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: October 2, 2023

FROM: Regina Cruz, Licensing Examiner
Jane P. Sawyer, Program Coordinator

RE: 2023-2024 Reinstatement and renewal of licenses: 13217; 13221; 13222

These are applications for reinstatement and renewal of three marijuana licenses owned by ForgetMeNot Enterprises, Inc.,

- Glacier Valley Shop, a retail marijuana store, license 13217,
- Green Valley Enterprises, a standard marijuana cultivation facility, license 13221, and
- Southeast Essentials, a standard marijuana product manufacturing facility, license 13222.

The licensee did not file renewal applications as required under 3 AAC 306.035(e) or (f). Renewal notice under (e) was emailed to licensees on May 1, 2023. Expiration notice under (f) was emailed to licensees on August 8, 2023.

> *(e) A licensee required to submit a renewal application under (a) of this section that does not deliver a renewal application to the director on or before June 30 of each year is delinquent and must pay the late renewal application fee under 3 AAC 306.100(b) with the renewal application.*
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> *(f) On or before August 15 of each year, the director shall deliver a notice of expiration to each marijuana establishment required to submit a renewal application under (a) of this section that has not filed a complete application for renewal of a license, along with any applicable affidavit and the required fee, unless the marijuana establishment has notified the director that it does not intend to seek a renewal of its license. The director shall deliver the notice of expiration to the electronic mail address the marijuana establishment has provided to the director. A marijuana establishment is not excused from filing a license renewal application not later than August 31 of each year even if the marijuana establishment does not receive the notice of expiration described in this section.*

Therefore, the licenses expired August 31, 2023, at midnight, as described in 3 AAC 306.035(g)

> *(g) If a marijuana establishment required to submit a renewal application under (a) of this section fails to deliver a complete license renewal application or fails to pay the required renewal fee and the late renewal application fee on or before August 31 of each year, that marijuana establishment license expires at 12:00 midnight on August 31 of that year. A holder of an expired license shall immediately surrender the license to the board. Any holder of an expired license*

that seeks authority to operate must file a complete new application under 3 AAC 306.020, and 3 AAC 306.025, along with the required fees. A holder of an expired license may apply for reinstatement as described in (i) of this section.

The licensee filed for a renewal and reinstatement of each license, and submitted the documents required under 3 AAC 306.035(i), on September 8, 2023.

(i) A holder of an expired license under (g) of this section may apply to the board for reinstatement of a license not later than September 30 of the year on which the license expired. When applying for reinstatement, the applicant shall

(1) submit a statement of reason, on a form prescribed by the board, for not submitting a renewal application on time;

(2) submit a complete renewal application as required in (b) of this section, including the license renewal fees, and, if applicable, fingerprints and fees as required by 3 AAC 306.055(a);

(3) attest that the applicant has not been granted reinstatement under this section during the prior five years;

(4) satisfy any additional requirements for reinstatement of the license as required by the board; and

(5) pay the non-refundable license reinstatement fee set out under 3 AAC 306.100(b).

3 AAC 306.080. Denial of license or endorsement application

(a) 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 or new onsite consumption endorsement if the board finds that

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

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

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

(4) the license or endorsement is prohibited under this chapter as a result of a ordinance or election conducted under AS 14.38.210, 3 AAC 306.200, or 3 AAC 306.230;

(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 or endorsement would not be in the best interests of the public; or

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

(b) After review of the application and all relevant information, the board will deny an application for renewal of a marijuana establishment license if the board finds

(1) any cause listed in (a) of this section;

(2) that the license or endorsement has been operated in violation of a condition or restriction the board previously imposed;

(3) that the applicant is delinquent in the payment of taxes due in whole or in part from operation of the licensed business;

(4) that a protest by the local government is not arbitrary, capricious, and unreasonable; or

(5) that the applicant has lost right to possession of the applicant's licensed premises.

(c) After review of the application and all relevant information, the board will deny an application for reinstatement of license due to failure to submit a timely renewal if the board finds

(1) any cause listed in (a) or (b) of this section;

(2) violation of any terms of an administrative hold on or seizure of marijuana or any marijuana product as described in 3 AAC 306.830;

(3) the application was submitted later than September 30 of the given applicable year;

(4) the applicant has had an application for reinstatement granted during the five years before application submittal; or

(5) the failure to submit a timely renewal application is due to inexcusable oversight; inexcusable oversight includes failure to submit a renewal application, if the director proves that the license

(A) was sent communications by the director that an application was due but ignored the notice; or

(B) engaged in other conduct evidencing bad faith or disregard of the application requirements.

No Notices of Violation exist for the period of July 1, 2022, through June 30, 2023, for retail license 13217 and manufacturing license 13222.

Cultivation license 13221 received two NOVs for tax delinquency during the July 1, 2022, through June 30, 2023. Cultivation license 13221 is not on the tax delinquency list as of September 20, 2023, and it has not been since May 2023's list.

City and Borough of Juneau will be considering these renewal applications at its late October meeting, and the public objection period for ends October 12, 2023. If the board approves these renewals with reinstatement applications, please do so with delegation.