

3 AAC 306 Updates Which Took Effect 2/2/19

- ~~3 AAC 306.010~~ – adds “license conversion” as application type (converts a limited cultivation license into a standard cultivation license)
- ~~3 AAC 306.015(b)~~ – adds 3 AAC 306.035 (h) allowance for board not issuing licenses to certain types of owners
- ✓ 3 AAC 306.015(e)(2) – clarifies definition of “resident of the state”
- ~~3 AAC 306.025~~ – adds clarification on time of submission of an application
- ✓ 3 AAC 306.035 – adds clarification on the establishments that must file renewal applications
- ~~3 AAC 306.040~~ – adds clarification of transfer license applications and definitions
- ✓ 3 AAC 306.045(e) – added (e) clarifying operation of establishment procedures for a transfer which doesn’t change the approved operating plan
- ~~3 AAC 306.047~~ – added a new section regarding license conversions
- ~~3 AAC 306.060~~ – added license conversion as application type for local government actions
- ~~3 AAC 306.065~~ – added license conversion as application type for public participation
- ~~3 AAC 306.075(b)~~ – added more concise language regarding application types
- ~~3 AAC 306.080(d)~~ – added license conversion as application type for Board denials
- ~~3 AAC 306.085(a)~~ – added license conversion as application type for informal conference
- ~~3 AAC 306.090(a)~~ – added license conversion as application type for formal hearing requests
- ~~3 AAC 306.095~~ – added license conversion as application type for appeals
- ~~3 AAC 306.100(a)~~ – added license conversion as application type for fees
- ✓ 3 AAC 306.320 – adds clarification between agents and licensees/employees requiring a handler permit
- ✓ 3 AAC 306.425 – adds clarification between agents and licensees/employees requiring a handler permit
- ✓ 3 AAC 306.530 – adds clarification between agents and licensees/employees requiring a handler permit and food safety training
- ~~3 AAC 306.565(c)~~ – adds prohibition (3 AAC 306.555(b)(2)) exception for manufacturing transfer of concentrates to retail
- ✓ 3 AAC 306.622 – adds new section regarding handler permit requirement for testing facilities
- ✓ 3 AAC 306.700(a) – adds clarification between agents and licensees/employees requiring a handler permit

3 AAC 306.010. License restrictions

(a) The board will not issue a marijuana establishment license if the licensed premises will be located within 500 feet of a school ground, a recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility. The distance specified in this subsection must be measured by the shortest pedestrian route from the public entrance of the building in which the licensed premises would be located to the outer boundaries of the school ground, the outer boundaries of the recreation or youth center, the main public entrance of the building in which religious services are regularly conducted, or the main public entrance of the correctional facility. This section does not prohibit the renewal of an existing marijuana establishment license, a license conversion under 3 AAC 306.047, or the transfer of an existing marijuana establishment license to another person if the licensed premises were in use before the school ground, recreation or youth center, the building in which religious services are regularly conducted, or a correctional facility began use of a site within 500 feet. If an existing marijuana establishment license for premises located within 500 feet of a school ground, a recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility is revoked or expires, the board will not issue another marijuana establishment license for the same premises unless the school ground, the recreation or youth center, the building in which religious services are regularly conducted, or the correctional facility no longer occupies the site within 500 feet.

(b) The board will not issue a marijuana establishment license if the licensed premises will be located in a liquor license premises.

(c) The board will not issue a marijuana establishment license when a local government protests an application under 3 AAC 306.060 on the grounds that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

(d) The board will not issue a marijuana establishment license

to a person that

(1) is prohibited under AS 17.38.200(i) from receiving a marijuana establishment license because of a conviction of a felony; if the applicant is a partnership, limited liability company, or corporation, the board will not issue a license if any person named in 3 AAC 306.020(b)(2) is prohibited under AS 17.38.200(i) from obtaining a license; in this paragraph, "conviction of a felony" includes a suspended imposition of sentence;

(2) has been found guilty of

(A) selling alcohol without a license in violation of AS 04.11.010;

(B) selling alcohol to an individual under 21 years of age in violation of AS 04.16.051 or 04.16.052; or

(C) a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the preceding five years; or

(3) has, within two years before submitting an application, been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed contrary to state law.

3 AAC 306.015. License conditions

(a) The board will issue each marijuana establishment license to a specific individual, to a partnership, including a limited partnership, to a limited liability company, to a corporation, or to a local government. A person other than a licensee may not have a direct or indirect financial interest in the business for which a marijuana establishment license is issued.

(b) Except as allowed in 3 AAC 306.035(h), the board will not issue, renew, or transfer a marijuana establishment license to

(1) an individual or a sole proprietorship unless the individual or proprietor is a resident of the state;

(2) a partnership unless each partner is a resident of the state;

(3) a limited liability company unless the limited

liability company is qualified to do business in the state and each member of the limited liability company is a resident of the state; or

(4) a corporation unless the corporation is incorporated or qualified to do business in the state and each shareholder is a resident of the state.

(c) The board will issue each license for a specific location identified on the license as the licensed premises. A marijuana establishment must have a right to possession of its licensed premises at all times, and may not lease its licensed premises to another person for any reason. If a marijuana establishment wishes to reduce or expand the area of the licensed premises used for a marijuana establishment, the marijuana establishment must submit a new line drawing showing the proposed changes to the premises, and must obtain the board's written approval. A marijuana establishment may not relocate its licensed premises to a different place without obtaining a license for the new premises as required under 3 AAC 306.050.

(d) The board will impose other conditions or restrictions on a license issued under this chapter when it finds that it is in the interests of the public to do so.

(e) In this section,

(1) "direct or indirect financial interest" means

(A) a legal or equitable interest in the operation of a business licensed under this chapter;

(B) does not include a person's right to receive

(i) rental charges on a graduated or percentage lease-rent agreement for real estate leased to a licensee;

or

(ii) consulting fee from a licensee for services that are allowed under this chapter;

(2) "resident of the state" means a person who is eligible at the time of application for the most recent permanent fund dividend under AS 43.23.

3 AAC 306.020. Application for new license

(a) An applicant for a new marijuana establishment license must

(e) Each person signing an application for a marijuana establishment license must declare under penalty of unsworn falsification that

(1) the application is true, correct, and complete;

(2) the applicant has read and is familiar with AS 17.38 and this chapter; and

(3) the applicant will provide all information the board requires in support of the application.

3 AAC 306.025. Application procedure

(a) An applicant must initiate a new marijuana establishment license application on a form the board prescribes, using the board's electronic system.

(b) After initiating a new marijuana license application, the applicant must give notice of the application to the public by

(1) posting a copy of the application, on the form the board prescribes, for 10 days at

(A) the location of the proposed licensed premises;

and

(B) one other conspicuous location in the area of the proposed premises;

(2) publishing an announcement once a week for three consecutive weeks in a newspaper of general circulation in the area; in an area where no newspaper circulates, the applicant must arrange for broadcast announcements on a radio station serving the local area where the proposed licensee seeks to operate twice a week for three successive weeks during triple A advertising time; the newspaper or radio notice must state

(A) the name of the applicant;

(B) the name and location of the proposed premises;

(C) the type of license applied for along with a citation to a provision of this chapter authorizing that type of license; and

(D) a statement that any comment or objection may be submitted to the board; and

petition after the board has approved the application.

(d) In this section, "permanent resident" means a person 21 years of age or older who has established a permanent place of abode. A person may be a permanent resident of only one place.

3 AAC 306.035. Application for renewal of license

(a) On or before May 1 of each year, the director shall send notice that a marijuana establishment with a license in active and operating status must file a renewal application not later than June 30 of the current year. The director shall send the notice to the marijuana establishment's electronic mailing address on file with the board. In the notice the director shall include a hyperlink for the marijuana establishment to access the electronic renewal application by means of the Internet, along with instructions on using and submitting the form. Any marijuana establishment with a license in active and operating status on or before June 30 of the current year must submit the completed renewal application electronically, along with the license renewal fee, to the director not later than June 30 of each year. If June 30 falls on a Saturday or Sunday, the deadline is extended to 4:30 p.m. on the first business day following June 30. A marijuana establishment must maintain a current electronic mailing address on file with the director. A marijuana establishment is not excused from filing a renewal application as required in this section even if the marijuana establishment fails to receive a renewal notice from the director.

(b) A marijuana establishment's renewal application must

- (1) identify the license sought to be renewed by license number, license type, establishment name, and premises address;
- (2) provide the information required for a new license application under 3 AAC 306.020(b)(1) - (9);
- (3) repealed 2/21/2019;
- (4) report, for each licensee listed in 3 AAC 306.020(b)(2),

(A) any criminal charge on which that licensee has been convicted in the previous two calendar years: and

establishment has provided to the director. A marijuana establishment is not excused from filing a license renewal application not later than August 31 of each year even if the marijuana establishment does not receive the notice of expiration described in this section.

(g) If a marijuana establishment required to submit a renewal application under (a) of this section fails to deliver a complete license renewal application or fails to pay the required renewal fee and the late renewal application fee on or before August 31 of each year, that marijuana establishment license expires at 12:00 midnight on August 31 of that year. A holder of an expired license shall immediately surrender the license to the board. Any holder of an expired license that seeks authority to operate must file a complete new application under 3 AAC 306.020, and 3 AAC 306.025, along with the required fees.

(h) The board may renew a license where a licensee is not considered a resident of the state as defined at 3 AAC 306.015(e)(2), if, as part of the renewal application, the licensee submits documentation to the board's satisfaction that

(1) the licensee's primary residence is in the state;

(2) the licensee has good cause for not meeting the requirements to be a resident of the state as defined at 3 AAC 306.015(e)(2); and

(3) the cause of not meeting the requirements to be a resident of the state as defined at 3 AAC 306.015(e)(2) is temporary.

3 AAC 306.040. Ownership change

(a) An application for an ownership change shall be submitted on a form prescribed by the board.

(b) If any change required to be submitted under this section will result in a change in controlling interest of the marijuana establishment license, the marijuana establishment must file an application for transfer of license to another person under 3 AAC 306.045.

(c) An individual identified in this section shall submit the individual's fingerprints and the fees required by the Department of

Public Safety under AS 12.62.160 for criminal justice information. The director shall follow the procedure set out in 3 AAC 306.055(b) for submitting the fingerprints of any individual added under this section.

(d) The director shall approve an ownership change application when any new owner is not disqualified under 3 AAC 306.010(d), 3 AAC 306.015(b), 3 AAC 306.300(b), 3 AAC 306.400(c), 3 AAC 306.500(c), or 3 AAC 306.605(c).

(e) In this section, "ownership change" means

(1) if the licensee is a partnership, including a limited partnership, any change in the identity of the partners, or in the ownership percentages held by any partners;

(2) if the licensee is a limited liability company, any change in the identity of the members or managers, or in the ownership percentage held by any member; or

(3) if the licensee is a corporation, any change in its corporate officers, any sale of corporate stock to a person not currently an owner, or any change of the percentage ownership of an existing shareholder.

3 AAC 306.045. Application for transfer of a license to another person

(a) A person may not receive or transfer a marijuana establishment license or a controlling interest in a marijuana establishment license issued to a partnership, including a limited partnership, a limited liability company, a corporation, or a local government, without applying for and receiving the written consent of the board. Transfer of a license includes a sale of all or part of the interest of an individual owner.

(b) An application for transfer of a marijuana establishment license, or of a controlling interest in a marijuana establishment license issued to a partnership, a limited liability company, a corporation, or a local government, must be filed in writing on a form the board prescribes, in compliance with the application procedure set out in 3 AAC 306.025. The application must name the current holder of the marijuana establishment license and the proposed transferee,

including all persons listed in 3 AAC 306.020 if the transferee is a partnership, limited liability company, a corporation, or a local government. The application must contain

(1) the same information about each transferee as is required of an applicant for a new license under 3 AAC 306.020;

(2) a statement, under oath, executed by the current holder of the marijuana establishment license, listing all debts of the business, all taxes the business owes, current contact information for each creditor, and an affirmation that the current holder of the marijuana establishment license has submitted a copy of the transfer application to all creditors; and

(3) any other information required by the board for the type of marijuana establishment license sought to be transferred.

(c) When the board receives a complete application for transfer of a license to another person, the director shall immediately send written notice of the proposed transfer to

(1) each listed creditor of the current holder of the marijuana establishment license, along with the amount shown as owed to that creditor;

(2) each local government with jurisdiction over the applicant's proposed licensed premises;

(3) the community council if the licensed premises are located within the boundary of a community council established by municipal charter or ordinance; and

(4) any nonprofit community organization that has requested notification in writing.

(d) A current holder of a marijuana establishment license must submit a license renewal application before or at the same time as an application for a transfer of a marijuana establishment license that is submitted after April 30 and before July 1.

(e) When a transferee intends to continue to operate a marijuana license with the operating plan approved by the board for the transferor, the transferee may submit a form approved by the board certifying that the transferee is making no changes to the operating plan or licensed premises, instead of submitting information required

by 3 AAC 306.020(b)(8), 3 AAC 306.020(c), 3 AAC 306.315(2), 3 AAC 306.420, 3 AAC 306.520(2) and (3), and 3 AAC 306.615.

3 AAC 306.047. License conversion

(a) An application to convert an existing limited marijuana cultivation facility license to a standard marijuana cultivation facility license, an existing standard marijuana cultivation facility license to a limited marijuana cultivation facility license, an existing marijuana concentrate manufacturing facility license to a marijuana product manufacturing facility license, or an existing marijuana product manufacturing facility license to a marijuana concentrate manufacturing facility license must be filed in writing on a form the board prescribes, in compliance with the application procedure set out in 3 AAC 306.025.

(b) To qualify for a license conversion under this section, neither the licensee nor the license location may change.

(c) The license conversion application must contain

(1) an affidavit showing where and when the applicant posted notice of the application, and proof of advertising as required in 3 AAC 306.025(b);

(2) any changes proposed to the approved operating plan;

(3) a detailed diagram of the proposed licensed premises; the diagram must show all entrances and boundaries of the premises, restricted access areas, and storage areas;

(4) the title, lease, or other documentation showing the licensee's sole right to possession of the proposed licensed premises, if the proposed licensed premises for the converted license differ from the existing licensed premises;

(5) the balance of the license fee, if the post-conversion license fee, if the post-conversion license fee is greater than the pre-conversion license fee;

(6) the application fee; and

(7) any other information required by the board.

3 AAC 306.050. Relocation of licensed premises not allowed

A marijuana establishment license may not be relocated to any other

premises. A holder of a marijuana establishment license that wishes to operate a marijuana establishment at a different location must submit a new application for any new premises, and must surrender an existing license for any premises where the marijuana establishment does not intend to continue its operation.

3 AAC 306.055. Criminal justice information and records

(a) When filing an application for a new marijuana establishment license or transfer of a license, the applicant, including each individual listed in 3 AAC 306.020(b)(2), must submit the person's fingerprints and the fees required by the Department of Public Safety under AS 12.62.160 for criminal justice information.

(b) The director shall submit the fingerprints to the Department of Public Safety to obtain a report of criminal justice information under AS 12.62. The board will use the information obtained under this section to determine if an applicant is qualified for a marijuana establishment license.

(c) In this section, "criminal justice information" has the meaning given in AS 12.62.900.

3 AAC 306.060. Protest by local government

(a) Not later than 60 days after the director sends notice of an application for a new marijuana establishment license, renewal of a marijuana establishment license, **license conversion**, or transfer of a marijuana establishment license to another person, a local government may protest the application by sending the director and the applicant a written protest and the reasons for the protest. The director may not accept a protest received after the 60-day period. If a local government protests an application for a new or renewal license, for a **license conversion**, or for a transfer of a license to another person, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

(b) A local government may recommend that the board approve an application for a new license, renewal of a license, **license conversion**, or transfer of a license to another person subject to a condition. The board will impose a condition a local government

recommends unless the board finds the recommended condition is arbitrary, capricious, and unreasonable. If the board imposes a condition a local government recommends, the local government shall assume responsibility for monitoring compliance with the condition unless the board provides otherwise.

(c) If a local government determines that a marijuana establishment has violated a provision of AS 17.38, this chapter, or a condition the board has imposed on the licensee, the local government may notify the board. Unless the director finds that the local government's notice is arbitrary, capricious, and unreasonable, the director shall prepare the determination as an accusation against the licensee under AS 44.62.360 and conduct proceedings to resolve the matter as provided under 3 AAC 306.820.

(d) In this section, "local government" means each local government with jurisdiction over the licensed premises.

3 AAC 306.065. Public participation

A person may object to an application for a new license, renewal of a license, **license conversion,** or transfer of a license to another person by submitting a written statement of reasons for the objection to the board and the applicant not later than 30 days after the director has determined that the application is complete and has given written notice to the local government in accordance with 3 AAC 306.025. The objection must be sent to the applicant at the mailing address or electronic mail address provided in the notice of application and also to the board. If the board determines to conduct a public hearing under this section, an interested person may give oral testimony at the public hearing.

Editor's note: The address for sending objections to the Marijuana Control board is the Anchorage office of the Alcohol and Marijuana Control Office, 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501; email: marijuana.licensing@alaska.gov.

3 AAC 306.070. Hearing on public protest

The board may, on its own initiative or in response to an objection or

protest, hold a hearing to ascertain the reaction of the public or a local government to an application. The director shall send notice of a hearing under this section as provided in AS 44.62.330 - 44.62.630 (Administrative Procedure Act).

3 AAC 306.075. Procedure for action on license application

(a) The board will decide whether to grant or deny an application not later than 90 days after receiving the complete application. However, the board will not grant or deny the application before the time allowed for a protest under 3 AAC 306.060, unless the local government waives its right to protest.

(b) Not later than seven days before the date set for board action on applications, the director shall post a meeting agenda listing the matters scheduled for action at that meeting. The board may review an application without additional notice to the applicant.

(c) The board will consider any written objection, protest, suggested condition, or petition, and also will consider any testimony received at a hearing on public protest held under 3 AAC 306.070 when it considers the application. The director shall retain the written objection, protest, or suggested condition or petition, and the hearing record as part of the permanent record of the board's review of an application.

3 AAC 306.080. Denial of license application

(a) After review of the application, including the applicant's proposed operating plan and all relevant information, the board will deny an application for a new license if the board finds that

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

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

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

(4) the license is prohibited under this chapter as a result of an ordinance or election conducted under AS 17.38.210, 3 AAC

306.200, or 3 AAC 306.230;

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

(6) the license would not be in the best interests of the public.

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

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

(2) that the license has been revoked for any cause;

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

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

(c) After review of the application and all relevant information, the board will deny an application for transfer of license to another person if the board finds

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

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

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

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

(d) If the board denies an application for a new license, renewal of a license, license conversion, or transfer of a license to another person, the board will, not later than 15 days after the board meeting at which the application was denied, furnish a written statement of issues to the applicant, explaining the reason for the denial in clear and concise language, and identifying any statute or regulation on which the denial is based. In the notice of denial the

board will inform the applicant of the right to an informal conference under 3 AAC 306.085 and to a formal hearing under 3 AAC 306.090.

(e) After review of the application and all relevant information, the board will deny an application for license conversion if the board finds

(1) the application contains any false statement of material fact;

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

(3) the license is prohibited under this chapter as a result of an ordinance or election conducted under AS 17.38.210, 3AAC 306.200, or 3 AAC 306.230;

(4) the board finds that the application does not adequately demonstrate that the applicant will comply with applicable provisions of this chapter;

(5) the application is protested by the local government;
or

(6) the license conversion would not be in the best interest of the public.

3 AAC 306.085. Informal conference

(a) If an applicant for a new license, renewal of a license, license conversion, or transfer of a license to another person is aggrieved by an action of the board denying the application, the applicant may, not later than 15 days after the date of the written notice of denial, request an informal conference with the director or the board. An informal conference requested under this section must be held at a time and place convenient to the applicant and the board, but not later than the next scheduled meeting of the board. An informal conference may be conducted telephonically.

(b) If the informal conference does not resolve the matter to the applicant's satisfaction, the applicant may, not later than 15 days after the last day of the informal conference, request a formal hearing under 3 AAC 306.090 by filing a notice of defense in

compliance with AS 44.62.390(b).

3 AAC 306.090. Formal hearing

(a) If an applicant for a new license, renewal of a license, license conversion, or transfer of a license is aggrieved by an action of the board denying the application, the applicant may request a formal hearing by filing a notice of defense in compliance with AS 44.62.390 not later than 15 days after the date of the written notice of the denial, or as provided in 3 AAC 306.085(b) if the applicant requested and participated in an informal conference. Failure to file a notice of defense as provided in this section constitutes a waiver of the right to a formal hearing.

(b) When an aggrieved person requests a hearing under the section, the board may request the office of administrative hearings to conduct the hearing in compliance with due process, AS 44.62.330 - AS 44.62.630 (Administrative Procedure Act), and 2 AAC 64.100 - 2 AAC 64.990, as applicable.

3 AAC 306.095. Appeals

(a) An aggrieved applicant or marijuana establishment license holder may appeal to the board regarding any action of the director, or an employee or agent of the board regarding an application for a new license, a license renewal, a license conversion, or a transfer of license to another person.

(b) An applicant or marijuana establishment license holder aggrieved by a final decision of the board regarding an application for a new license, a license renewal, a license conversion, or a transfer of license to another person may appeal to the superior court under AS 44.62.560.

3 AAC 306.100. Fees; refund

(a) The non-refundable application fee for a new marijuana establishment license, an application for license conversion, or an application to transfer a license to another person is \$1,000.

(b) The non-refundable application fee for a license renewal application is \$600. If a renewal application is late as provided under 3 AAC 306.035(e), an additional non-refundable late renewal

a.m. and 8:00 a.m. each day;

(2) allow a person to consume marijuana or a marijuana product on the retail marijuana store's licensed premises, except as provided in 3 AAC 306.305(a)(4);

(3) offer or deliver to a consumer, as a marketing promotion or for any other reason,

(A) free marijuana or marijuana product, including a sample; or

(B) alcoholic beverages, free or for compensation.

3 AAC 306.315. Application for retail marijuana store license

A person seeking a new retail marijuana store license must submit an application on a form the board prescribes, including the information required under 3 AAC 306.020 and

(1) a copy of an active application for a required food safety permit under 18 AAC 31.020(a) from the Department of Environmental Conservation or a municipality with authority delegated under AS 17.20.072 and 18 AAC 31.945; and

(2) in the operating plan required under 3 AAC 306.020(c), a description of the way marijuana and marijuana products at the retail marijuana store will be displayed and sold.

3 AAC 306.320. Marijuana handler permit required

A retail marijuana store shall ensure that

(1) each agent who is required or permitted to be physically present on the licensed premises at any time, each licensee, and each employee obtains a marijuana handler permit as provided in 3 AAC 306.700 before being licensed or employed at a retail marijuana store; and

(2) each licensee, employee, or agent has that person's marijuana handler permit card in that person's immediate possession, or a valid copy on file on the premises, at all times when on the licensed premises of the retail marijuana store.

3 AAC 306.325. Access restricted at retail marijuana store

(a) A person under 21 years of age may not enter a retail

3 AAC 306.410. Limited marijuana cultivation facility: privileges and prohibited acts

A licensed limited marijuana cultivation facility

(1) has the privileges set out in 3 AAC 305.405(a) and (b), except that it must have fewer than 500 square feet under cultivation; and

(2) is subject to each prohibition set out in 3 AAC 306.405(c).

3 AAC 306.420. Application for marijuana cultivation facility license

An applicant for a new standard marijuana cultivation facility license or a new limited marijuana cultivation facility license must file an application on a form the board prescribes, including

(1) the information required under 3 AAC 306.020; and

(2) the proposed marijuana cultivation facility's operating plan, including, in addition to the information required under 3 AAC 306.020(c),

(A) the size of the space intended to be under cultivation;

(B) the growing medium to be used;

(C) fertilizers, chemicals, gases, and deliver systems, including carbon dioxide, management, to be used;

(D) the irrigation and waste water systems to be used;

(E) waste disposal arrangements;

(F) odor control; and

(G) the testing procedure and protocols the marijuana cultivation facility will follow.

3 AAC 306.425. Marijuana handler permit required

A marijuana cultivation facility shall ensure that each agent who is required or permitted to be physically present on the licensed premises at any time, each licensee, and each employee

(1) obtains a marijuana handler permit as provided in 3 AAC 306.700 before being licensed or employed at the marijuana cultivation facility's licensed premises; and

3 AAC 306.530. Marijuana handler permit and food safety worker training

(a) A marijuana product manufacturing facility, including a marijuana concentrate manufacturing facility, shall ensure that each agent who is required or permitted to be physically present on the licensed premises at any time, each licensee, and each employee

(1) obtains a marijuana handler permit as provided in 3 AAC 306.700 before being licensed or employed at the marijuana product manufacturing facility's licensed premises; and

(2) has the marijuana handler permit card in the person's immediate possession, or a valid copy on file on the premises, at all times while on the marijuana product manufacturing facility's licensed premises.

(b) A licensee, employee, or agent of a marijuana product manufacturing facility who handles marijuana at the facility shall obtain a food worker card in compliance with 18 AAC 31.330 and keep that card in that person's possession at all times while on the licensed premises of the marijuana product manufacturing facility.

3 AAC 306.535. Restricted access and storage areas

(a) A marijuana product manufacturing facility shall conduct any extraction or product manufacturing operation in a restricted access area in compliance with 3 AAC 306.710.

(b) A marijuana product manufacturing facility shall have full video surveillance of the licensed premises as provided in 3 AAC 306.720, including each area where

(1) marijuana concentrate is produced;

(2) any operation involved in manufacturing any product containing marijuana occurs;

(3) marijuana or a marijuana product is stored or stockpiled; or

(4) marijuana waste is destroyed.

(c) Any area where marijuana or a marijuana product is stored must be moisture- and temperature-controlled and protected from pests and vermin.

eaten or swallowed, not more than 10 servings or 50 milligrams of active THC or Delta 9; the THC content must be homogenous, or evenly distributed throughout the marijuana-infused product.

3 AAC 306.565. Packaging of marijuana products

(a) A marijuana product manufacturing facility shall observe the potency limits set out in 3 AAC 306.560 in packaging each product for resale by a retail marijuana store.

(b) A container or packaging for any edible marijuana product produced by a marijuana product manufacturing facility may not have any printed images, including cartoon characters, that specifically target individuals under 21 years of age. In addition, the packaging must

(1) protect the product from contamination and may not impart any toxic or damaging substance to the product; and

(2) if the marijuana product contains multiple servings, be designed so that the marijuana product itself has markings or demarcations clearly delineating each serving of the product; for liquid marijuana products with multiple servings, the packaging must indicate the number and size of individual servings.

(c) Except as prohibited in 3 AAC 306.555(b)(2), a licensed marijuana product manufacturing facility may transfer marijuana concentrates in wholesale packages not to exceed five pounds to another licensed marijuana product manufacturing facility or a licensed retail marijuana store.

(d) Each packaged marijuana product must be identified by a tracking label generated by the marijuana product manufacturing facility's marijuana inventory tracking system.

(e) A licensed marijuana product manufacturing facility shall prepare marijuana products for transfer to another marijuana establishment by

(1) placing marijuana products within a sealed, tamper-evident shipping container;

(2) affixing a label that complies with 3 AAC 306.570(d) to the shipping container; and

methodology the marijuana testing facility will use;

- (C) proficiency testing results;
- (D) quality control and quality assurance;
- (E) security;
- (F) chain of custody;
- (G) specimen retention;
- (H) space;
- (I) records; and
- (J) reporting of results.

(c) The board will approve a marijuana testing facility license if, after the board or the board's contractor has examined the qualifications and procedures of the marijuana testing facility license applicant, the board finds them generally in compliance with good laboratory practices. Nothing in AS 17.38 or this chapter constitutes a board guarantee that a licensed marijuana testing facility can or will protect the public from all potential hazards of marijuana including microbials, poisons or toxins, residual solvents, pesticides, or other contaminants.

3 AAC 306.622. Marijuana handler permit required

A marijuana testing facility shall ensure that each agent who is required or permitted to be physically present on the licensed premises at any time, each licensee, and each employee

(1) obtains a marijuana handler permit as provided in 3 AAC 306.700 before being licensed or employed at the marijuana testing facility's licensed premises; and

(2) has the marijuana handler permit card in the person's immediate possession, or a valid copy on file on the premises, at all times while on the marijuana testing facility's licensed premises.

3 AAC 306.625. Proficiency testing program

(a) When an accredited proficiency testing program becomes available in the state, the board may require an applicant for a marijuana testing facility license to participate successfully in a proficiency testing program not earlier than 12 months before receiving a license. The proficiency testing program must require an

Article 7

Operating Requirements for All Marijuana Establishments

3 AAC 306.700. Marijuana handler permit

(a) Each agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, and each licensee and employee must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

(b) To obtain a marijuana handler permit, a person must complete a marijuana handler permit education course approved by the board, pass a written test demonstrating an understanding of the course material, and obtain a certificate of course completion from the course provider. The topics that an approved marijuana handler permit education course covers must include

- (1) AS 17.37, AS 17.38, and this chapter;
- (2) the effects of consumption of marijuana and marijuana products;
- (3) how to identify a person impaired by consumption of marijuana;
- (4) how to determine valid identification;
- (5) how to intervene to prevent unlawful marijuana consumption; and
- (6) the penalty for an unlawful act by a licensee, an employee, or an agent of a marijuana establishment.

(c) To obtain a marijuana handler permit, a person who has completed the marijuana handler permit education course described under (b) of this section shall present the course completion certificate to the director. The director shall issue a marijuana handler permit card valid for three years from the date of issue of the course completion certificate. A person may renew a card issued under this section by taking a marijuana handler permit education course approved by the board and passing a written test demonstrating