



MEMORANDUM

TO: Marijuana Control Board

DATE: January 6, 2022

FROM: Carrie Craig, Records and Licensing
Supervisor

RE: Licensing Report

Staff Changes

December 20, 2021 was the first day for our newest licensing examiner, Regina Cruz. She joins us from the Department of Labor Unemployment office and is quickly becoming skilled in reviewing alcohol renewal applications. A big thank you to Kristina and Colleen for going above and beyond in assisting with Regina's training. With the delicious goodies she has brought into the office to share while remaining COVID conscious, Regina is rapidly becoming the favorite employee.

Training related to completing and reviewing marijuana applications continues. It is a long and complicated process, but the team has been successful especially when working remotely. I am extremely proud of the entire licensing staff.

A special shout-out to Olivia for handling all things marijuana off and on over the holidays while others were on leave out of the office.

Renewals

To date, out of the 427 licenses that were required to renew in 2021, there are only 34 renewal applications that have not yet been deemed complete and there are no renewals waiting to be reviewed. The average processing time from entering the queue to being deemed complete was 59.4 days.

On December 17th, staff emailed a letter which authorized the continued operation of the license to the licensees who have submitted and paid for their renewal application while we complete the review process and await responses from local governing bodies. This updated temporary approval will expire March 1, 2022.

New/Transfer/Other Applications

In the year 2021, there were a total of 199 various applications that were deemed complete. The average length of time for processing these applications was 149.5 days. For comparison, in 2020 the average length of time for processing was 53 days for 208 applications. This is directly related to experienced staff leaving the office and time required to hire and train new employees.

Since January 1, 2021, AMCO has received and placed 247 various marijuana applications in the queue and 122 of those have been deemed complete to date. At this time, the “to be reviewed” queue has 101 various marijuana applications waiting for processing by an examiner.

Streamlining Discussion

Now that we are once again at our allotted staff positions, we are focused on moving forward in the new year and making improvements where we are able. During the October meeting, the board asked that I bring them some ideas of how to streamline the application process to this meeting. On December 7th, I met with our marijuana experts to begin this discussion.

The first topic we tackled was a subject brought to our attention by a licensee, could we change the requirement for licensees to renew biennially instead of annually? For example, every license number that ended in an odd number would renew later this year (2022) and the licenses ending in an even number would renew next year (2023). This would reduce the examiner’s workload significantly, basically cutting it in half and awarding them the time to process other applications. However, there are two substantial issues. First of all, AS 17.38.200(d) says, “Within 45 to 90 days after receiving an application or renewal application, the board shall issue an **annual** registration (renewal) to the applicant”. Changing statutes can be a long, arduous process. Secondly, we were concerned about the cost burden to licensees. A retail license would be required to pay a \$10,000.00 license fee at one time, in addition to the \$600.00 application fee. We all agreed to set that suggestion to the side and continue our brainstorming.

One of the other top subjects we discussed was the required MJ-20 for every owner as part of the renewal packet. Not only does this requirement could potentially cause the renewal application to be held up but it can also hold up the effectuation of a transfer of ownership for the same license, as we have seen many times. 3 AAC 306.035(b)(4) states that a renewal application must report, for each licensee in 3 AAC 306.020(b)(2) any convicted criminal charges and any civil violation of AS 04, AS 17.38 or in AAC 306 in the previous two calendar years. Additionally, each licensee must make certain declarations under penalty of unsworn falsification. This could become a regulations project should the board decide to consider revising this requirement.

We also discussed asking the MCB board to delegate the authority to the Director to approve the various Operating Plan Change applications MJ-15’s, MJ15c’s, MJ-15d’s and as well as the MJ-16: Proposed New Marijuana Product applications, with the understanding that the complicated applications would be brought to you for your consideration. AS 17.38.150 says the board may delegate to the director any duty except the power to propose and adopt regulations.

Side Note: while we were discussing the director’s delegated authority, it was suggested that the board may want to consider the option of renewing the previous approved delegated authorities when a new director is appointed.

We agreed to ask the board for a regulations project to remove the requirement for licensees to submit copies of their proof of possession of premises when it has not changed and entity documents with every renewal application – 3 AAC 306.035(b). This will become a certification during renewal that these documents have not changed. Jane will look into the language for the project but needs the board to open the project.

Some other subjects that came up were internal processes that can be improved by creating templates or scripts for correspondence, clearer language on the forms as well as removing some redundancies in the forms, better file organization, training the administrative staff on how to process intake for applications and the initial data entry, and training on how to better utilize the resources we already

have.

I plan to continue this conversation with staff frequently throughout the year.

Reminders

AMCO staff continues to work diligently to keep wait times as short as possible, but please keep in mind that applicants may experience a longer waiting period due to the current backlog.

Licensing questions/concerns/applications may be submitted via email to marijuana.licensing@alaska.gov except for fingerprints and payments, or you may call 907-269-0350 and follow the necessary prompts.