the board.

MARIJUANA TAX TO BE PAID

The board and AMCO continues to work to get licensees into compliance with back taxes owed to the State of Alaska by using this renewal period to hold those few licensees responsible for their debts. I am requesting the board consider after this renewal period ends, some idea when or where the board feels comfortable having AMCO enforcement trigger violations of 3 AAC 306.480 Marijuana Tax To Be Paid regulation. The regulation does not give a specific dollar amount rather it seems to indicate any amount owed can trigger a violation. This does not have to be decided by the board members today, however I would appreciate the board and AMCO thinking about having a clear and consistent way of setting licensees' expectations of how they are going to be held accountable for failure to pay taxes in the future.

LABORATORY UPDATE:

As of the writing of this memorandum the Fairbanks Analytical Testing laboratory has passed their audit as conducted by the SAO Department of Environmental Conservation with one last outstanding item being finalized.

In an associated subject matter to have been pointed out to AMCO and the board by industry and DEC that there are some laboratories who are interpreting E.coli testing requirements (known as the STEM group) to include the approximately 7 STEM group-types of E.coli to be tested for. One laboratory has not held this interpretation and has only been testing for one of the seven in the group. We will be requesting that the board clarify the STEM group requirement includes all of the E.coli STEM testing spectrum.

BOARD MEETING MINUTES & RECORDINGS:

Just a reminder that all Marijuana Control Board meeting minutes and audio recordings are now online and available for the public to access. Each set of meeting minutes and audio recordings is saved with the meeting documents in their respective meeting date.

<https://www.commerce.alaska.gov/web/amco/MCBMeetingDocuments>

NEXT MEETING:

The next MCB Board meeting is scheduled for January 19-21, 2021 in Juneau, Alaska.

A handwritten signature in black ink, appearing to read "Glen Klinkhart". The signature is stylized and cursive, with a prominent loop at the beginning and a star-like flourish at the end.

Glen Klinkhart
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