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
Anchorage, AK 99501
Main: 907.269.0350

MEMORANDUM

TO: Marijuana Control Board

DATE: January 7, 2022

FROM: Jane P. Sawyer, Regulations Specialist

RE: Transfer of license under 3 AAC 306.045. Alaska Marijuana Gardens (AMG) lic. 12125

This is an application to transfer license 12125 doing business as Alaska Marijuana Gardens (AMG), a standard cultivation facility. The transfer involves the change in controlling interest in the entity owning the license, Alaska Wild Coyote, Inc., by removing Carmen Silvia Villamides with 36% (leaving Armando Gonzalez with 35% and Evanjelina De La Asuncion Gonzalez with 65%).

The application is incomplete per 3 AAC 306.025(e). The applicant was sent a notice requesting to provide identified items needed to complete the application. Two of those items are: a completed MJ-00 Application Certifications and a completed MJ-09 Statement of Financial Interest for Armando Gonzalez. Mr. Gonzalez is opposed to the transfer and he, for his own reasons, refuses to submit the completed forms.

Because the application has not been deemed complete, the local government and community council notices from us to these entities have not been sent out and the public objection period has not started.

Inquiries to Revenue, Worker's Compensation, and Employment Security were sent out as to have all available information for the board at this meeting. Only Revenue has responded with a compliance on taxes notice. The other two agencies have not responded as of the date of this memo.

There are several issues in the mix that are beyond AMCO's staff scope. Attorneys and licensees requested to address the board.

Nonetheless, the board reserves the right to deny the transfer application under 3 AAC 306.080(c): after review of the application and all relevant information, the board will deny an application for transfer of license to another person if the board finds

(1) any cause listed in (a) of this section; (**see what this regulation says below**)

(2) that the transferor has not paid all debts or taxes arising from the operation of the licensed business under this chapter unless the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority;

(3) that transfer of the license to another person would result in violation of provisions of this chapter relating to identity of the licensees and financing of licensees;

(4) that the prospective transferee does not have the qualifications of an original applicant required under this chapter; or

(5) that a protest by the local government is not arbitrary, capricious, and unreasonable.

3 AAC 306.080(a) states: after review of the application, including the applicant's proposed operating plan and all relevant information, the board will deny an application for a new license…if the board finds that

(1) the application is not complete as required under the applicable provisions of 3 AAC 306.020 – 306.055, or contains any false statement of material fact;

(2) the license…would violate any restriction in 3 AAC 306.010 or 306.015;

(3) the license…would violate any restriction applicable to the particular license…type authorized under this chapter;

(4) the license…is prohibited under this chapter as a result of an ordinance or local option law…

(5) the applicant's actions or the operating plan does not adequately demonstrate that the applicant will comply with applicable provisions of this chapter;

(6) the license…would not be in the best interest of the public;

(7) a protest by the local government is not arbitrary, capricious, and unreasonable.