



**Marijuana Control Board
Meeting Agenda
First Judicial District**

**Juneau State Office Building,
333 Willoughby Ave, Juneau AK 99801**

February 5, 2025, at 9:00am

Join Zoom Meeting

Meeting Link: <https://amco-alaska-gov.zoom.us/j/81764433646?pwd=tG0idJNdb4AJ0MEb7HNFv0t8qn2rpN.1>

Meeting ID: 817 6443 3646

Passcode: 051762

Telephone: One tap mobile

+13462487799,,81764433646# US (Houston)

+16694449171,,81764433646# US

February 6, 2025, at 9:00am

Meeting Link: <https://amco-alaska-gov.zoom.us/j/81764433646?pwd=tG0idJNdb4AJ0MEb7HNFv0t8qn2rpN.1>

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Join Zoom Meeting

Dial by your location

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All times are approximate. Lunch break from 12:00 noon to 1:00 pm.

**The Board may go into executive session at any time when appropriate
under AS 44.62.310(b) and (c)**

● ADMINISTRATION

9:00 am

A. Call to Order - 9:02 am

B. Roll Call

- Bruce Schulte, MCB Board Chair- Public, **Present in Person**
- Bailey Stuart, MCB Board Vice Chair – Industry, **Present in Person**
- Christopher Jaime, MCB Board – Public Safety, **Present in Person**
- Ely Cyrus, MCB Board – Rural, **Present in Zoom**
- Dr. Brūke Clift, MCB Board – Public Health, **Present in Person**
- Kevin Higgins, Agency Attorney
- Lizzie Kubitz, AMCO Acting Director
- Jane P. Sawyer, Program Coordinator
- Regina Cruz , Marijuana Licensing Supervisor
- Joe Bankowski, Special Investigator - Enforcement Supervisor

Introduction to Kevin Richard

C. Approval of Agenda

Bailey moves to the agenda with the voting of the chair to end of the meeting, Bruce S. seconds. All vote yes, motion carries.

D. AMCO Meeting Code of Conduct

TAB 1

E. Top 10 Zoom FAQ

TAB 2

F. Approval of November 20, 2024 - MCB Meeting Minutes

TAB 3

Bailey S. moves to table the November 20, 2024, to the April meeting with guidance to staff to elaborate on the voting of the accusations in the NOV section. Bruce S. seconds: all vote yes motion carries.

● BOARD GOVERNANCE

9:35 am

Ely C. none, Dr. Clift none, Lt. Jamie none, Bailey S. has a change in title under the Organization of the Alaska Marijuana Industry – Executive Board Members, now Secretary. Bruce S. None.

A. Selection of Board Chair

Lt. Jamie nominates Ely C., Ely C. Accepts and all vote yes.

Bruce S. nominates Bailey S. as the new board chair. Bailey S. accepts and all vote yes.

● PUBLIC TESTIMONY

9:40 am

The Board may decide to limit public testimony.

Public testimony is limited to issues not on this agenda and that are not proposed regulations. Written comments may also be submitted to the board for review during its next regular meeting via mcb.amco@alaska.gov

Recordings and transcripts are available on AMCO's website here:
<https://www.commerce.alaska.gov/web/amco/MCBMeetingDocuments>

Public Testimony opens at 9:10 am

Trevor H. – President of AMIA. Welcome Director and Thank you to interim Director. Industry members here to speak from heart. AMIA had industry statewide call with the highest attendance to discuss issues. Industry feels at a point of an existential crisis causing a lot of people feeling their business will go away eventually. Industry is important and valuable for the state of Alaska, and industry provided safe and tested cannabis to adults in Alaska. Industry provided a ton of innovation and innovating as businesses and an economic boom. Regulatory framework – a regulated market that is provided by MCB Board. We have earnest regulators that are good faith actors trying to create a regulated industry that supports the health and safety of Alaska and supports the businesses that are the foundation of the industry. We initially reduce the influence of the black market. Where we are right now? We have a bunch of issues compounding on each other. Over taxation and flawed tax structure one of the bases of why we are not competitive with the black and gray market. Black market is hemp that is intoxicating and being brought up and not being regulated by the division of Agriculture. Gray Market is also legal product from California and Oregon that we can't compete with because over taxation and were being regulated where the black and gray market are not. The looming federal legalization we are not prepared for that, it will potentially destroy the businesses, we can prepare for that and create a strong industry when it happens. Bruce S. asks would it be fair to include the licensees that are not playing by the same rules. Trevor H. absolutely. Bruce S. that is a significant factor to address. Bailey S. asks what would be one of the solutions that we can approach and deal with looming federal legalization? Trevor H. difficult question to answer, ideas on distribution license. Federal legalization happens Alaska will have to protect the production and manufacturing base here. I know for sure the taxing the highest rate in the country is not the way. Bailey S. clarifies the outdoor grow in California, if there's interstate commerce will not see taxation with our current tax structure and that is one of the issues the AMIA suggested the distribution of licenses.

Jana W. Atty for many Licensees- The main issue is the flood on intoxicating hemp, we need actual enforcement. Now we are seeing numbers drop and they are not going to Division of Agriculture because they are simply illegal. Why are we seeing in gas stations products that are derived from hemp that are loaded with Delta 8, Delta 9, 1500 milligrams of THC that is 15 times more the legal limit then we are allowed to sell in the retail stores in one container. They are everywhere. The finger pointing going like this with division of Agriculture, AMCO, and MOU we are hearing. What's the plan? We have a problem because these products are marijuana and kids can't have marijuana. We have folks that are operating on both sides whether they are just in the hemp market and just peripherin hemp gummies. These hemp delta 8 products through gas stations or vape shops, or they are running a license marijuana shop that is supplementing their inventory

with these products that are totally undercutting the market. Not only are they not tax on the state side they are not taxed on the local government side. We have folks dabbling on both sides coming from states that are untested, unregulated, untaxed, and its disturbing and it's destroying the market. Full stop these products are illegal and you got to seize these products. The economic multiplier of this industry doesn't work because we have competitors that are eating the market away and AMCO should be upset because they are doing this hard work, and they are degrading it. They are making these licenses worth nothing. We pay eight times more than alcohol for these license renewals biannually and its compounding.

Judah R. Nenana Resident- Concerned with pesticides mildew that is being genetically modified into the plants sold today. "Genetic Modification" is what I'm most concerned about. Bruce S. can you elaborate? Judah R. most plants being sold at dispensaries today is being grown from a genetically modified seed, mildew resistance is their primary targets. I can personally taste the difference.

Courtney P. Licensee of a Cultivation – I wasn't aware of the Hemp issues, but it explains a few things, that we are working hard to improve our facility and when we make a stride between taxes and now the hemp and we are losing ground. Both work full time jobs, and the volume of work involved and most fall on Husband (Licensee). The system has made it impossible for us. Hemp issue and tax issue must be addressed.

Michael E. Licensee for Rosie Creek Farms – Thank MCB Board and AMCO for navigating through a decade of the industry. Crafting initial regulations and adjusting them as necessary. An overhaul of regulations will bring us to new realities and anticipate threats to legal industry. Fears of national legalization are behind us, but unexpected threats have emerged like intoxicating hemp loophole and 2018 Farm bill, continued high taxes, license fees and regulatory costs. A specific concern to me is the disparity of tax percentages that we pay because we sell a lower price product. Regulations addressing outdoor growers the cost of individual plant tags rather than harvest batches. The cost of plant tags cost with shipping and labor about \$6000 to \$8000 per Summer and we put the tags out and take them to the landfill. I keep 2 employees during harvest season for the cost. Metrc workarounds growing auto flowers to stay in compliance, tasks take longer to perform. Bruce S. speaks on the bill that is out to address tax and asks to elaborate on his challenge of selling lower value flower. Michael E. An outdoor grown product doesn't have the shelf appeal that indoor grown product has so it is sold at a lower price and doesn't reach potency levels for number shopper's customers, so it must be set at a lower price. This is an agriculture operation, and we grow two to three acres a year and thousands of plants and a lot of what we produce is for Product Manufacturing. C Grade product a manufacturer is about \$500 a pound and is the going price with the current tax. I'm happy about the bill that is coming out, but it doesn't help businesses like mine. It is a good first step, but it is still about a 40% tax. This is triage to help all businesses. It would be great if product bound for manufacturers if there was no tax. Bruce S. asks to clarify his tax costs. Michael E. early on we were complaining that there should be a percentage tax and provides the tax breakdown by bud. Michael E. explains with the tax rate and how he manages to cover costs for his business.

Karen G. Licensee for North Coast Cultivation – Operate a greenhouse alone and known as an OG in this industry. The problem is A bud has a THC percentage of about 24% and above, B bud could be 20%, and a C bud or trim is a lower percentage. The highest testing is about 18 % to date and I cannot sell it in the retail stores. Explains about the back in the black-market days and how the bud was purchased and sold. Today it is all about percentage based. My objective is to put out a quality product like before but because I can't get into a retail store, I am selling all my quality

product as trim. Luckily, I have a manufacturer that takes it and turns it into his product. Offers a tax breakdown, which is highway robbery and extortion. We all face huge overhead cost in our businesses so about equal with the cultivators and barely break even when you factor in all the things that is overhead. SB 73 does not help a C bud at 12\$, at this percentage market I won't have a business. I would like to teach the next generation but can't do that. Bailey S. would your product a \$3 an ounce help continue to run your cultivation? Yes, but everybody in this industry should be taxed at a certain level. I would like zero tax but I'm covering the bill for my manufacturer, he doesn't even know how to do a tax drop. I would like to see the tax go to the consumer, who voted to legalize marijuana. I did not vote to legalize marijuana because I foresaw all the regulatory nightmares.

Jason B. Atty for licensees – Welcome new Director, excited for this new Era in regulation. With each director inherits different challenges. New Director coming with a whole new set of challenges so of which unanticipated. Unique challenges. Important to draw the distinction between the illegal market actors that never came to light to create hemp-based products. Creates a public safety risk. Protection out in place for the public and businesses in this industry. Hopeful to see some changes, familiar with what Mr. Higgins is saying with all sorts of bureaucratic and budgetary issues but have a lot of confidence in how smart AMCO staff and AG's office can come with a plan. Public health and safety encouraged to see pesticide and heavy metal testing. Taxes and reforming the excise tax law in general is important and critical. Inconsistent interpretations application of the existing tax we are still facing a lot of confusion and uncertainty of inaccurate recording of how flower is classified and complying with the regulations.

Sarah L. Licensee for Country Cannabis – today we are on the agenda for a transfer. I opened the doors to my business in July of 2020, one of the hardest times in this industry. At the time cannabis was \$4000 a pound and I had to beg cultivators to sell to me. I came from a different market and never did cannabis until I got sick with MS. Getting into Country Cannabis, I am dealing with a lot of people in the black market being treated differently and a lot of people didn't want to sell to me, they just don't trust everyday people. You are pushing them back in the dark by not fixing this taxation and intoxicating hemp issue. I have been complaint for the past 5 years and when was told to pull off \$10,000 worth of intoxicating hemp of the shelf I did it. I know this business and know both sides of the business and we all need to work together to get this regulated. We still have a large customer base coming in and asking for intoxicating hemp. What I ask, is to help us to continue business by regulating the intoxicating products that are on other people's shelves. It is very apparent to see what is going on and want to fix this and it helps me because you gave me the opportunity to go in and buy these products safely, so I can consume. If you guys destroy this market, I will have no other choice. I want to buy legal cannabis and continue to participate in this market that has helped me immensely. I voted for a percentage-based tax from the consumer, I don't want this extra work at retail. We're already collecting a 5% tax at the borough. It's just another step but I'm willing to do it because it should be a percentage-based tax, who else is taxed at a 40% rate? Let's fix it. I bring you today a letter for Freedom 49, they share the same issue with taxation and need for tax revision, the cultivating business is unable to hire employees, and it would make ends meet.

Paul D. – Licensee for Fireweed Factory- Impossible for small growers to make a profit, we can profit because we own a retail store. I can't see how they are still alive. It is hard work. The extractors because bring the delta 8 products in and leaking into a regulated market and websites

and it is a cheap product. You really got it together for this industry or it will do down the tube. We are lucky with extractors. Bruce S. asks about if he's referring to black market weed that's being brought in and sold black market of licensed stores? Paul D. I'm referring to California outdoor black-market growers that hold licenses in the state of Alaska. Other threats we are going to see in legalization nationwide. Another serious issue is a cash run operation and all sorts of problem. The industry is on a decline. Lt. Jamie thank you for your passion.

Nick M. – Licensee – I served on this board for over 6 years. I feel like this industry is collapsing and businesses are failing. Failing for three reasons high taxes, marijuana being sold by unlicensed stores, and the illicit market. You can do something about the intoxicating marijuana products that are being sold. It is not hemp; it is marijuana. Hemp regulations were passed in 2023, and we have done nothing. I got a strongly worded letter from AMCO last week because I am a licensee, how about we act here. I'm tired and our businesses are failing. Do something. I don't want to hear excuses and what something done. I helped write the regulations and I am a reasonable person, becoming unreasonable. The illicit market is getting bigger than we are and licensees aren't sure if they are going to renew this year. Tax revenue is dropping because most of the business is off the books. We need enforcement to act. Bailey S. states he's not wrong it is marijuana; I went it on my own dime and got it tested, and it is not hemp it is marijuana. Nick M. AMCO regulates marijuana.

Jessica A. Licensee for Land & Seas laboratory - Aware of the illegal marijuana market and how it is dangerous to the consumers in a few ways. Lack of dosing limits and age gating to the untested residual chemicals that are converting CBD into synthetic THC's. Should consider the equity and loss of state revenue resulting from hemp products. Support a resolution a bill to empower AMCO enforcement as a formal agency to become members of the Anchorage State Drug Enforcement unit team. Stop the flow of products into state or other creative ways to save this legal market. Bailey S. anything that needs to be included in the bill on the research you have done? AMCO enforcement needs to become a formal agency, investigate actively and we need to turn our focus here, need to empower them.

Leif Licensee for Greatland Ganja – thank everyone for listening to all the testimony and me. My company started in the beginning, first harvest and crops. Family business and paid millions of taxes, at one point provided 22 jobs and now we provide 2 jobs. We are one those companies that aren't sure we aren't going to renew our license. Indoor cultivation is not necessarily profitable so mostly sticking to greenhouse in summer. The cost at this price point because of the fix tax is prohibitive for indoor growing. For the tax volume to be dropping its obvious to me that the other markets are booming. I used to get emails, dm's, on Instagram and Facebook from different places trying to sell me cannabis that I could resell through my licenses business. There are paid ads on social media and has been a big uptick within the last several months and I have been getting them, we should implore the Attorney General's office to go after online retailers for the tax evasion happening and encourage the Marijuana Control Board to write a letter. There's no way we can compete with this, so it must be regulated and enforced. They need to be paying taxes and testing like we are. Unfortunately, our regulators are incentivizing the non-licensed rule breaking tax evaders and penalizing the licensed tax paying rule followers. We paid our taxes on time every time and been here from the start, but this is not a profitable industry. There needs to be incentive for folks to stay licensed. We can't compete with untaxed California cannabis and the federal legalization.

Aaron S. Licensee for Uncle Herb's, Alaska Herb Garden, Stone Cold Cannabis – Thank you to MCB Board members for their service and commitment. Thank you to Bruce S. and Bailey S. as industry

representatives. Thank you to Joe B. respect of prioritizing public safety. Covering these topics Intoxicating Hemp, batch tracking requirements for manufactured goods, and pesticide testing. Intoxicating hemp is a major issue and continue today. Enforcement to stop this hemp, intoxicants that exist in unregulated spaces, matter of public health and safety and degrades the market and diminishes the value of licensees. Major brands now exist across state markets, first they were marijuana brands that proliferated but now hemp brands have started to flourish, to say there is much national movement with large national companies to gain advantage and to break rules in legal and non-legal states. Used to believe that Metrc was truly there as traceability and don't think that is the case anymore. No respect to batch control or testing size or manufactured goods with thousands of products carrying the same testing information. How can a seed to sell tracking be verified? What are the regulatory requirements for testing manufactured goods and batch size requirements? How can AMCO enforcement not have the ability to test products? Board needs to allocate a budget for enforcement to test for suspicious products.

Break: 10:46 am

Reconvene: 11:07 am

Lacey W. Licensee, AMIA Board Member, Legislative Liaison for AMIA - been in operation since 2016 in Juneau and have gone from a robust and active small business with 16 employees and currently down to 5 and hurting badly. Omit to various government taxes that are effectively are 50% of our revenue. Ask you to support SB 73 and address the issues of previous speakers by requesting the legislature to consider a 100% off tax credit be offered to manufacturers for purpose of extraction only. The current bill is being abused by product mix which is the way we talk internally and maybe misclassified. Doesn't mean it is a perfect tax structure and realize that we have gone to the reduction of excise tax model because it gave us uniform support. It is not an ideal tax structure and retail percent tax is fairer, but we tried that, and it failed. Asks that you move marijuana license fees down to alcohol renewal. Beyond outrageous tax issue is the issue of intoxicating hemp and illicit market happening all around us. If you need resources, ask for them. Perhaps do more with less, like we are doing in industry and expand the agreement to include public safety troopers and municipal law enforcement. No longer feel that this is a free market and I'm a huge supporter of free market. I have not supported license caps but certainly a moratorium while we address all the problems being discussed today. I have done my part a good operator, trusted taxpayer, and voice for my peers if change doesn't happen immediately, I will be closing my business and moving on the other things. Board needs to meet more frequently for longer periods of time. Bruce S. asks about 100% tax rebate. Lacey W.- Currently SB73 does away with taxes and reduces \$50 an ounce to \$12 an ounce but takes away the ability to classify product as anything but cannabis. We use seed to track with metrc and we must identify a product within metrc from cultivation to the destination. When that document proves that is where it is going, I would be eligible for 100% tax credit. We made a choice to throw cannabis in the trash because the tax burden is too high, this gives it a second chance of life. Changing a verbiage to a tax credit only in the case when the manifest transfers to an extraction for the purpose of concentrate manufacturing that a full tax credit be offered to a cultivator. We need your support for to identify some mechanism to help growers who don't have anywhere else for their product to go.

Brandon E. Licensee Good Titrations – the issues we are facing are economics problem. We have an immobile price floor, crazy taxes, fees, and a metrc system that is garbage. Top-down pressures, intoxicating hemp, is illicit marijuana sold through legal commerce and healthy black market. Do not have a free market. Fix this. Support from Marijuana Control Board on tax bill for sweeping tax reform. Fees, nothing has changed and just more expensive and no return. Reduction or elimination of metrc. Enforcement all the agencies work together through fear. License caps because not

operating in free market and build value for licenses that exist now. Bruce S. solidifies they have been same page since the beginning.

Dakota M. Consultant with DM Consulting for licensees – The problem I see with the taxes that I would like a reform, or classification relates to pre-roll as immature bud. Seen a trend of people that used to sell pre rolls as immature bud and undercutting operators who read the rules differently and have different legal advice. Any clarification or reform on the same product specifically pre roll. A concerning topic is lawyers and accountants in this industry with a big conflict of interest, ownership, or beneficial interest in the market starts to consolidate, those operators have advantaged information. Third point in defense with AMCO and Dept. of Revenue if you are a small operator and producing at \$5 a gram still, AMCO or Department of Revenue is not going to save you Industry needs to be more realistic in responsibility in processes and your indoor operation just might not be profitable no matter the tax regime and that's a harsh reality.

Joe S. worked in industry, Consulting for delivery and transport - Alaska's legal cannabis industry faces challenges that demand urgent attention. Here to support Senate Bill 73 to lower taxes. Need stronger enforcement of existing laws. Emphasize the risks on consuming unregulated cannabis products. Biggest hurdles in the industry flat tax which impacts cultivators with the tax structure. Many misrepresenting flower and reporting as trim under this tax structure which is fraud and lower their tax liability and undermines the integrity of the regulated system. These businesses want to play by the rules, but the current system makes it impossible for them to compete. SB73 is a critical step forward in relieving this burden by lowering taxes. Problem with intoxicating hemp unregulated intoxicated hemp products like Delta 8 THC continue to threaten legal market. These products are sold in the same spaces as regulated marijuana and aren't subject to same taxes. Confuses consumers in the Alaska market that are not aware the products are from outside the State, unregulated, and potentially unsafe. Intoxicating hemp will continue to erode consumer trust in Alaska's cannabis industry while draining revenue from legal businesses in the state. Lack of enforcement is a problem; we have reports that were all frustrated and these agencies are throwing their hands in the air, and we are trying to figure out who is supposed to be doing their job. It is disheartening to hear that and that we have had budget surplus existing while enforcement gaps persist. If enforcement isn't going to happen then the state must shift and focus on education. Alaska needs to know cannabis sold outside of an unlicensed dispensary can be unsafe. Educating the public about these dangers is a critical step towards protecting consumers and steer them to the regulated market.

Eric V. Licensee for Vangreen's – Hemp has affected my retail store, a sales decline in my edibles, cartridges, and flower. Had six employees and now down to three and the cultivation side is hanging by a thread. It's been a struggle and family hasn't been paid.

Megan M. Works in Industry – I don't believe in buying from the black market and believe in buying regulated safe cannabis. My issue is, I have gone to the gas station and purchased blunts, they didn't check my id and didn't have any taxes. I was also able to purchase with a credit card, which is something I can't do with at my own shop. I pulled up the testing in the QR code takes me to a testing lab that it is grown in California, and it says that we do not test California regulated cannabis. How, what testing lab is like this? This is huge issues the teens are getting it and this is not intoxicating hemp this is marijuana. In Texas, every CBD shop is selling this, and a liquor shop I went to had an entire row of THC infused drinks and that's what is going to happen if we don't enforce this or give powers to our enforcement. Alaska regulated cannabis businesses have invested heavily in compliance, safety, and responsible sales yet being undercut by the parallel black and grey markets that operates without our burdens. We need stronger enforcement not on our heavily regulated

market but on gas stations, heads shops, and any retails selling intoxicating hemp. Asking a board to support a resolution that would make enforcement part of department of safety again.

Lloyd S. Uncle Herbs Licensee – thank the board for all you do. Its critically important you are our conduit and every one of you should be an advocate. Tax needs to be simple and straightforward and stay true to the bill as written could be meaningful and all the terms of addition, credits, aspects on how we proceed can come at later date. This is an industry in distress, we all heard it and its heart wrenching. What we hear about these products on what’s going on as result of the farm bill with what the federal government created trying to enhance hemp. Its troublesome. What we can take steps and send out a certified letter to every license holder and make them pledge not to buy or use, stock sell these products and evaluate fines for not being ethical. Licensing fees should be reasonable, and fines should be significant. Pause of licensing is critically important.

Tasha G. Licensee - The quality of public comment who spoke, covers a lot of what I have to say. THC A Flower, it is marijuana just like what you see that I had ordered in the mail using my 15-year-old daughter’s name and her debit card and there was no problem, same with gummies with much higher limits than we are allowed to sell and are upright professional. What can you do to help? The punitive tax rate, highest in the country. Goes back to trying to get it lined up like alcohol since we are paying quadruple in the situation we are in. Please support SB 73, show them the support you are doing for the industry it is not perfect, but progress and I appreciated hearing the details on transfers direct to extractors it is something you can do to alleviate stress on industry. Renewal fees going to the general funds, were lacking resources to use towards enforcement. Clarity on what we can do to get that straightened out. Delays and regulations with the intoxicating hemp products we were warned this in 2023 and had a sigh of relief and we seem to be right here in the same place. Its frustrating to all trying to do their job. Board meeting more frequently to get this work done and faster. I wouldn’t have renewed my cultivation license 2 years ago if it weren’t for my manufacturing and the passion for the industry and being able to work with great people. Bailey S. thank you for coming up and bringing products. Bailey S. The farm bill 2018 defined hemp at 0.3% THC that is THC A so they are playing on the fact that they didn’t have the chemistry accurate in the farm bill and opened that loophole. Bailey S. for public record there is something called the miller amendment out there that is looking to close this loophole and highly suggest you send a letter of support to our Senators and Congressmen.

Public Testimony closed at 11:49 am

AMIA Presentation

9:50 am

Ryan Tunseth – AMIA Past President – Trevor H is the incoming president and a hand off between me to him and introducing him to the board. Welcome Kevin Richard, we want to be here to help, reach out. Thank Ms. Kubitz and acknowledge all staff. Don’t mistake our industry pain for malice, were looking to you guys for survival. Every opportunity to regulate please ask yourselves how this will make our industry stronger, safer and more viable whether its fees, fines, testing requirements, tags, and product restriction. We have proven our desire to act responsibly, we ask that you see us and see our struggles and what we are dealing with. Anything to reduce our costs to operate. The tax bill is not perfect, but it is good, we just need relief right now. The 2 important things that it does is adjusts the tax structure to reflect what is going on in the industry and it reinstates the C corp. What I think needs to happen long term is limits on license, because we are not a free market and distribution licensing. Once that is in place, we need to have zero tax for the cultivators. Ryan T. gives AMIA presentation. Bruce S. asks about SB 73 and the AMIA’s position on 2 things, it doesn’t make a distinction on the top tier bud and lower grade product being sold to processors and manufacturers

and the other thing is at the same time they are removing the discretion on the part of Department of Revenue to apply a lesser tax on which they have now. Ryan T. responds that calling a product inferior, is not true. It is a choice as a cultivator and how they run their business and where they chose to sell a product. There could be questions that come up and may stall the bill. The bill is a relief now but not the answer. We are going to continue to push that year after year. Bruce S. Does AMIA believe that reducing the tax from \$50 to \$12 is enough relief for now to get your through the next year at least? Ryan T. it's our best shot and digestible by most lawmakers and we would ask for zero. We have the highest cost to operate, and the highest tax revenue related to overall budget than anywhere in the nation. Lt. Jamie asks when the board came up with the tax structure why was it placed on the cultivators? Brandon E. it wasn't the board it was a citizen's initiative, and we needed something that people could latch on and understand. We thought we could very quickly get a system that can be adjusted biannually in a percentage base or as an excise tax based on the price and it never happened. It stayed stagnant and we got a saturated market and now we are stuck. Bruce S. we were making assumptions, and we were only working on estimates but there was a lot of factors that couldn't be anticipated. Ely C. good conversations and information and listening for now.

Break for Lunch: 12:10

Back to Deliberative session at 1:00 pm

Resume to the public at 1:30 pm

Back in session: 1:33 pm

Roll call:

- Bruce Schulte, MCB Board Chair- Public, **Present in Person**
- Bailey Stuart, MCB Board Vice Chair – Industry, **Present in Person**
- Christopher Jaime, MCB Board – Public Safety, **Present in Person**
- Ely Cyrus, MCB Board – Rural, **Present in Zoom**
- Dr. Brücke Clift, MCB Board – Public Health, **Present in Person**

Deliberative session

● DIRECTOR

- **Director's Report**

TAB 4

Direct Kevin R. summarizes report.

● ENFORCEMENT

A. Supervisor's Report

TAB 5

Joe B. Making progress towards increasing our inspections of license marijuana establishments. Enforcement has been observing packaging and labeling requirements and been seeing an increasing number of marijuana products that no longer represent the approved label by the MCB in the past. There has been graphics such as cartoon, Disney fonts, that are appealing to children. Joe B. recites 3 AAC 306.645, an important note 305.565 only states edible marijuana products and not marijuana products in general, that regulation may need to be corrected. What's our guidance to the board moving forward on this?

The second part is the proposal from our office to address the process of amending the product specifically the label is to streamline from the current process and create a new policy where they can simply send a form to enforcement for approval. Bruce S. asks when a product was approved it was with a delegation that part of the packaging would go to the AMCO office before it goes on the shelves? Jane S. states that is correct, what is currently happening is that once their original products are approved and it gets changed, they are not informing AMCO. Bailey S. states she was under that same observation of that protocol and got approval that way. Bailey S. suggests amending the regulation and just remove the term edible. Bailey S. is that more work that you guys can take on? Joe B. it is something that can be delegated to our technician and investigators. Bruce S. informing licensees the expectation and providing a form for them to do and then potentially a regulations project to remove the edible. Joe B. speaks on Metrc and to propose a dedicated person or team for Metrc data analysis or scientists to provide us with specific data. Metrc has a very special technical language want of creating codes to generate reports that would be helpful. Joe B. would like the board to be aware that there are additional tools for metrc out there and we are not using if effectively; we would like to push for ways to do that. Bruce S. from the budget perspective, do we have that latitude? There is a discussion on the budget, Joan W. former director speaks on how the budget is approved and directed. Joan W. gives her perspective on the Enforcement Department on how to tackle the additional workload. Joe B. addresses the intoxicating hemp issue and how it is affecting the industry and urgency to be addressed. Joe B. Enforcement's number one priority is to address the hemp issue in the most effective way possible. The Plan with Department of Agriculture is to embark a communication campaign and educate them on the rules of the products Next week take time and manpower to go and identify the stores selling intoxicating hemp. Bruce S. asks if he's talking specifically about the gray market and seeks further information to Kevin H. about legal authority to confiscate these products? Kevin H. responds Yes, the question will become who will take the enforcement action and procedures that apply and would need to be clear on the authority. Kevin H. provides an overview of procedures for AMCO on the further procedures for administrative Enforcement action. There is a discussion with Kevin H. about the labeling of the products and milligrams under the purview of enforcement. Bruce S. trying to figure out the quickest way to destroy the grey market in Alaska. Kevin H. responds the seizure alone without getting into imposing fines is the most effective. There is further discussion on the plan to seize products and clarifying comments on seizing under which Department on jurisdiction purview and the definition of the product for seizing. Bailey S. asks if the board can request for a supplemental increase for the budget due to a public health issue. Sara C. responds on requesting that line from the director. Bailey S. recites 11 AAC 40.520 to clarify the products for seizures. Sara C. asks what's the goal from the board on the products and the result they are seeking. Bruce S. to get these products off the shelves and unavailable for the public. Kevin H. explains the due process of the seizure case. Sara C. point out the public information campaign aspect of getting this message out to all those unaware. Joan W. speaks on a previous case of CBD and the risk of seizing the products with a defeat. Kevin H. elaborates on the prosecution of the seizure of these products and the end for action. There is further discussion on the seizure of Marijuana and the process.

Break: 2:53

Reconvene: 3:05

Lt Jamie steps out at 3:05 pm

Bruce S. to Kevin H. to review 11 AAC 40.660 and if that Hemp statute gives latitude when determining the products are a threat to public safety. Kevin H. it gives AMCO no latitude but gives the Director of Agriculture.

Lt. Jamie steps back at 3:08 pm

B. Notices of Violation Issued and Licensee Responses

TAB 6

Bailey S. asks if licensees are notified that their NOV would be notified that they will be up for the Board, Jana W. responds, not for NOV. Lt. Jamie asks Joe B on odor complaint and assessing the fine tool? Joe B. the reason for no fine is due to the open regulations project on the fine schedule. There is further discussion about the fine schedule.

#10237 AlaskaSense: Jana W. Atty License present in person, Smadi Licensee, present on zoom. There is a discussion on AlaskaSense and the odor complaints that have been received. Bailey S. concerned about the employee's working conditions, to having the door open because of the temperature in the facility; Jana W. responds that currently installed supplemental air condition units and an engineer that is resolving it with an immediate fix. Smadi adds that because of the complaint of odor, they are no longer opening doors. Bailey S. speaks on her concern about the neighbors in that area and quality of life. There is a discussion about the assembly meeting concerns. Lt. Jamie speaks on his concern, and it is not at the fault of the licensee.

#14359 Tip Top: Bailey S. asks if there was a follow up and NOV resolved. Joe B. responds not as of last week. Bailey S. asks about the prior NOV's. Evangelina Licensee for Tip Top Present on zoom acknowledges the window issue has been fixed. Lt. Jamies ask about the dates on the NOV being different. Joe B. responds that it was a typo. Lt. Jamie asks when the film was put on the windows? Evangelina G. responds in the month of January, and it is done. Bruce S. asks what is the meaning of the abatement, just the NOV to go away? Joe B. responds that he can't speak to it and the gentlemen requesting it is the actual licensee and Evangelina G. is acting as the manager of the license under a management agreement, pending a transfer. Evangelina G. answers to probably not make the payment, because the NOV was fixed and addressed.

#17886 BAM Alaska: Bailey S. acknowledges and thanks on the response for the NOV and acting.

#10107 Arctic Earth: Jana W. Atty. present in person, Katherine F. present on zoom. Bailey S. asks is topping plants normal practice for your cultivation. Katherine S. responds, yes, top colas what we do when they're in veg stage. Bailey S. asks where is your retail in relation to your cultivation? Katherine F. my retail is down on 6th and C, my cultivation is midtown area. Bailey S. asks why the tags in the flowering room weren't with the plants? Why would you remove tags from the license premise to another one? Katherine F. the ones in drying room were old mom, we decided to harvest out. The ones upstairs with no tags on them were for AK Trim team come in and do all the harvesting. i know now that you guys want the plants tagged all the way through, so it fixed the problem and further explains her situation her grow was in during the time of inspection. Bailey S. asks what she did prior before the regulations changed to 8 inches? Katherine F. responds we stake the clones and tag the plant as it come out of the room and further explains her previous process prior to inspection. Bailey S. asks if she was aware of the prior NOV before hers and explains 260 untagged plant is a lot and no small NOV. Katherine F. responds she understands, and now with her husband being gone is why she hired AK Trim and further explains her future processes. Lt. Jamie asks with this NOV are we going to specify with this, or do we need to ask K. Higgins to do an accusation? Lt. Jamie states we need to hold the standard. Bailey S. states we need to work on the fine scheduled issue, because this will continuously come up and wants to be effective as a board. Jana W. can we concede to a fine? There is a discussion with the fine amount Kevin H. points out having two names on the license and only one person conceding to a fine now can be problematic. There is further discussion on the fine amounts schedule and the NOV. Jana W. clarifies that the flowering plants were tagged but the veg ones that hit the 18 inches hadn't had their tags yet or activated. C. Murray responds that everything that has been presented is truthful. Lt. Jamie makes a motion to move License #10107 Arctic Earth to an accusation, Dr. Clift seconds. All vote yes, motion carries.

#27736 Dope Dynasty: Kevin Edwards, present on zoom for licensee, Casey Wilkins Licensee on zoom, gives an overview on the NOV. Dr. Clift asks the process of ordering tags. Kevin E. responds on through metrc and the card on file was suspended and was oversight. Bailey S. asks when you get a clone and get it to flowering,

how much time passes? Bailey S. asks Joe B. on the inspections and when it occurred prior, Joe B. responds 6/17/24, Bailey S. ask if you can see on metrc the orders that fail? Joe B. statement is untrue on the order based on the evidence in the NOV. Casey W. speaks on NOV, had a banks account that was closed and has several different licenses. Bailey S. further questions Casey W. on the number of plants and speculates diversion. Casey W. defends his case and further explains what had happened and who operates the facility and very diligent on taxes and explains his point. Bailey S. clarifies that he is still the licensee. Kevin H. advises on the normal process of the NOV and what the board can do. Bailey S. if she seems something like this, she expects enforcement to take the plants. Bailey S. recites regulation 3 AAC 306.830 on the action that she would like enforcement to take in these cases. Kevin H. advises that action can be taken or follow up with an accusation. Bruce S. asks the amount of people on the premises during inspection. J. Linger responds at least 5 other people. Bailey S. adds it was a lot of marijuana handler permits to know the plants should have tagged. Bailey S. motions an accusation on #27736 Dope Dynasty, Dr. Clift seconds. A discussion on the accusation and what to pursue with K. Higgins. Bailey S. asks do we look at 40 days of surveillance to see the behaviors were. Bruce S. requests for C. Wilkins to preserve all 40 days of surveillance footage until the accusation is resolved. C. Wilkins concurs. All vote yes, motion carries. Bailey S. asks when plants are found untagged does the board request the seizure? K Higgins these orders would come from the director. There is further discussion on the administrative hold and evidence from these plants.

● LICENSING STATISTICS

TAB 7

Regina C. summarizes her report. Bailey S. asks what does tracking down licensees mean? Regina C. responds there are some licensees still pending transfers, residency applications, and ownership fees that need to submit additional paperwork. Bailey S. ask if that assess with the late fee and why? Regina C. explains that the licensees submitted their application, timely it is discrepancies that we discover during the review process. Bailey S. asks if they have been responsive? Regina C. adds that it is mix of both. Jane S. adds that there are some licensees that does not respond. Bailey S. asks what point do we the board see the incomplete application and what status are they operating on? Regina C. responds incomplete applications will be brought to the board in the April meeting. The incomplete licenses are currently operating a temporary letter that expires on 2/28/25 and if we will be issuing another extension letter. Bailey S. asks about the reasons for the licenses waiting to be issued? Regina C. responds they have pending delegations.

● DELIBERATIVE SESSION RE: OAH MATTERS – February 5, 2025

1:00pm

● OAH MATTERS – Superseding Settlement Stipulations

1. Matter of Alaska Loven It, LLC, OAH No. 24-0209-MCB
Superseding Settlement Stipulation
2. Matter of AlaskaSense, LLC, OAH No. 24-0208-MCB
Superseding Settlement Stipulation
3. Matter of FSE, Inc., dba Good Titrations, OAH No. 24-0207-MCB
Superseding Settlement Stipulation
4. Matter of Kine, Co., LLC, OAH No. 24-0239-MCB

Superseding Settlement Stipulation

5. Matter of Last Frontier Joint Operations, LLC, OAH No. 24-0213-MCB
Superseding Settlement Stipulation
6. Matter of North Star Fire, LLC, OAH No. 24-0253-MCB
Superseding Settlement Stipulation
7. Matter of Shackleford Investments, LLC, OAH No. 24-0164-MCB
Superseding Settlement Stipulation
8. Matter of The Frost Frontier, LLC, OAH No. 24-0216-MCB
Superseding Settlement Stipulation

Bailey S. motions to accept the superseding settlement stipulation in the matters of OAH 24-0202-MCB, OAH 24-0207-MCB, OAH 24-0239-MCB, OAH 24-0213-MCB, OAH 24-0253-MCB, OAH 24-0164-MCB, OAH 24-0216-MCB. Dr. Clift seconds. No discussion. All vote yes, motion carries.

● **NEW RETAIL MARIJUANA STORE APPLICATIONS**

A. License #: 39109

PINE STREET CANNABIS COMPANY

TAB 8

Licensee:

Croy's Enterprises LLC

Premises Address:

3601 Arctic Blvd Suite B

Local Governments:

Municipality of Anchorage

Consideration:

Will need delegation- See memo

Jane W. Atty present in person, Richard E. present on zoom. Bailey S. motions to approve #39109 with delegation, Dr. Clift seconds. Bruce S. asks about the liquor store at the end of the building? Richard E. In and Out liquor? Restaurant is May's Chinese Kitchen. Jane S. asks if there is a door connecting from the retail to the liquor store? Licensee responds No. Bruce S. asks if he is aware the market is saturated. Richard E. responds it is a risk he is willing to take, I have a cultivation facility, and it is a great location. All vote yes, motion carries.

License #: 39378

Blaze LLC

TAB 9

Licensee:

Blaze LLC

Premises Address:

607 Old Steese Hwy, Suite 106

Local Governments:

City of Fairbanks, Fairbanks North Star Borough

Consideration:

Will need delegation- See memo

Clifford R. Licensee present on zoom, Brianna K. manager for Blaze LLC, present on zoom, Bailey S. asks per regulation, do you know how many people you can escort into your license premise? Clifford R. replies not on the specific number. Bailey S. advises you need to be aware of that number, it a part of what you signed and when I was reading your application it doesn't seem like you are aware of regulations. Clifford R. concurs. Bailey S. asks have you reached out to Vivint Security about utilizing

them, in the industry's history vivid would not work with marijuana licensees? Brianna responds that they Vivint has been installed and fully operating. Vivint is aware of the type of license we have, and they do work with other Marijuana retails in the Fairbanks area. Bailey S. what kind of POS system do you have? Brianna K. we have implemented flow hub for our POS system we have done their integration and can't finish setting up until our license is approved. Bailey S. my concern comes from you MJ-03 section 8, utilize your POS system to scan ids to ensure that it is valid. Brianna K. states this is one step of the process with the blue lights, I have a professional training docket set up for employees to check them manually as well. Bailey S. motions to approve License #39378 with delegation. Lt. Jamie seconds. All vote yes, motion carries.

2/6/2025 – 9:00 am

● **NEW MARIJUANA CONCENTRATE MANUFACTURING FACILITY**

A. License #: 39840	COSMIC SEAWEED, LLC	<u>TAB 10</u>
Licensee:	Cosmic SeaWeed, LLC	
Premises Address:	271 E Bunnell Avenue	
Local Governments:	Homer, Kenai Peninsula Borough	
Consideration:	Will need delegation- See memo	

Jana W. Atty for licensee present in person. Bailey S. asks about the process on the approval with the products because the MJ05 is vague. Jana W. responds that we used to tell our licensees to do that, or we do it for them, we realized we were the only ones submitting to enforcement, sometimes they don't do it. Joe B. responds from his time as Supervisor he has not seen any products for approval and we need a mechanism to ensure these products cannot be released, sold, distributed until there is approval. Bruce S. states we can approve the license, and the products can be part of the delegation. Bailey S. the delegation can be for the Director to approve with the regulatory standards, such as no cartoons, not appealing to children. Jana W. clarifies that these products have already been approved with the licensees other manufacturing, this issue is he is splitting his facilities. Bailey S. notices a certain change with the board because the expectation is the visual, imagery, and don't want to take it out on this one licensee because she is bringing awareness to this issue. Bailey S. in the future let licensing know we expect work and the final packaging and labeling before it is deemed complete. Bailey S. motion to approve #39480 Cosmic Seaweed with delegation. Lt. Jamie seconds. All vote yes motion carries. Bailey S. motions to approve license #39840 product with delegation that they provide visual imagery that will be included on the packaging. Bruce S. seconds. All vote yes motion carries.

● **NEW MARIJUANA PRODUCT MANUFACTURING FACILITY**

A. License #: 34641	Canna Get Hashy	<u>TAB 11</u>
Licensee:	Canna Get Hashy LLC	
Premises Address:	810 E 6th Ave Unit B	
Local Governments:	Municipality of Anchorage	
Consideration:	Will need delegation- See memo	

Eric Montoya Manager for licensee present on zoom, Bailey S. motion to approve #34641 with delegation, Dr. Clift seconds. Bruce S. asks if he heard the conversation on packaging? Yes, and

restates the conversation. Bailey S. motions to approve #34641 Product with delegation. Dr. Clift seconds. Delegation will be to send to enforcement your final packaging per regulations. Eric M. states that application has the final packaging. Bailey S. do you have the boxes printed? Eric M. not yet if you want the full label, it can be sent to enforcement? Joe B. clarifies sending a picture to enforcement would suffice. All vote yes, motion carries.

● LICENSE OWNERSHIP TRANSFER APPLICATIONS

A. License #16915	Bristol Bay Bud Company	<u>TAB 12</u>
Current Licensee (from):	Bristol Bay Bud Company, LLC (Gorden Isaacs 25%, Heather Kelly 25%, Richard Allen 25%, Susan Isaacs 25% HRGS Enterprises, LLC 100%)	
New Licensee (to):	Kerby's Corporation (Kerby Coman 100%)	
License Type:	Retail Marijuana Store	
Premises Address:	233 Airport Road	
Local Governments:	City of Dillingham	
Consideration:	Will need delegation	

Kerby C. licensee present on zoom. Bruce S. how many stores, will you have if this is completed? Kerby C. responds this will be number 5. Bailey S. motions to approve #16915 with delegation, Lt. Jamie seconds. Ely C. asks why was the form notarized out of state instead of Alaska? Kerby C. responds, I was out of state when the time came to turn in paperwork. All vote yes, motion carries.

B. License #17452	Bristol Bay Bud Company	<u>TAB 13</u>
Current Licensee (from):	Bristol Bay Bud Company, LLC (Gorden Isaacs 25%, Heather Kelly 25%, Richard Allen 25%, Susan Isaacs 25% HRGS Enterprises, LLC 100%)	
New Licensee (to):	HNP, Inc (Kerby Coman 100%)	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	2439 S. Ridgecrest	
Local Governments:	Matanuska-Susitna Borough	
Consideration:	Will need delegation	

Kerby C. licensee present on zoom. Bruce S. asks do you keep your retail and cultivations under a different company? Kerby C. responds yes, different entities and different tax structures. Bailey S. motions to approve License #17452 with delegation, Dr. Clift seconds. All vote yes motion carries.

C. License #24870	High- Mark Alaska Cannabis	<u>TAB 14</u>
Current Licensee (from):	Trichs LLC (Greg Miller 50%, Johnathan Guest 50%)	
New Licensee (to):	High-Mark Alaska LLC (Chase Mazzoli 25%, Casey Wilkins 25%, Greg Miller 25%, Joey Bresser 25%)	

License Type:	Retail Marijuana Store
Premises Address:	3807 Unit A West Machen Road
Local Governments:	Matanuska – Susitna Borough
Consideration:	Will need delegation

Chase M. Licensee, present on zoom. Kevin R., Advisor for Licensee, present on zoom. Bailey S. motions to approve Transfer #24870 with delegation, Lt. Jamie seconds. Bailey S. points out that she researched the Companies and discovered an Involuntary Dissolution, business already expired that has happened in September and believes this Transfer already taken place. Chase M. believed that it was already renew. Bailey S. recites 3 AAC 306.045 transfer regulation to upkeep the business records by state law. Sara C. looks up on the Corporations database and confirms that the license is involuntary dissolved. Chase M. explains the situation from the Transferor and confirms the payment of the reinstatement of the Corporations database. There is a discussion on the Business license and the LLC being operated on the expired state business. Jane S. speaks on the record, the delay was due to licensee response. Bailey S. points out one of the licensees had a previous NOV and describes the responsibility of a license owner. There is further discussion on the approval of the license. Sara C. gives further consequences on the legal mechanisms for licensure and willing to check with the agency for the application being submitted. Bruce S. asks Chase M. about the reinstatement of both licenses. Kevin R. the reinstatement was a biennial report, and the previous owners thought the transfer already went through. The previous owner had health issues, and this was overlooked. Kevin H. recites 306.080 (A) on the grounds to deny a transfer application. There is further discussion on the delegation of the board on the approval of the transfer. Lt. Jamie states that he is ok to approve the delegation in account with enforcement to follow with an inspection. Bailey S. states that when we are transferring licenses, we want to ensure the new owners understands regulations and how to run a business. There is further discussion on the license being operated without current licensing. An added delegation was to ensure all state licenses and Corporations Licensing in in compliance. Ely C. Yes, Dr. Clift No, Lt. Jamie Yes, Bailey S. No, Bruce S. Yes. Motion Passes Lt. Jamie makes a motion to recommend enforcement to investigate from August to January when the license lapsed on who the actual owner was and bring an accusation to the board. Bruce S. seconds. All vote yes, motion carries.

D. License #17873

Current Licensee **(from):**

New Licensee **(to):**

License Type:

Premises Address:

Local Governments:

Consideration:

FREEDOM 49 FARMS

FREEDOM FARMS 49, LLC (Gregory Lango 50%, Jonathan Garrabrant 50%)

FREEDOM 49, FARMS LLC (Jonathan Garrabrant 100%)

Standard Marijuana Cultivation Facility

12510 West Westen Drive

City of Houston/ Matanuska – Susitna Borough

Will need delegation

TAB 14. D

Jana W. Atty for licensee present in person, Johnathan G. Transferee present on zoom. Jana W. recites that these are the folks that had their letter read in the public testimony. Bailey S. on the record would like to make it clear that she personally knows the Licensee. Sara C. advises board chair to make an official ruling on the potential conflict of interest. Bruce S. asks Bailey if the relationship will influence her approach. Bailey S. responds No, Sir. Bruce S. doesn't see a problem with the relationship. There is a discussion on the taxes owed. Jana W. states a payment was made. Bailey S. motions to approve a license ownership transfer for #17873 with delegation, Lt. Jamie seconds.

Bailey S. makes it clear to staff that their business license did expire as well, and it will be a part of the delegation. There is a discussion on the business license notices. All vote yes, motion carries.

● LICENSE TRANSFER WITH A SECURITY INTEREST APPLICATION

A. License #24049	Country Cannabis
Current Licensee (from):	Country Cannabis, LLC 100% (Jennifer Havemeister 50%, TAB 15 Sarah Lorimer 50%)
New Licensee (to):	Deenge LLC (Noel Lowe 100%)
License Type:	Retail Marijuana Store
Premises Address:	2323 South Trunk Road
Local Governments:	Matanuska-Susitna Borough
Consideration:	Will need delegation

Sara L., Jennifer H. -Transferor present in person, Noel Lowe, Transferee, present in person, Jana W. Atty. for Transferor present in person, Bailey S. asks why they are getting out of business? Sara L. responds there are a lot of reasons, business is tough. Bailey S. motions to approve; Lt. Jamie seconds. All vote yes, motion carries.

● BOARD CONSIDERATION

● MJ-31 Walk -Up or Drive-Through Exterior Window

A. License #10316:	DENALI 420 RECREATIONALS	<u>TAB 16</u>
Licensee:	SILVERHORN INVESTMENT GROUP, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	2876 n. Rex Road	
Local Governments:	Houston/Matanuska-Susitna Borough	

Jared L. Licensee present on zoom, Bailey S. motions to approve #10316, Dr. Clift seconds. Bruce S. asks will the fence be moved due to the traffic flow? Jared L. yes, we will be removing the fence. All vote yes, motion carries.

● 2024 – 2025 Renewals on Tax Delinquency List 1.22.25 **TAB 17**

Savannah R. Dept. of Revenue present on zoom, Bailey S. asks Savannah about the inactive licenses that failed to pay Marijuana excise taxes, that they are receiving fees and continually go up, does it stop? Savannah R. those inactive licensees continually accruing interest on the debt they owe and that's written in our statute. Bailey S. asks if she would be able to include the actual balance owed with the interest that occurred. Savannah R. would have to be looked in to, if that would be worthwhile. Bruce S. gives overview of the practice for the licenses that was done in the past. There is further discussion on the process and how it will be delegated to the director. Bailey S. states she has concerns on the licensees that have not been paying their taxes and applying for additional licenses and purchasing properties.

A. License #: 10286	ARCTIC GREENERY, LLC	<u>TAB 18</u>
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Licensee: Arctic Greenery, LLC
Premises Address: 1725 Richardson Highway
Local Governments: Fairbanks North Star Borough

Kevin H. gives overview of the license on the OAH case. This license should be on a 60-day suspension and have not met terms of probation. Bailey S. asks if they are suspended, are the products still being held in the cultivation? Joe B. if they are suspended, yes, but this license is still in Operating status. There is further discussion on the suspension and if the license can be renewed. Lt. Jamie makes a motion to deny the renewal of #10286, Bailey S. seconds. All vote yes, motion carries. Bruce S. asks if the administrative hold will still be reimplemented? Kevin H. Yes. Confirmed the license is on suspension due to the probation violation.

B. License #: 16015 **BLUFFSIDE GARDENS** **TAB 19**
Licensee: Bluffside Gardens, LLC
Premises Address: 39700 S. Parks Hwy
Local Governments: Matanuska-Susitna Borough

Bailey S. summarizes that this license has no NOV and have a minor delinquency. There is a discussion about the motion on this license. Bailey S. motion to deny #16015 application with a 60-day abeyance with delegation to the director that they have satisfied their tax obligation or payment plan with Department of Revenue. Lt. Jamie seconds. All vote yes, motion carries.

C. License #: 16815 **Cut Above LLC** **TAB 20**
Licensee: CUT ABOVE, LLC
Premises Address: 1520 Raven Lake Street
Local Governments: Fairbanks North Star Borough

Bailey S. motions to deny #16815 with an abeyance that they pay the back taxes within 60 days or get on a payment plan with the Department of Revenue with delegation to the Director to renew the license. Lt. Jamie seconds. All vote yes, motion carries.

D. License #: 10959 **GREEN GO, LLC** **TAB 21**
Licensee: Green Go, LLC
Premises Address: 101 Post Rd.
Local Governments: Municipality of Anchorage

Troy M., Sandra M. Licensees Present on zoom. Bailey S. motions to deny #10959 with an abeyance that they pay back taxes within 60 days or they get on a payment plan with Department of Revenue, with delegation to the director to renew. Sandra M. provides explanation on being on the tax delinquency list and is currently up to date with her payment. Troy M. further clarifies on their tax payments and fine. Sandra M. states both payment and fines are paid. All vote yes, motion carries.

E. License #: 10201 **HAPPY CANNABIS** **TAB 22**
Licensee: Kelsey J Martinsen; Sarinee Nuamnui
Premises Address: 225 South Front Street
Local Governments: Wrangell (City and Borough)

Bailey S. motions to deny #10201 with an abeyance that they pay their back tax delinquency within 60 days, or they get on a tax payment plan with the Department of Revenue with delegation that the Director can renew their license. Lt Jamie seconds. Bailey S. points out the importance of licensees responding to the NOV's and she believe this is the licensee from Wrangell. Ely C. restates the licensee's difficulties from Wrangell and flying into Anchorage to make payment. All vote yes, motion carries.

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|----------------------------|----------------------------|----------------------|
| F. License #: 27400 | Moon Forest Garden | <u>TAB 23</u> |
| Licensee: | Moon Forest Garden, LLC | |
| Premises Address: | 21468 W. Kobuk Lane | |
| Local Governments: | Matanuska -Susitna Borough | |

Jana W. Atty for licensee present in person, Jana W. point out his payment print out and will be paying the payment shortly. Bailey S. points out that it was under the \$200 mark. Bailey S. motions to approve with # 27400, Lt. Jamie seconds. All vote yes, motion carries.

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|----------------------------|---------------------------|----------------------|
| G. License #: 10657 | STONEY MOOSE FARMS | <u>TAB 24</u> |
| Licensee: | E & M Holdings, LLC | |
| Premises Address: | 3000 West Tongass Narrows | |
| Local Governments: | Ketchikan Gateway Borough | |

Jana W. Atty for Licensee present in person, Eric R. Licensee present on zoom. Licensee on a payment plan with Department of Revenue. Bailey S. points out the certification that there was a response on the NOV and there was not attachment. Bailey S. motion to approve the renewal of #10657, Lt. Jamie seconds. All vote yes, motion carries.

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|----------------------------|-------------------------------|----------------------|
| H. License #: 21725 | The Red Light District | <u>TAB 25</u> |
| Licensee: | AKGLD2, LLC | |
| Premises Address: | 407 E. Northern Lights Blvd. | |
| Local Governments: | Municipality of Anchorage | |

Jana W. Atty for licensee present in person, Mindy M. Licensee present in zoom. Jana provides an overview of the reason for delinquency. Mindy M. in contact with Department of Revenue to get on a payment plan. Bailey S. motions to deny #21725 with an abeyance of 60 days to pay the delinquent taxes or get on a payment plan with the Department of Revenue with delegation to the director on the renewal. Lt Jamie seconds, All vote yes motion carries.

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|----------------------------|-------------------------|----------------------|
| I. License #: 12833 | Wildflower Farms | <u>TAB 26</u> |
| Licensee: | Alaska Loven It, LLC | |
| Premises Address: | 2908 Kachemak Drive | |
| Local Governments: | City of Homer | |

Jana W. Atty for the licensee present in person, Janiese S. Licensee present on zoom. Jana W. provides information that the taxes with a zero balance and it has been paid. Bailey S. motions to approve #12833, with delegation. Lt. Jamie seconds. All vote yes, motion carries.

Break at 11:13
Resume at 11:31

- **2024 – 2025 Renewals with Protest**

J. License #: 10237	ALASKASENSE, LLC	<u>TAB 27</u>
Licensee:	AlaskaSense, LLC	
Premises Address:	521 W. Tudor Road, Unit 202	
Local Governments:	Municipality of Anchorage	

JDW Atty for Licensee present in person, Smadi W. Licensee present on zoom. Jana W. provides an overview of the delinquency, and that the payment is in good standing. Smadi W. explains her payment plan with Department of Revenue. Jana W. provides an overview of the Protest for the Municipality of Anchorage. There is further discussion on the previous licensee's transfers and applications approved by the board in the past. Smadi W. gives further clarification on the Department of Revenue payment plan. Bailey S. motions to deny #10237 with an abeyance that they pay the past taxes owed or get on a payment plan with Department of Revenue within 60 days with delegation to the Director and the conditional protest being lifted. Lt Jamie seconds the motion. All vote yes motion carries.

K. License #: 17068	OutPost	<u>TAB 28</u>
Licensee:	OutPost, LLC	
Premises Address:	1044 S. Old Glenn Highway (Cabin)	
Local Governments:	Matanuska-Susitna Borough	

Break: 11:58 pm
Reconvene: 1:02 pm

Kenneth I. Licensee present on zoom. Bruce S. gives overview of the protest. Kenneth I.: explains the payment that has been made and what other ones are pending. Bailey S. makes a motion to deny #17068 with the abeyance that the local government protest is rescinded and with delegation to the director to renew the license. Lt. Jamie seconds. Bailey S. amends the motion to include the 60 days to make payment. Lt. Jamie seconds. All vote yes, motion carries.

- **TABLED FROM PREVIOUS MEETING(s)**

A. License #20642	KGB South Cultivation	<u>TAB 29</u>
Current Licensee (from) :	Snow Lotus Gardens, LLC (Holly Rudder-Larson 50%, Duane Larson 50%)	
New Licensee (to) :	FBB & Associates Inc. (Don Brooks 20%, Lacey Brooks 5%, Dexter Aikey 45%, Alan Wilson 15%, Julie Cheverton 15%)	
License Type:	Limited Marijuana Cultivation Facility	
Premises Address:	2301 South Knik-Goose Bay Road #4B	
Local Governments:	Matanuska-Susitna Borough	
Consideration:	Will need delegation	

Carlson Law Atty. Kaden V. present in zoom, for Dexter A. present in zoom, Kevin H. updates the status of the accusation involving this license and gives overview of the licenses involved. Bruce S. asks atty. for additional facts that would help with this case? Kaden V. responds with should the license be transferred to FBB & Associates Inc. all the other transactions should not involve the board but to be a civil matter. What they are really trying to figure out if the transfer will be approved by the board. There is further discussion about the accusation and people involved. Bailey S. asks if there have been any follow up inspections? Joe B. responds he will have to check. Jane S. adds that these are one of the licenses that we are trying to get some renewal information. Dexter A. gives further details on how he's been operating the cultivation. Bailey S. asks if Michael Edwards still involved? Dexter A. responds No. There is further discussion on the direction for the board and the correct owners. Bruce S. moves to approve transfer with the conditions that any action against the license with the transfer and with the new owners the board reserves the right to act against the license if pending accusations are completed and found to be substantial, Dr. Clift seconds. Lt. Jamie asks if the original owners are not part of the license, can we just put an extension to the license? Kevin H. adds that this license should be under accusation, and it won't be resolved for months. All vote yes motion carries.

Background: Michael G. from Carlson Law Atty for Dexter Aikey present in person, Dexter A. present on zoom. Bruce S. gives overview of the transfer and the licensees being involved in an accusation. Ely C. moves to table this application to the February meeting, Bailey S. seconds. All vote yes, motion carries.

Board recess on February 5th: 5:15 pm.

Board Reconvene on February 6th: 9:00 am

Roll Call

- Bruce Schulte, MCB Board Chair- Public, **Present in Person**
- Bailey Stuart, MCB Board Vice Chair – Industry, **Present in Person**
- Christopher Jaime, MCB Board – Public Safety, **Present in Person**
- Ely Cyrus, MCB Board – Rural, **Present in Zoom**
- Dr. Brücke Clift, MCB Board – Public Health, **Present in Person**

● REGULATIONS

A. Regulations Tracking Sheet

TAB 30

Bruce S. mentions Tab 30. No board discussion.

B. Opened Regulations Projects

- 1. Public Comment Period Closed. Public oral comments may not be received at this meeting for this section.**

a. Reduced License Renewal Fees

TAB 31

Status: Public comment closed December 16, 2024. Comments were received.

Potential Board Actions: TBD at meeting

Bruce S. notes no public (oral) comments disclaimer in red on agenda for this project. Bruce S. introduces and comments that SB 73 may possibly change renewal cycle from annual to biennial and questions wisdom of reducing renewal fees now. Dr. Clift states she would like to see project move forward now to give business owners relief. Bailey S. agrees with Dr. Clift and comments on desired timeframe of project to be in effect prior to the next renewals and there is no guarantee the bill (SB 73) will get through the House and Senate. Bailey S. notes the board may amend the amounts later if needed. She continues that 'the people need help', 'she needs help' and 'we all need help'. Bruce S. goes over options for board action. Lt. Jaime comments that the project cuts the fees 'too thin' and that the office went from having a surplus to too big of a cut in fees, but agrees that the money should go back to the licensees. He further voices his concern that such a large cut may result in 'operating in the red'. Bailey S. states that statute sets amounts at \$5,000 and that 'we have paid our dues' and wishes to move forward with the project. Board discussion on amounts. Bruce S. asks question 'when is the fiscal year'. Sara Chambers answers that June 30th is the end of the fiscal year.

Bailey S. comments that 'people will go hemp' because that is only a \$100 registration fee every year. Lt. Jaime comments on there being a proposed solution to that (people going hemp). Dr. Clift comments on the 'grey and black market' (inaudible). Bailey S. gives figures from out-of-state fees and points out that Alaska is one of the most expensive states for licensure and operations and compares alcohol license fees with marijuana license fees. Sara Chambers comments that the bill (SB 73) will 'change the dynamic' but it is difficult to predict the future and is also tough to compare other state numbers without knowing the amount of registrant's other states have. Sara Chambers opines it may take a year to change fees again. Bruce S. brings up renewal cycles and how that timing with proposed regulations changes to fees may interact. Sara Chambers gives potential scenarios of renewal fees changes and points out that the timing may not hit the renewal cycle as the board wants. Bailey S. asks 'what happens if the division ends up short (in the red)'. Sara Chambers answers that operations are still required but that Director Richard might need to get a 'supplemental' funding and that it might appear that marijuana could not pay for itself. Board discussion and back and forth with Sara Chambers regarding budget processes. Bruce S. comments that the reduction of fees was based on estimate of how many will renew but that it now appears that not as many licenses will renew as originally estimated. Bailey S. states that those who did not chose to renew will likely 'go hemp' and that not reducing the fees feels like a punishment to those good actors who remain licensees and there will be 'more burden on us'. Ely C. comments that the proposed cuts to fees may impact the proposed increased enforcement activities discussed yesterday and with these cuts there will be no surplus to work with and this may be 'an optics thing'.

Bruce S. states that he will take some latitude and asks staff to see if Nick Miller is on the line. Bruce S. notes that Nick Miller, licensee and prior board member, worked closely with the prior Board Director (Joan Wilson) on budget matters. Staff and board work to find Nick Miller's number to give him access to speak. Bruce S. points out that 'public oral comments may not be received at this meeting' and states that he believes this is public comment, but that Nick Miller has unique insight as a past board member. Bruce S. asks Kevin Higgins on this, and Kevin Higgins advises that he is not the person that reviews this and that it would be the LRLR section. Bruce S. states he will 'take that bullet' and asks Nick Miller to opine. Nick Miller states he and Joan (the prior Board Director) did review the budget twice a year and sometimes more. He continues that 'typically' marijuana is supposed to fund half of the office (AMCO) and that is 1.8 to 1.9 million dollars. When the (renewal) fees were raised they collected 3.6 to 3.7 (million dollars) which is almost 'double what marijuana is required to fund'. He continues that even reducing the fees back to their normal level may still leave excess funding of up to 20% and this will not affect the operation of the AMCO office. Board discussion.

Bailey S. motions to adopt the regulations and send to law for final review. Bruce S. states 'it's been seconded'. (inaudible to determine who seconded) Lt. Jaimes comments he has experience being in a State department that ran in the red and it is not 'fun for anybody'. Bailey S. notes these fears are founded. Bruce S. opines he hopes the estimate used is accurate and survival of licensees is paramount. Ely C. – yes, Dr. Clift-yes, Lt. Jaime-no. Bailey S.- yes, Bruce S.- yes. Four are for and one against. Motion adopted.

Sara Chambers notes she is in a 'heated discussion' with a budget analyst to clarify the governors proposed budget as regards 'carry-forward' language and is cautiously optimistic on this matter. Lt. Jaime asks question if the carry-forward money would be for AMCO exclusively and Sara Chambers answers 'yes'. Lt. Jaime notes he may have voted yes if he had that information.

b. Tracking Requirements for Flowering Plants

TAB 32

Status: Public comment closed December 16, 2024. A comment was received.

Potential Board Actions: TBD at meeting

Bailey S. moves to adopt and send to law for final review. Lt. Jaime seconds. Bailey S. introduces the project and comments this is a 'clean up' regulation. Dr. Clift voices concerns about '18 inches'. Kevin Higgins advises the term 'mature' is defined in regulations and 18 inches is addressed there. Ely C. – yes, Dr. Clift- yes, Lt. Jaime-yes, Bailey S.- yes, Bruce S.-yes. Motion adopted.

c. Marijuana Handler Permit Education Course

TAB 33

Status: Public comment closed December 16, 2024. A comment was received.

Potential Board Actions: TBD at meeting

Bailey S. introduces and gives some background on this project. Board discussion. Bailey S. motions to adopt the regulations and send to law for final review. Lt. Jaime seconds. Ely C. – yes, Dr. Clift-yes, Lt. Jaime-yes, Bailey S.- yes, Bruce S.-yes. Motion adopted.

d. Removing Batch Limits for Clones or Cuttings

TAB 34

Status: Public comment closed January 2, 2025. Comments were received.

Potential Board Actions: TBD at meeting

Bailey S. introduces and gives background and overview of this project. Lt. Jaime asks enforcement if this project will effect them. Joe Bankowski answers that there will be no negative effect on enforcement. Board discussion. Bailey S. motions to adopt and send to law for final review. Ely C. seconds. Ely C. -yes, Dr. Clift-yes, Lt. Jaime-yes, Bailey S.-yes, Bruce S.-yes. Motion adopted.

e. Labelling Requirements for Marijuana Test Results

TAB 35

Status: Public comment closed January 2, 2025. A comment was received.

Potential Board Actions: TBD at meeting

Bailey S. introduces and gives overview of project. Board discussion. Bailey S. motions to adopt and send to law for final review. (Inaudible) Bruce S. states 'seconded' and asks for further discussion. Lt. Jaime asks Kevin Higgins if Bailey S. interpretation of the project is correct and notes that Bailey S. described it as a 'clean up' project and is that correct? Bailey S. states that the labelling required 'additional paperwork' that no one needs so that 'regs are in line with industry standards'. Jane S.

asks if this was just for ‘wholesaler product with the label attached to the shipping container’ and Bailey S. confirms and notes it is just for ‘wholesalers’ not the final product for the public. Ely C.-yes, Dr. Clift-yes, Lt. Jaime-yes, Bailey S.-yes, Bruce S.-yes. Motion adopted.

2. Open Regulations Projects Board Discussion.

a. Management Agreements

TAB 36

Status: Law’s edits of board approved draft

Potential Board Actions: TBD at meeting

Bruce S. introduces and opines that the board is not hitting the ‘target as originally intended’ and that the board really wants accountability. He states that management agreements are just a vehicle to understanding who has operational control and asks if the board should take another stab at this project. Bailey S. agrees with intent of project as outlined by Bruce S. Board discussion. Kevin Higgins summarizes the issues with this project and comments on 306.015(a) that exists to prohibit non-disclosed financial interest. He comments that the board needs to define ‘operational control’ and answer the question ‘when does an employee or contractor have operational control’ and answer the question should the board be notified within a certain period when that changes. Bailey S. comments on public comments received on this project at earlier board meetings. Bruce S. asks board if they are prepared to provide guidance on this project today. Bruce S. asks about the editors note (on the draft) regarding ‘agent’ and Kevin Higgins states that ‘agent’ is defined in regulations. Jane S. comments that a licensee can have a ‘registered agent’ and asks the board what does this regulation do? Bruce S. answers that the board wants to know that a management agreement exists. Board discussion on licensee responsibility and their agents interactions. Kevin Higgins speaks on violations possible against licensee and individuals and that a licensee must ‘knowing allow’ a violation to occur and asks how this would work with management agreements. Bailey S. comments that the expectation is that a management agreement would be connected to a potential transfer of ownership. Kevin Higgins notes that the current draft does not communicate that, and further comments that the board may wish to give direction to bring in the transfer regulations into the current project. Board discussion about the original purpose of this project. Lt. Jaime comments he believes the original purpose was to include transfer scenarios. Bailey S. comments that the project’s original purpose was for ‘Joan’ (the prior Director) to know who had operational control. Sara Chambers gives information on Law’s timelines. Lt. Jaime motions to table project until the ‘June or July’ meeting. Bailey S. seconds. Ely C.-yes, Dr. Clift-no, Lt. Jaime-yes, Bailey S.-yes, Bruce S.-yes. Four are for and one against. Motion adopted.

3. Proposed Regulations Projects, Board Discussion

a. Pesticides and Heavy Metals

TAB 37

Status: For board discussion

Potential Board Actions: TBD at meeting

Bailey S. notes that both representatives of the testing labs are available. Bailey S. summarizes that the project should address ‘randomization’ of testing procedures, the cost of testing procedures, and then the need to know ‘what’ heavy metals and ‘what’ pesticides will be tested for. Board discussion. Kevin Higgins comments that the draft, as presented, is not ready for Law review and all specifics of the project must be formatted to Law’s standards. Ely C. comments on the testing process, the fairness of this process and ensuring the consumer is getting what they are expecting? Jessica Alexander, representative of Land

and Seas Laboratory, gives history, background and overview of the regulations project. She speaks to the affordability of testing equipment and her lab does have this available. There is a need to determine which heavy metals and pesticides are to be tested and at what levels (action limits) and also gives overview of how the list presented in the draft was compiled. Jessica A. comments that they need direction to find out what the 'action limits' would be. Lt. Jaime inquires if this is available from the Department of Health? Jessica A. informs on the lack of scientific data on the ingestion of pesticides via smoking and that there is far less data then, for example, the ingestion of pesticides from eating food. She continues, that different states have widely varying levels. She believes DEC and public safety should be included in determining what an actionable limit is for the proposed heavy metals and pesticides. Jessica A. brings up the burden of additional testing costs on the industry. She recommends using Metrc to randomize the testing, perhaps 25%. She additionally recommends to add R & D to this project and notes that remediation needs to be further discussed and considered. She gives her recommendations for remediation efforts.

Board discussion. Bailey S. notes the working group addressing these issues was paused in September with staff changes and asks Director Richard on this. Director Richard agrees this group needs to start up again. Lt. Jaime asks what AMIA's opinion is on this project. The president of AMIA comments (in person at meeting) that it is under discussion with their group. Lt. Jaime comments there is a high level of detail that needs to be hashed out. Bruce S. comments the workgroup considering this needs to reconvene and give feedback. Joe Bankowski confirms that the ability to randomly pull samples (of plant or products) from shelves does not currently exist and see 306.465 random sampling. You can randomly sample soil, water, etc. but not plant or product. Bailey S. notes the potential for a regulations project to address that. Board discussion. The board thanks Jessica Alexander for her presentation. Bruce S. motions to table this to the April meeting. Dr. Clift seconds. Lt Jaime steps out of room. Ely C.- yes, (audio lost for board and then audio resumes) Bailey S.-yes, Dr. Clift-yes, Bruce S.-yes. Motions carries. Lt. Jaime is absent.

Lt Jamie steps out 2:39

Lt Jamie back 2:42

● LEGISLATIVE ITEMS

TAB 38

Sara C. gives overview of the Marijuana Tax Bill SB 73 and guidance on the topics to be discussed.

Bruce S. nominates Bailey S. as the Legislative Liaison for the MCB Board, Dr. Clift seconds. All vote yes, motion carries. There is further discussion on SB 73, section 9 and 10. Bruce S. motions for a resolution to support SB73; Bailey S. seconds, all vote yes, motion carries. There is discussion on the version of the bill to support and effective date of July 1, 2025.

Sara C. gives overview of SB 80. Bruce S. motions a resolution to support for SB80, Dr. Clift seconds. All vote yes, motion carries. There is further discussion on the draft of the resolution and signing and the upcoming legislative hearings.

There is a discussion on a request from Bailey S. requesting a motion in support from the legislature in attempting to reinstate enforcement as an agency of DPS.

Bruce S. motions to have the Director coordinate with necessary agencies and other departments for resources as necessary to inform the public and other businesses as soon as possible to remove unlicensed marijuana from unlicensed retail stores as possible and as soon as possible. There is further discussion on the approach of Enforcement for intoxicating hemp. Lt. Jamie seconds. There continues to be further discussion on the motion. Dr. Clift restates the motion by moving to create a resolution to pursue a PR campaign and to prioritize removal of illegal and unregulated marijuana from retail stores. All vote yes, motion carries.

Break at 3:36 pm
Reconvene at 3:50 pm

● BOARD REQUESTS (IF ANY)

Bailey S. motions to start a regulations project to include plant material, i.e. marijuana and marijuana products, to 3 AAC 306.456 random sampling. Bruce S. seconds. Joe Bankowski comments that 306.456 only applies to cultivations and retail might be included. Bailey S. amends motion to include retail amending section .300. There is further discussion on the testing procedures and the repercussion and who bears the costs. Ely C. – yes, Dr. Clift-yes, Lt. Jaime-yes, Bailey S.- yes, Bruce S.-yes. Motion adopted.

Bailey S. motions to start a regulations project to 'exclude' the word edibles from 3 AAC 306.565(b). Bailey S. adds that this motions also 'includes concentrates standards to not include any printed images including cartoons that specifically target individuals'. Jane S. summarizes that the project should 'extend the requirements of 306.565(b) to include 'any product'. Bruce S. seconds. Ely C. – yes, Dr. Clift-yes, Lt. Jaime-yes, Bailey S.-yes, Bruce S.-yes. Motion adopted.

Bailey S. moves to request for the director to ask for supplemental budget to address a public safety issue that is prolific in the Alaskan market and provide a budget to allow for a metric data analysis. Bruce S. seconds. All vote yes, motion carries.

Bailey requests in the future any renewal license with a (1) NOV not pertained to tax delinquency and any renewal with 3 or more NOV's related to tax delinquency be brought to the board before us with renewals. Bruce S. seconds. Ely C.: No, Dr. Clift: No, Lt. Jamie: Yes, Bailey S.: Yes, Bruce S.: Yes.

● MARIJUANA MAILBOX

TAB 39

All correspondence received in the Board's inbox from **November 9th, 2024 – January 24th, 2025.**

No comments from the board.

● ADDITIONAL PUBLIC TESTIMONY

The Board may decide to limit public testimony.

Public testimony is limited to issues not on this agenda and that are not proposed regulations
Written comments may also be submitted to the board for review during its next regular meeting via

Public Testimony opens at 4:11 pm

Taylor B. employee at Dope Dynasty – takes full responsibility speaks on the NOV and takes full responsibility.

Tasha G. Lady Gray Licensee – been in the business since 2018 and there are a lot of challenges in the industry and there may not be an industry going to matter. Need to help us by making our operations less expensive to remain complaint. You have worked hard and done some big impacts. We need to take immediate action on the problem with illicit Marijuana. Need to continue to work on chipping away the details and difficulties that drag on the licensees. Don't make being a state licensee a hinderance.

Nick M. Licensee for Alaska buds – the importance and the state of industry is collapsing. Would like to have seen a license moratorium for one year to see if any successes removing marijuana products from unlicensed facilities and all the director and enforcement to collaborate with law enforcement to curb marijuana being shipped to the state. Theres 300 approved licenses that may or may not have intent to open business maybe start charging them renewal fees as well. For the licensees that are not being responsive, maybe it is time to get have those licenses expire and no automatic renewal letter. We need some relief and help, and moratorium to see if it has an impact.

Michael E. Licensee- Speaks on the licenses that have been in delegated and active pending inspection status wouldn't mind paying a fee to keep it in delegation. Batch tagging get rid of the labor costs of putting out many tags and it's really the harvest tag that matters. Echo everything Nick and Tasha said earlier.

Shawn M. Owner of Frontier CBD – Just talking about this and no action has had a negative impact on my business. Lost revenue for my federally legal business and complied with every rule the Department of Agriculture every put out. Been against with delta 8 or delta 9 product. It's been a one arm fight no one's represents the CBD industry no boards. Put my heart and soul into this business and you guys go out and put a letter out and they immediately pulled my products off the shelves. They are buying products from leaf link and that is the number one problem that needs to be addressed.

Joe S. – worked in the industry – lack of action. Board needs to meet more; matters are more urgent than you guys make it out to seem. Very frustrating to have spent so much time in this industry. Invest more money in communication system.

Brenda B. from JDW Counsel- recites 11 AAC 45 20. If AMCO enforcement must enter in a MOU with Division of Agriculture, they would be an authorized representative in the industrial hemp regulation. Under 11. AAC 46. 60 under quarantine, the authorized representative can be AMCO can quarantine the products and can destroy the product. There is no costs, court, and legal battles.

Public Testimony Closes at 4:39 pm

● BOARD COMMENTS

Ely C. Thank you again and sorry for the audio issues.

Dr. Clift No comments

Bruce S. -Welcome to new director and best of luck; To Mr. Higgins, Jane, and Joan been a pleasure; To the industry thank you for the support and best of luck.

Lt. Jamie- Thanks Bruce, for being on the board and an outstanding chairman. Thank you to the industry and appreciate the passion that they bring to the meetings.

Bailey S. Thanks Bruce S. for all his work that he has done for the board. This meeting was a lot of heartfelt testimony, and you heard the industry members. Thank you for speaking up and rising the issues. Look forward for everyone's efforts moving forward. Any ideas or solutions reach out to me, it's all of us. We do this together. Director Richard, looking forward to working with you. Sara C. thank you for your guidance.

● **NEXT MARIJUANA CONTROL BOARD MEETING**

The next meeting is scheduled for **April 16th – 17th, 2025, in Nome, Alaska.**

● **ADJOURN**

Adjourn at 4:45 pm