

# 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**: The Marijuana Control Board

**DATE**: April 10, 2024

**FROM**: Joan M. Wilson

**RE**: Director's Report

## I. INTRODUCTION

This report summarizes AMCO activities since the last meeting of the Marijuana Control Board. While AMCO still remains in the trenches implementing a number of changes for alcoholic beverage licensees, the Office continues to improve its review times for marijuana licensees at the same time the office has experienced vacancies. The Enforcement Unit remains in acting supervisory status and has reengaged with the Division of Agriculture to address the presence of prohibited hemp products in licensed retail stores and other establishments. The Office continues to monitor legislation, including the bill continuing the Marijuana Control Board. With renewal season on the horizon, this meeting agenda begins the discussion on potential changes to licensing fees.

#### II. DISCUSSION TOPICS

## A. LICENSING

Ms. Sawyer and I expect to be able to introduce the new Records and Licensing supervisor for alcohol licensing at this meeting. With this internal promotion, we will have two licensing examiner positions open. Our recruitment for those positions will be open shortly. Ms. Cruz, who is the RLS supervisor for marijuana, will continue to assist with supervision until the individual can be fully trained. This shortfall in staffing has not, to date, impacted marijuana licensing review. Both Mr. Carrell and Mr. Bennett-Smith should be commended for this. Ms. Sawyer and Ms. Cruz will identify our greatest challenges going forward and our projected solutions for the same.

Ms. Ali has also prepared projections for licensing fees to be received in fiscal year 2025 as well as a summary of the estimated AMCO budget were it to continue at fiscal year 2024

appropriations. This discussion will assist the Board in determining whether to continue its regulatory project to adjust fees.

#### B. ENFORCEMENT

Investigator Bankowski currently serves Acting Special Investigator 2 for the AMCO Enforcement Unit. We will soon be recruiting for this position on a permanent basis. Once that position is filled, AMCO will continue its efforts to create a second special investigator 2 position within this unit, with one position specifically overseeing alcoholic beverage licensees and the other marijuana licensees.

AMCO has also updated and renewed its Memorandum of Agreement with the Division of Agriculture to assist that agency with its efforts to remove prohibited hemp products from retail shelves.

At this Board meeting we would also like to visit how the Board would like to handle tax accusations, informal conferences, and notices of violations. The processes are not currently aligning in regulation and are currently creating two appeal tracks and making the informal conference either a mere right without the ability to defer referrals to the Office of Administrative Hearings or are a source of time delay without any ability to resolve a matter. Investigator Bankowski, Ms. Sawyer, Mr. Higgins, and I will discuss this in greater detail with the Board. We similarly expect useful public comments from the industry and legal counsel for the industry. We are confident that with the Board's guidance and a likely regulatory project, solutions can be found.

## C. LEGISLATIVE REVIEW

AMCO continues to monitor SB 234, the bill extending the Marijuana Control Board, and HB 119, the marijuana tax bill. Hearings are expected in the coming week.

#### III. CONCLUSION

The next Marijuana Control Board meeting is June 26 -27, 2024 in Utqiagvik, Alaska. 2024 at this board meeting. The Board should discuss whether a one-day board meeting might be sufficient.