



Submitted by: Assembly Chair Constant
Assembly Vice Chair Brawley
Prepared by: Municipal Clerk's Office
Office of Assembly Counsel
For reading: March 24, 2026

**ANCHORAGE, ALASKA
AO No. 2026-42**

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY REPEALING**
2 **AND REENACTING ANCHORAGE MUNICIPAL CODE CHAPTER 10.80,**
3 **LICENSING AND REGULATION OF MARIJUANA ESTABLISHMENTS, TO**
4 **INCORPORATE CERTAIN PROVISIONS OF APPLICABLE STATE LAW AND**
5 **FUTURE AMENDMENTS TO THEM FOR OPERATION REQUIREMENTS AND**
6 **RESTRICTIONS, UPDATE AND CLARIFY MUNICIPAL MARIJUANA LICENSING**
7 **REGULATIONS, AMENDING AMC SECTION 10.10.015 REGARDING RECORDS**
8 **RELATED TO MUNICIPAL LICENSE APPLICATIONS, AND AMENDING AMC**
9 **SECTION 14.60.030, FINE SCHEDULE, ACCORDINGLY, AND RELATED**
10 **MATTERS.**

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13 **WHEREAS**, in the 2014 state general election the voters approved Ballot Measure 2,
14 An Act to Tax and Regulate the Production, Sale, and Use of Marijuana (“the Act”),
15 and the initiative was codified in a new chapter as Alaska Statute 17.38 *et seq*; and

16
17 **WHEREAS**, the Act provided for local governments to issue registrations in the event
18 the state failed to enact regulations for the same, or to issue licenses to applicants,
19 and authorizes municipalities to “enact ordinances or regulations not in conflict with
20 this chapter or with regulations enacted pursuant to this chapter, governing the time,
21 place, manner, and number of marijuana establishment operations,” AS 17.38.210(b);
22 and

23
24 **WHEREAS**, the Municipality of Anchorage enacted a robust local regulatory and
25 licensing framework similar to the state statute by enacting a new Chapter 10.80 in
26 the Anchorage Municipal Code for the licensing and regulation of local marijuana
27 establishments at Anchorage Municipal Code Chapter 10.80, largely restating the
28 state regulations. See AO 2016-16(S), As Amended; and

29
30 **WHEREAS**, the licensed and regulated businesses have been successfully operating
31 since 2016 providing many valuable lessons about the industry; and

32
33 **WHEREAS**, numerous amendments have been adopted and implemented since the
34 enactment of the initial state statute, state regulations, and municipal code; and

35
36 **WHEREAS**, to limit duplication and to highlight the differences between the state and
37 municipal legislation, this ordinance incorporates by reference most of the state
38 regulatory statutory provisions and regulations without restating these provisions,
39 reducing the need to mimic state law changes by introduction of ordinances, which

1 will improve the efficiency of local marijuana industry regulation and keep municipal
2 code aligned with state law as it is amended from time to time; and

3
4 **WHEREAS**, this ordinance outlines in detail the procedures, code provisions, and
5 policies of the Municipality that are different and distinct from state law, particularly
6 the Municipality's concurrent licensing jurisdiction; now, therefore,

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8 **THE ANCHORAGE ASSEMBLY ORDAINS:**

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10 **Section 1.** Anchorage Municipal Code Chapter 10.80 is repealed and is reenacted
11 in accordance with AMC section 1.05.050B., a copy of the existing text of the
12 repealed chapter is attached.

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15 **Chapter 10.80 MUNICIPAL LICENSING AND REGULATION OF**
16 **MARIJUANA ESTABLISHMENTS**

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18 **10.80.001 Designation of local regulatory authority.**

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20 A. *Assembly authority.*
- 21 1. The assembly, as the local governing body of the Municipality
 - 22 of Anchorage, holds the authority to grant, deny, suspend and
 - 23 revoke municipal marijuana licenses.
 - 24 2. The assembly is authorized by the state to protest a state
 - 25 marijuana license application.
- 26
- 27 B. Pursuant to AS 17.38.210(c), the clerk is designated as the local
- 28 regulatory authority for the municipality.
- 29
- 30 C. The clerk has final authority to determine the interpretation or usage of
- 31 terms used in this chapter, pursuant to this section. Any person may
- 32 request an interpretation of any term by submitting a written request to
- 33 the clerk, who shall respond in writing within 30 days. The clerk's
- 34 interpretation shall be binding on all officers and departments of the
- 35 municipality. The clerk shall maintain a file of all interpretations made
- 36 pursuant to this subsection. Any person may appeal an interpretation
- 37 by the director regarding a term used in this title to the assembly in
- 38 accordance with subsection 10.85.716.
- 39
- 40 D. It is unlawful for licensees, agents, or employees to violate provisions of
- 41 this chapter, chapter 8.35, applicable provisions of Title 21, 3 AAC ch.
- 42 306, and state law. The municipality may enforce all regulations upon
- 43 marijuana facilities covered by these regulations.
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45
46 **10.80.005 Definitions.**

- 47
- 48 A. Definitions set forth in AS 17.38.900 and 3 AAC 306 are hereby
- 49 incorporated by reference, except where a term is defined in this
- 50 section, as supplemented or modified in this chapter, or where the

1 context clearly indicates a different meaning.
2

3 B. For purposes of this chapter:
4

5 “AMCO” means the State of Alaska Alcohol and Marijuana Control
6 Office;
7

8 “*Application*” means the application for a municipal license,
9 including for a new, renewal, transfer of location, or transfer to
10 another person of the municipal license and/or municipal
11 endorsement unless context indicates it means a different state or
12 municipal application.
13

14 “*Approved*” means assembly has passed an assembly resolution for
15 the approval of a license application and/or special land use permit
16 application, but conditions of the approval have not been complied
17 with;
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19 “*Board*” means the State Marijuana Control Board;
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21 “*Clerk*” means the Municipal Clerk or the Clerk’s designee;
22

23 “*Effective*” means the date the license application and/or special
24 land use permit application approved by the assembly complies with
25 all conditions of approval and a license and/or permit has been
26 issued;
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28 “*License*” means the municipal license unless the context clearly
29 indicates otherwise.
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31 “*State Law*” means those provisions of the state marijuana licensing
32 statutes at AS Chapter 17.38, and the regulations promulgated
33 thereunder in 3 AAC Chapter 306 that are applicable to marijuana
34 establishment premises, operations, and license administration
35 actions regulated by and described in this chapter or set out in
36 section 10.80.100, including subsequent amendments to such laws
37 and regulations.
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40 **10.80.100 Incorporation of state statutes and regulations.**
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42 A. The following provisions of the state marijuana regulation statutes AS
43 chapter 17.38 are incorporated by reference as privileges and
44 restrictions on marijuana establishments licensed by the municipality,
45 and may be enforced under this chapter:

- 46 1. AS 17.38.070, Lawful operation of marijuana-related facilities.
- 47 2. AS 17.38.200, Marijuana establishment registrations, only
48 subsections (g), (h), and (i).
- 49 3. AS 17.38.900, Definitions.
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- 1 B. The state regulations listed below are adopted and incorporated by
2 reference except as supplemented or modified in this chapter.
- 3 1. 3 AAC 306.010-.015, License restrictions and conditions.
4 2. 3 AAC 306.049, Foreclosures.
5 3. 3 AAC 306.051, Application for return of a license to a person
6 with a retained security interest.
7 4. 3 AAC 306.055, Criminal justice information and records.
8
- 9 C. The articles of state marijuana regulations listed below are adopted and
10 incorporated by reference, including as may be amended in the future
11 to repeal or modify existing sections or add new sections. Where
12 provisions of this chapter regulate the same act or conduct as that in
13 state law, the provisions of this chapter shall govern.
- 14 1. 3 AAC 306 Article 3, Retail Marijuana Stores. Excluding these
15 sections:
16 a. 3 AAC 306.315, Application for Retail Marijuana Store
17 License.
18 b. 3 AAC 306.370, Onsite consumption endorsement for
19 Retail marijuana stores.
20 c. 3 AAC 306.380, Walk-up or Drive-Through Exterior
21 Window Pick-up for Retail Marijuana Stores.
22
- 23 2. 3 AAC 306 Article 4, Marijuana Cultivation Facilities. Excluding
24 these sections:
25 a. 3 AAC 306.420, Application for Marijuana Cultivation
26 Facility License.
27 b. 3 AAC 306.480, Marijuana Tax to be Paid.
28
- 29 3. 3 AAC 306 Article 5, Marijuana Product Manufacturing Facilities.
30 Excluding these sections:
31 a. 3 AAC 306.520, Application for Marijuana Product
32 Manufacturing Facility License.
33
- 34 4. 3 AAC 306 Article 7, Operating Requirements for All Marijuana
35 Establishments. Excluding these sections:
36 a. 3 AAC 306.760, Trade shows.
37
- 38 5. Only the following sections in 3 AAC 306 Article 8, Enforcement;
39 civil penalties:
40 a. 3 AAC 306.801, Powers and duties.
41 b. 3 AAC 306.806, Verbal warning, Inspection Report,
42 Advisory Notice, or Notice of Violation.
43 c. 3 AAC 306.830, Seizure of or administrative hold on
44 marijuana or marijuana products.
45 d. 3 AAC 306.836, Probation.
46 e. 3 AAC 306.850, Surrender or Destruction of License.
47
- 48 6. 3 AAC 306 Article 9, General Provisions. Excluding these
49 sections:
50 a. 3 AAC 306.930, Staff.

1 21, the more restrictive requirements shall apply.
2

- 3 C. The licensee has a duty to promptly update the clerk of any changes to
4 its contact information for correspondence and notices.
5
6 D. The assembly may impose other conditions or restrictions on a license
7 issued under this chapter when the assembly finds that it is in the
8 interests of the public to do so.
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11 **10.80.115 License restrictions.**
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13 License restrictions include the prohibitions and restrictions set forth in State
14 Law, section 10.05.020, and this chapter.
15

16 State law reference: 3 AAC 306.010.
17

18 **10.80.120 Applications for new, renewal or transfer of license**
19 **and/or endorsement.**
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- 21 A. *Municipal Application.* An applicant for a new, renewal or transfer of a
22 municipal marijuana establishment license and/or endorsement must
23 submit a municipal application.
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25 B. *Fees.* The applicant must pay to the municipality the application and
26 licensing fees set out in Section 10.80.135.
27
28 C. *New Application.*
29 1. The municipality will accept an application for a new marijuana
30 license only after AMCO has deemed the corresponding state
31 marijuana establishment license application complete.
32 2. The combined application for a new marijuana establishment
33 license with special land use permit shall be submitted by the
34 applicant to the planning department director who shall
35 determine if the application is complete.
36 3. A marijuana establishment's new application must include:
37 a. the establishment name, applicant name, premises
38 address and legal description, and license type, and
39 endorsement if applicable;
40 b. a current email address at which the applicant agrees to
41 receive any correspondence and notices from the
42 municipality before and after it receives a license;
43 c. identification of the license number issued by the State
44 for the corresponding State marijuana license;
45 d. the physical address of each individual who is identified
46 as a licensee under State Law;
47 e. all information required under Title 21 for the special land
48 use permit for marijuana; and

- 1 f. if applying for a new municipal endorsement for onsite
2 consumption, the information required by section
3 10.80.205.
- 4 4. If the Planning Director determines the application is complete,
5 the Planning Director shall as soon as practicable give written
6 notice to the applicant and the community council in which the
7 proposed licensed premises is located. This is separate and
8 exclusive of the notice requirements of Title 21.
- 9 5. If the municipal application is incomplete, the Planning Director
10 shall notify the applicant by email at the address provided by the
11 applicant and:
 - 12 a. return an incomplete application in its entirety to the
13 applicant; or
 - 14 b. request the applicant to provide specific additional
15 information needed to complete the application.
- 16 6. When the Planning Director informs an applicant that their
17 application is incomplete, the applicant must provide the
18 information necessary to complete the application not later than
19 90 days after the date of the Planning Director's notice. If an
20 applicant fails to complete its application during this 90-day
21 period, the applicant must file a new application.
- 22
- 23 D. *Biennial renewal.* Marijuana establishment license applications for
24 biennial renewal shall be filed with the clerk's office and:
 - 25 1. will be accepted by the clerk's office only between May 1 and
26 August 31; and
 - 27 2. must be received by the clerk's office not later than 5:00 p.m. on
28 June 30 of the renewal year or they will be considered
29 delinquent;
 - 30 3. must include:
 - 31 a. the information required under section 10.80.120C.3.
32 except for information regarding a previously approved
33 special land use permit; and
 - 34 b. any other information required by the clerk.
 - 35 4. delinquent applications are subject to closure as described in
36 subsection E.2.; and
 - 37 5. a renewal application is not required if a marijuana
38 establishment has received approval for its original license by
39 the assembly, but it is not effective before July 1 of the renewal
40 year.
- 41
- 42 E. *Expiration.*
 - 43 1. All marijuana establishment licenses and endorsements expire
44 at 12:00 midnight on August 31 of the renewal year, unless a
45 different date is set in the assembly resolution approving the
46 license or endorsement.
 - 47 2. If a marijuana establishment files a complete license renewal
48 application between May 1 and on or before August 31:
 - 49 a. *filed on or before June 30.* The marijuana establishment
50 may continue operating under the current license

1 notwithstanding the expiration date until the renewed
2 license is approved and effective, or until the assembly
3 denies the application for renewal.

- 4 b. *filed on or after July 1 is delinquent.* The marijuana
5 establishment shall not operate after August 31 until the
6 renewed license is approved and effective. The
7 establishment may retain possession of the marijuana or
8 marijuana product that is otherwise compliant with this
9 chapter on its premises although prohibited from
10 operations pending a decision on the renewal application.
- 11 3. If a marijuana establishment fails to file a complete license
12 renewal application on or before August 31, the holder of that
13 expired license shall, within ten days of expiration, surrender the
14 license to the clerk.
- 15 4. Any holder of an expired license with no renewal application
16 pending that seeks authority to operate must file a new
17 application under sections 10.80.120C.
- 18 5. Endorsements that are not transferred with a license that is
19 transferred to another person or to another location shall expire
20 upon the effective date of such transfer.

21

22 F. *Transfer of ownership.*

- 23 1. An ownership change that transfers the license to another
24 person or transfers a controlling interest in a license issued to a
25 partnership, a limited liability company, or a corporation must be
26 approved by the assembly in accordance with this subsection.
27 An ownership change that does not result in a change in
28 controlling interest of the license requires no action and the clerk
29 will keep a record of such changes to each license as reported
30 to the state pursuant to 3 AAC 306.040 for state licenses.
31 “Ownership change” has the meaning in that state regulation.
- 32 2. An application for transfer of ownership must be filed in writing
33 on a form the clerk prescribes. Regardless of any private
34 agreement, a transfer of ownership is not effective until after
35 issuance of the license.
- 36 3. The application must name the current licensee(s) transferor(s)
37 of the marijuana establishment license and the proposed
38 licensee(s) transferee(s). Ownership must match the
39 corresponding State marijuana license ownership transfer
40 application information.
- 41 4. The application must contain:
- 42 a. the information required under section 10.80.120C.3.
43 except for information regarding the previously approved
44 special land use permit; and
- 45 b. any other information required by the clerk for the type of
46 marijuana establishment license sought to be transferred.
- 47 5. A municipal onsite consumption endorsement may only be
48 transferred to another person if the license for which the
49 endorsement was issued is also transferred to that person.
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1 G. *Transfer of location.*

- 2 1. An application for transfer of a license with or without any
3 associated endorsement to another location must be filed in
4 writing on a form the clerk prescribes.
5 2. An application for transfer of a license to another location must
6 contain:
7 a. the information required under section 10.80.120C.3.
8 b. the current location of the licensed premises,
9 c. the proposed location of the proposed licensed premises
10 including legal description,
11 d. whether the license holder intends to transfer the
12 endorsements, and
13 e. any other information required by the clerk for the type of
14 license sought to be transferred.
15 3. An application for a special land use permit under Title 21 is
16 required if the proposed new location does not have a current
17 valid special land use permit for marijuana.
18

19 H. *Transfer of location with transfer to another person.*

- 20 1. If the transfer of a license to another location is concurrent with
21 the transfer of the license to another person as described in this
22 section, an application must be filed in writing on a form the clerk
23 prescribes.
24 2. A concurrent transfer application must contain the information
25 listed under subsections F. and G.
26

27 I. *Transfer and renewal.*

28 A current holder of a license shall submit a renewal application before
29 or at the same time as an application for a transfer of a license to
30 another location that is submitted after April 30 and before August 31 in
31 the calendar year that such license is to be renewed.
32

33 J. After the assembly approves a license application, the applicant may
34 not begin operating the marijuana establishment until the applicant has
35 received and posted the municipal marijuana license and special land
36 use permit certificate inside the licensed establishment in a
37 conspicuous place.
38

39 K. Each person signing an application for a marijuana establishment
40 license must declare under penalty of unsworn falsification that
41 1. the application is true, correct, and complete;
42 2. the applicant has read and is familiar with AS 17.38 and this
43 chapter; and
44 3. the applicant will provide all information the board requires in
45 support of the application.
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47 L. Nothing in this section supersedes any proceeding to suspend or
48 revoke a license.
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10.80.125 Action by the clerk.

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3 A. *Protest of new state marijuana license.* Upon receipt by the clerk of
4 notice from AMCO of the filing of a new state marijuana license
5 application, the clerk shall conditionally protest, on behalf of the
6 assembly, the license or endorsement application. The applicant must
7 possess all licenses, permits and approvals needed to operate a
8 marijuana establishment or endorsement activity within the municipality
9 before the protest may be lifted.

10
11 B. *Notice of renewal.* On or before May 1 of each year the clerk shall:
12 1. send notice to marijuana establishments with license(s) in active
13 and operating status that they must file a renewal application for
14 each license due for renewal not later than June 30 of the
15 current year.
16 2. notify each community council of all the marijuana establishment
17 licenses located within its boundaries that are due to expire in
18 August that calendar year and advise councils they may request
19 a public hearing before the assembly on any renewal within its
20 boundaries.
21 a. Requests for a public hearing before the assembly shall
22 be made no later than June 15 of that same year and
23 shall be submitted to the clerk's office.
24 i. Requests should be in the form of a community
25 council resolution with grounds for the public
26 hearing request including, but not limited to:
27 (A) total votes in favor and opposed to the
28 resolution; and
29 (B) comments from residents or community
30 council members; and
31 (C) photographs, videos, data, or other
32 documentation.
33 ii. Requests received on or before June 15 shall be
34 accepted by the clerk under this section and a
35 public hearing will be scheduled.
36 iii. The clerk shall prepare a resolution and schedule
37 a public hearing on behalf of the assembly, with
38 the community council resolution and other
39 pertinent information attached to it.
40 b. Holders of licenses for which a public hearing has been
41 scheduled shall be notified by the clerk of the request for
42 a public hearing and provided a copy of the community
43 council request and documentation.

44
45 C. *Notice of expiration.* On or before August 15 of each year, the clerk
46 shall deliver a notice of expiration to each marijuana establishment due
47 for renewal that has not filed a complete application for renewal. A
48 marijuana establishment is not excused from filing a license renewal
49 application not later than August 31 even if the marijuana establishment
50 does not receive the notice of expiration described in this section.

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- D. *Notice of deemed complete applications.* When the clerk receives an application for a renewal or transfer of a license (location or ownership) and determines that the application is complete, the clerk shall give notice of the deemed complete application to:
1. the applicant; and
 2. the community council in which the licensed premises is located.
- E. *Compliance determination.* In determining whether applications have complied with the provisions of this chapter, the clerk shall compile all department reviews received determining whether the proposed activity or business complies with the specific laws or municipal regulations administered by the municipal departments referenced in Section 10.10.020. and submit them to the assembly with the application in the form of a resolution. The resolution shall include all comments received by the clerk's office from the public or community council as well as any enforcement actions if applicable.

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10.80.130 Public participation.

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- A. *Public comment.* A person may comment on an application by submitting a written statement to the clerk. If a public hearing is held, a person may also give oral testimony at the public hearing held in accordance with subsection B.
- B. *Public hearing.* Notice of public hearing required under this section shall be published at least seven days in advance.
1. The assembly will hold a hearing:
 - a. for a new application for a marijuana establishment. The hearing will be consolidated with the hearing required by Title 21 on the applicant's associated application for a special land use permit.
 - b. for a new application for an onsite consumption endorsement. The hearing may be consolidated with the hearing required for a new application for a marijuana establishment license under subsection a. of this section.
 2. The assembly may hold a hearing for any other municipal marijuana application.

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10.80.135 Assembly procedure for action on license or endorsement application and protest to State Marijuana Control Board.

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- A. *Action by the assembly.* The assembly may act upon a municipal marijuana license application and corresponding state marijuana license application by one resolution. Upon receipt by the clerk of notice from AMCO of the filing of a state marijuana license renewal or

1 transfer application, the assembly may protest the application,
2 conditionally protest the application, or waive its right to protest.

- 3 1. *Waiver.* The clerk may prepare a resolution for the assembly's
4 approval of the municipal marijuana license issuance and
5 stating waiver of the right to protest the state license if all
6 review certifications of compliance required from municipal
7 departments have been received.
- 8 2. *Conditional protest.* The clerk may prepare a resolution for the
9 assembly's approval of a conditional protest of the municipal
10 license and State license, pending completion of items listed in
11 the resolution. The clerk shall send the resolution to the
12 applicant and to the community council involved at least ten
13 days prior to the date set for assembly action on the resolution.
14 The assembly shall schedule and conduct a public hearing to
15 allow the applicant an opportunity to be heard before exercising
16 its right to conditionally protest the licenses. Upon confirmation
17 that all items have been addressed, a conditional protest may
18 be lifted by the clerk without further action by the assembly.
- 19 3. *Denial and protest.* The assembly shall deny a municipal
20 marijuana license application and protest a state marijuana
21 license application by resolution with grounds for protest
22 specified. The clerk shall prepare a proposed resolution and
23 send it to the applicant and to the community council involved
24 at least ten days prior to the date set for assembly action. The
25 assembly shall schedule and conduct a public hearing to give
26 the applicant an opportunity to defend their application before
27 exercising its right to deny and protest the licenses.
- 28 a. A protest by the assembly under this section cannot be
29 based in whole or in part on police reports or other
30 written materials available to the municipality but which
31 were not provided to the affected owner or operator
32 before the public hearing on that protest.
- 33 b. The assembly will consider any written objection,
34 suggested condition, or petition, and any testimony
35 received at a public hearing when it considers the
36 application. The clerk will retain the written objection,
37 suggested condition, or petition as part of the record of
38 the assembly's review of an application.
- 39 c. A motion to reconsider may not be made regarding the
40 assembly's action on whether to protest an application.

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42 **B. *Conditions.***

- 43 1. The assembly may place conditions on the municipal license
44 and request conditions to be placed on the state license by the
45 Board.
- 46 2. The clerk shall prepare a proposed resolution and send it to the
47 applicant and to the community council involved at least ten
48 days prior to the date set for assembly action.
- 49 3. The assembly shall schedule and conduct a public hearing to
50 give the applicant an opportunity to defend their application

1 before conditions are added to the municipal license and
 2 requested for the state license.

- 3 4. The assembly may amend the proposed resolution to include
 4 facts and findings to support placing conditions on the
 5 municipal marijuana license or for the request for conditions to
 6 be placed on the State marijuana license, by the Board.
 7 a. *Municipal license conditions:* will be enforced until
 8 further action is taken by the assembly.
 9 b. *State license conditions:* conditions placed on the State
 10 license by the Board are valid for the duration of the
 11 current license period for which the assembly requested
 12 them.
 13 i. A public hearing must be held prior to requesting
 14 conditions be continued in place for the following
 15 licensing period.
 16 5. The assembly may add, remove, or modify conditions of the
 17 license, including conditioning its waiver of protest on
 18 satisfaction of any such conditions of the transfer or imposed on
 19 the transferees.
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21
 22 **10.80.140 Standards governing assembly review of marijuana license**
 23 **applications.**
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- 25 A. The assembly shall consider whether the proposed state and/or
 26 municipal application meets standards set forth in this subsection, as
 27 follows:
 28 1. *General requirements.* Whether all review certifications of
 29 compliance from municipal departments have been received as
 30 required by AMC 10.10.020.
 31 2. *Public comments.* Whether comments have been received
 32 regarding the application from the public or the corresponding
 33 community council.
 34 3. *Payment of taxes, fees, and fines.*
 35 a. Whether the applicant is delinquent in payment of
 36 accounts owed to the municipality.
 37 b. When application is made for transfer of ownership of a
 38 license the assembly shall consider whether the
 39 municipality has received either payment or adequate
 40 security for the payment of any debts or taxes, including
 41 any estimated taxes for the current year arising from the
 42 conduct of the licensed business.
 43 4. *Security for payment of taxes, fees, and fines.* Adequate
 44 security for the payment of debts and taxes may be in the form
 45 of:
 46 a. escrowed funds sufficient to pay the taxes, fees and
 47 fines claimed and any escrow fees; or
 48 b. actual payment of debts and taxes claimed; or
 49 c. a guarantee agreement in accordance with this
 50 subsection. Any guarantee agreement under this

subsection shall be in writing, shall be signed by the transferor, transferee and municipality, and must include:

- i. acknowledgment and acceptance of responsibility by the transferee for the debts and taxes, fees, and fines due to the municipality; and
- ii. recognition of the municipality as the beneficiary of the agreement; and
- iii. recognition of the municipality's remedies for breach of the agreement including:
 - (A) a civil suit for enforcement of the agreement; and
 - (B) protest of a subsequent renewal for nonpayment of taxes arising from conduct of the licensed business or breach of the guarantee agreement; and
 - (C) any other remedies or claims that the municipality might have asserted against the transferor.
- d. Release of guarantee. Upon payment of all taxes, fees and fines due the municipality pursuant to the written guarantee agreement, the municipality shall execute a written release of guarantee.

10.80.145 Denial of application.

- A. *New application.* After review of the application, including the applicant's proposed operating plan and all relevant information included in the resolution submitted by the clerk, the assembly may deny an application for a new license or endorsement and protest the issuance of the corresponding state marijuana license if it finds that:
 1. the application contains any false statements of material fact; or
 2. the license or endorsement would violate any restriction in AMC 10.80 or State Law; or
 3. the assembly finds that the operating plan does not adequately demonstrate that the applicant will comply with applicable standards of this chapter; or
 4. issuance of the license or endorsement will adversely impact the health, welfare or public safety of the neighborhood in which the marijuana establishment is proposed to be located, or otherwise would not be in the best interests of the public.
- B. *Renewal application.* After review of the application and all relevant information included in the resolution submitted by the clerk, the assembly may deny an application for renewal of a marijuana establishment license and may protest the issuance of the corresponding state marijuana license if it finds:
 1. any cause listed in subsection A. of this section; or
 2. the license has been revoked for any cause; or

1 3. the license has been operated in violation of a condition or
2 restriction the assembly previously imposed.

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4 C. *Transfer.* After review of the application and all relevant information
5 included in the resolution submitted by the clerk, the assembly may
6 deny an application for transfer of a license and may protest the
7 issuance of the corresponding state marijuana license if it finds:
8 1. any cause listed in subsection A. of this section; or
9 2. that the transferor has not paid all debts or taxes arising from the
10 operation of the business licensed under this chapter unless the
11 transferor gives security for the payment of the debts or taxes
12 satisfactory to the creditor or taxing authority; or
13 3. that transfer of the license or of a controlling interest in the
14 license would result in violation of the standards of this chapter
15 relating to identity of licensees and financing of licensees; or
16 4. that a prospective transferee does not have the qualifications of
17 an original applicant required under this chapter.

18
19
20 **10.80.150 Appeals of license application actions.**

21
22 If the assembly denies an application for a license or endorsement, or imposes
23 conditions or restrictions on one, the clerk will, not later than 15 days after the
24 meeting at which the assembly's final decision was made, send notice in
25 writing to the applicant of the denial by furnishing the assembly resolution and
26 all facts and findings supporting the denial. A final decision may be appealed
27 to the superior court within 30 days of the date the decision is sent to the
28 applicant.

29
30 **10.80.155 Fees; refund.**

- 31
32
33 A. *License and operating fees.* The biennial license or endorsement fee to
34 be paid with each application for a new marijuana license or
35 endorsement and for each renewal application for a marijuana license
36 or endorsement is \$0, and the annual license or endorsement operating
37 fee to be paid with each application for a new marijuana license or
38 endorsement and for each renewal application for a marijuana license
39 or endorsement is \$0.
40
41 B. If the assembly denies an application for a license or for renewal of a
42 license, the municipality will refund the annual license operating fee
43 received with the denied application for a license or renewal. The
44 municipality will not refund a license operating fee after the license has
45 been issued.
46
47 C. Fees as described in chapter 10.70 or established elsewhere in this
48 code that are charged by municipal departments for inspections or
49 other applicable requirements shall be paid by the applicant.
50

1
2 **10.80.200 Retail marijuana store general privileges and prohibitions.**
3

- 4 A. *Privileges.* Licensed retail marijuana stores are granted all privileges
5 granted to them under state law, including to:
6 1. accept payment for the transactions accepted over the internet
7 or by telephone for marijuana or marijuana products and provide
8 the purchased products only to the consumer present at the
9 licensed premises who placed the order; and
10 2. sell food or beverages not containing marijuana or alcohol for
11 consumption on the premises; and
12 3. if permitted by the establishment's special land use permit for
13 marijuana granted under Title 21, display marijuana or marijuana
14 products at a walk-up or drive through exterior window; all orders
15 received through it must be placed by the consumer from a
16 menu in compliance with this section and Title 21.
17
- 18 B. A licensee of a retail store may also apply for a cultivation license,
19 manufacturing license, or both.
20 1. Except for areas of overlapping premises approved under state
21 law and Title 21 if applicable, the licensee shall conduct any
22 cultivation operation in a room separate from other operation
23 and the retail store, and shall conduct any manufacturing
24 operation in a room separate from any other operation and the
25 retail store:
26 a. if the rooms are connected and co-located, a secure door
27 must separate the rooms from each other; and
28 b. a secure door must separate any room connected to a
29 retail store and co-located with the retail store.
30 2. The licensee shall comply with each provision of this chapter
31 that applies to any other type of marijuana facility license that
32 the licensee of a retail store obtains.
33
- 34 C. *Prohibited acts.* In addition to the prohibited acts under state law and
35 this chapter, a licensed municipal marijuana retail store may not:
36 1. offer or deliver free marijuana or marijuana product, including a
37 sample unless allowed by state law; or
38 2. offer service or conduct any activity that requires an
39 endorsement except as provided in 10.80.205.
40

41
42 **10.80.205 Onsite consumption endorsement for retail marijuana**
43 **stores.**
44

- 45 A. *Endorsement.* An applicant for an onsite consumption endorsement
46 must file an application on a form prescribed by the clerk, including the
47 documents set out in this section, which must include:
48 1. the information required under 10.85.120C.;
49 a. licensed retail stores must include any changes made to
50 the license if applicable;

2. information required by the planning department regarding the special land use permit under Title 21; and
3. establishments must comply with characteristics for an edible only consumption area under State Law applicable.

B. *Privileges.* A marijuana retail store with an approved onsite consumption endorsement is authorized to:

1. sell edible marijuana products for consumption on the licensed premises at the time of purchase in compliance with this section and Title 21 as applicable:
 - a. in quantities not to exceed 25 mg of THC to any one person per day; and
2. sell food or beverages not containing marijuana or alcohol for consumption on the premises; and
3. allow a person to remove from the licensed premises marijuana or marijuana product that has been purchased on the licensed premises for consumption under this section, provided it is packaged in accordance with State Law.

C. *Prohibited acts.* In addition to prohibitions under State Law, a marijuana retail store with an approved onsite consumption endorsement may not sell for onsite consumption:

1. products consumed by inhalation; and
2. all methods of consumption that would be prohibited under chapter 16.65, Secondhand Smoke Control Ordinance.

D. The retail marijuana store holding an onsite consumption endorsement under this chapter shall comply with any conditions imposed by the assembly or placed on the State endorsement by the Board.

E. The holder of an onsite consumption endorsement must apply for renewal biennially at the time of renewal of the underlying retail marijuana store license.

F. A municipal onsite consumption endorsement may only be transferred to another person if the license for which the endorsement was issued is also transferred to that person.

10.80.210 Local restrictions on advertising of marijuana and marijuana products; signs.

A. In addition to the advertising restrictions of State Law:

1. An advertisement for marijuana or marijuana products may not contain a statement or illustration that advertises any type of military discount for an individual in the status of Active Duty, Guard, or Reserves in any branch of the United States military.
2. For purposes of this section, "military discount" means any reduction in price or other special offer to encourage sales

1 based on the current Active Duty, Guard, or Reserve military
2 status of a potential customer.

3 a. The prohibition shall sunset without further action by the
4 Assembly upon the Department of Defense or the United
5 States Congress issuing guidance or changing the law
6 to allow service members to use cannabis and remain in
7 Active, Guard, and Reserve status without potential for
8 discipline or administrative separation.
9

10 B. A retail marijuana store's signs must comply with Title 21 of the
11 Anchorage Municipal Code and other applicable municipal code
12 sections. To the extent of any conflict between this chapter and the
13 requirements of Title 21, the more restrictive requirements shall apply.
14

15
16 **10.80.215 Health and safety standards.**
17

18 A. All marijuana concentrates intended for non-smoking oral consumption
19 must be maintained at a temperature of 41 degrees F or lower.
20

21 B. The Director of the Anchorage Health Department may waive the
22 requirements of subsection A. upon review of written procedures and
23 scientific evidence submitted by the manufacturer that demonstrates
24 that the procedures used to produce the marijuana concentrate results
25 in a product that does not require refrigeration.
26

27
28 **10.80.220 Walk-up or drive-through exterior window pick-up for retail
29 marijuana stores.**
30

31 A licensed retail marijuana store may serve a consumer through a walk-up or
32 drive-through exterior window in compliance with the requirements of State
33 Law and in compliance with requirements of its special land use permit for
34 marijuana under Title 21.
35

36
37 **10.80.225 Retail marijuana tax and certificate of registration.**
38

39 A retail marijuana store must obtain a certificate of registration as required by
40 AMC chapter 12.50 for each location at which the business of retail sales of
41 marijuana or marijuana products are conducted prior to operating as a
42 retailer within the municipality.
43

44
45 **10.80.300 Marijuana cultivation facility general privileges and
46 prohibitions.**
47

48 Licensed cultivation facilities have the privileges, restrictions, and prohibitions
49 applicable under state law.
50

1 inspection by a municipal official charged with the enforcement of this
2 chapter, and by the Anchorage Police Department, the Anchorage Fire
3 Department, the Anchorage Health Department or any other local
4 official with health and safety responsibilities.
5

- 6 B. Inspection under this section includes inspection of the premises,
7 facilities, qualifications of personnel, methods of operation, business
8 and financial records, marijuana inventory tracking system, policies,
9 and purposes of any marijuana establishment and of any applicant for a
10 marijuana establishment license.
11

12
13 **10.80.515 Health and safety standards.**
14

15 A marijuana establishment is subject to inspection by the Anchorage Police
16 Department, the Anchorage Fire Department, the Municipal Code Enforcement
17 Department, the Anchorage Health Department or any other local official with
18 health and safety responsibilities to confirm that no health or safety concerns
19 are present upon inspection required for issuance of license, and the
20 establishment is in compliance with applicable municipal codes and State
21 laws.
22

23
24 **10.80.520 Waste disposal.**
25

26 A marijuana establishment shall store, manage, and dispose of any solid or
27 liquid waste, including wastewater generated during marijuana cultivation
28 production, processing, testing, or retail sales, in compliance with the approved
29 operating procedure for waste disposal and applicable federal, state, and local
30 code, ordinances and regulations.
31

32
33 **10.80.525 Public records.**
34

- 35 A. Marijuana establishment applications are public records. The clerk, in
36 consultation with the Municipal Attorney, may, at the request of any
37 applicant, designate materials confidential if they:
38 1. contain proprietary information including trade secrets; or
39 2. are required to be kept confidential by any federal or state law or
40 regulation.
41

42
43 **10.80.530 Minors on licensed premises.**
44

- 45 A. Notwithstanding any other provision of this chapter or as allowed by the
46 State, a licensee or employee of a licensee may bring a child, who is
47 the child of the licensee or employee and of an age that is allowed
48 under State Law, onto the licensed premises
49 1. for the purpose of breastfeeding the child or the expression of
50 breast milk in a designated area, which must not expose the

1 child in any way to marijuana or any marijuana product, including
 2 marijuana pollen. A designated area may not include an onsite
 3 consumption area described under section 10.80.205.

4 2. as otherwise allowed by State Law.

5
 6 B. This section may not be construed to supersede or change the
 7 requirements of 29 U.S.C. 207 (Section 7 of the Fair Labor Standards
 8 Act of 1938) or any other law applicable to breastfeeding in the
 9 workplace.

10
 11
 12 **10.80.535 Samples.**

13
 14 Samples allowed and prohibited by State Law for licensed facilities are
 15 incorporated.

16
 17
 18 **10.80.600 Powers and duties.**

19
 20 A. *Inspect.* Along with the powers and duties under State Law, the
 21 municipality may inspect during normal working hours of the business,
 22 the licensed premises of a marijuana establishment, including:

- 23 1. approved overlapping premises ; and
 24 2. marijuana and marijuana products; and
 25 3. equipment used in cultivating, processing, testing, or storing
 26 marijuana.

27
 28 B. *Enforcement.* Before taking action to initiate proceedings for the
 29 suspension or revocation of a marijuana establishment license and
 30 special land use permit for marijuana, or an endorsement, as provided
 31 under section 10.80.710, the municipality shall:

- 32 1. issue a review certification to document an inspection of the
 33 licensed premises and may be documented in the licensee's file
 34 maintained by the clerk;
 35 2. issue a written notice of violation (warning) to address more
 36 serious or repetitive violations of State Law, this chapter, or
 37 other local law that has occurred or is occurring on the licensed
 38 premises. It may be issued as a stand-alone document or based
 39 on a single event described in a previously issued inspection
 40 report or non-compliance advisory notice;
 41 3. issue a citation if a review certification or other credible
 42 information shows a marijuana establishment is in violation of
 43 State Law, this chapter, or other provision of the Anchorage
 44 Municipal Code; and

45
 46 C. Along with the powers and duties under State Law incorporated by
 47 reference to this chapter, the municipality may:

- 48 1. exercise peace officer powers as authorized under AMC
 49 1.45.030; and
 50 2. take other action the clerk considers necessary to ensure the

1 enforcement of this chapter.
2

- 3 D. A marijuana establishment, licensee, employee, or agent in charge
4 shall cooperate with the municipality by:
5 1. permitting entry to and inspection of the licensed premises; and
6 2. providing access to business records not later than 10 business
7 days after a request.
8

9
10 **10.80.605 Civil fines, penalties and remedies.**

- 11
12 A. The clerk or other municipal official authorized to enforce this chapter
13 may, in addition to any other penalties imposed under this title, seek
14 civil fines on a marijuana establishment, licensee, or person by initiating
15 proceedings before the Administrative Hearing Officer by filing and
16 serving a charging document in accordance with Title 14. The fine shall
17 be in accordance with the fine schedule in Section 14.60.030,
18

19
20 **10.80.610 Suspension or revocation of license or endorsement.**

- 21
22 A. *Opportunity to be heard.* Except where suspension or revocation is
23 provided for in this chapter, no decision of the assembly to suspend,
24 revoke, or restrict a license or endorsement granted under this chapter
25 shall be effective until the person holding that license is first given an
26 opportunity to be heard by the assembly before the decision is made.
27

- 28 B. *Suspension of license by clerk.*

29 1. *Summary suspension, suspension, or revocation:*

- 30 a. If the clerk finds that a person holding a marijuana
31 establishment license or endorsement has acted and
32 appears to be continuing to act in a way that constitutes
33 an immediate threat to the public health, safety or
34 welfare, the clerk may issue an order immediately
35 suspending the license of that person, and ordering an
36 immediate stop to the activity that constitutes the threat to
37 the public health, safety, or welfare.

- 38 i. When the clerk issues a summary suspension
39 under this section, the clerk shall immediately give
40 the marijuana establishment subject to the
41 summary suspension order notice of the reasons
42 for the summary suspension, and of the time and
43 place for an expedited hearing before the
44 Administrative Hearings Officer. Unless the
45 marijuana establishment subject to the summary
46 suspension order requests a delay, the hearing
47 will be held not later than five days after the clerk
48 gives notice of the reasons for the summary
49 suspension and the scheduled hearing.

1 2. The assembly may hold hearings or refer hearings to the
2 Administrative Hearings Officer to conduct as the assembly's
3 designee.

4 a. If the assembly holds the hearing, it shall be conducted
5 as prescribed in chapters 2.30 and 3.60.

6 b. The assembly may consider any and all relevant
7 evidence in the record, may determine the credibility and
8 weight of evidence, and shall render a decision based on
9 substantial evidence and a totality of the circumstances.

10 c. If referred to an administrative hearings officer, the
11 hearing officer shall conduct the hearing as prescribed in
12 chapter 3.60 and prepare recommended findings,
13 conclusions, and decision or order. The administrative
14 hearings officer shall forward the record of proceedings
15 and the recommendations to the assembly for adoption,
16 rejection or modification.

17 i. If the assembly modifies the hearing officer's
18 recommended order or decision, the reasons shall
19 be stated in the record before issuance of the final
20 order or decision.

21
22 D. The assembly may, at its discretion, direct its decision to be forwarded
23 to AMCO.

24
25 E. *Appeal:* A final decision of the assembly regarding the suspension or
26 revocation of a license or endorsement may be appealed by an
27 aggrieved party to the superior court within 30 days of the date the
28 written decision was issued in accordance with court rules.

29
30
31 **10.80.615 Surrender or destruction of license or endorsement.**

32
33 A. A license or endorsement issued under this chapter must be
34 surrendered to the clerk no later than ten days after the marijuana
35 establishment loses or vacates the licensed premises.

36 1. *Exceptions.* Following the death of a licensee, a facility may
37 continue to be operated per 10.80.620.

38
39 B. If a license is lost, destroyed, or stolen, the marijuana establishment
40 shall promptly notify the clerk for replacement and the clerk shall notify
41 the code enforcement division.

42
43 **10.80.620 Death of licensee.**

44 A. If an individual who is the sole licensee of a marijuana establishment
45 dies, the marijuana establishment shall cease operation. A personal
46 representative appointed by the superior court for the estate of the
47 deceased licensee may submit to the municipal clerk a written request
48 to reopen the business, along with a copy of the court order appointing
49 the personal representative. If the licensed marijuana establishment is

1 in good standing, and the personal representative is not a person
2 prohibited from holding a marijuana establishment license by AS
3 17.38.200(i) or sections 10.80.110-.115, the municipal clerk shall grant
4 permission to the personal representative to operate the business on
5 the licensed premises subject to subsection B of this section. In this
6 section, a marijuana establishment is in “good standing” if the marijuana
7 establishment:

- 8 1. Has a valid current license;
- 9 2. Has paid all fees due under this chapter and all local
10 taxes due; and
- 11 3. Has no unresolved suspension or revocation proceedings
12 against it.

13
14 B. A personal representative authorized to operate a marijuana
15 establishment under subsection A of this section must submit an
16 application for a transfer of ownership to another person in compliance
17 with section 10.80.120 not later than 180 days after obtaining the
18 municipal clerk's approval to operate. The municipal clerk may extend
19 the time allowed in this section for another 180 days if the personal
20 representative requests the additional time.

21
22 C. This section does not authorize the transfer of a marijuana
23 establishment license unless the assembly approves the personal
24 representative's application for transfer of license to another person.

25
26 D. *Exceptions.* Following the death of a licensee, a facility may continue to
27 be operated if a transfer application is pending. A personal
28 representative appointed by the superior court for the estate of a
29 deceased licensee who is:

- 30 1. a sole proprietorship may operate the marijuana establishment
31 in accordance with State Law; or
- 32 2. a partner holding a controlling interest in a partnership, a
33 member holding a controlling ownership interest in a limited
34 liability company, or an owner of a controlling interest in a
35 corporation's stock, may:
 - 36 a. represent the deceased licensee's interest in the entity for
37 a period not to exceed 180 days, and
 - 38 b. shall submit an application for a transfer of a controlling
39 interest within that time.
 - 40 i. The clerk may extend the time allowed in this
41 section for up to an additional 180 days upon
42 written request of the personal representative.
43 This subsection does not authorize the transfer of
44 a controlling interest in a marijuana establishment
45 license by the personal representative,
46 administrator or executor to the estate of a
47 decedent.

48
49
50 **Section 2.** Anchorage Municipal Code section 10.10.015 is hereby amended to

read as follows (*the remainder of the section is not affected and therefore not set out*):

10.10.015 - Contents of application for license.

*** *** ***

D. The clerk may limit publication of such records into online systems that may create security concerns, including, but not limited to security plans and camera placement.

Section 3. Anchorage Municipal Code section 14.60.030 is hereby amended to read as follows (*the remainder of the section is not affected and therefore not set out*):

14.60.030 Fine schedule.

The fine schedule under this chapter is as follows:

Code Section	Offense	Penalty/Fine
*** *** ***		
<u>10.80.100</u>	<u>Violation of state law or regulation adopted and incorporated by reference (identify specific section or provision of AS 17.38 or 3 AAC Chapter 306)</u>	<u>50.00–1,000.00</u>
<u>Ch. 10.80</u>	<u>Violation of any other provision of Chapter 10.80 not specifically listed in this fine schedule.</u>	<u>50.00-1,000.00</u>
<u>10.80.105[005]</u>	<u>Operation without effective [LICENSE] required license</u>	<u>500.00 [/DAY]</u>
<u>10.80.210C.2.</u>	<u>Offering Prohibited Military Discount</u>	<u>200.00</u>
<u>10.80.200C.3.</u>	<u>Operation without required endorsement</u>	<u>500.00</u>
<u>10.80.205</u>	<u>Violate prohibitions for onsite marijuana consumption areas</u>	<u>300.00</u>
[10.80.040A.1.—3.	FAILURE TO REPORT OWNERSHIP CHANGE	100.00/DAY
10.80.045A.	TRANSFER/RECEIVE LICENSE OR INTEREST WITHOUT CONSENT	100.00/DAY
10.80.050	RELOCATION OF PREMISES	100.00/DAY
10.80.300A.	SELL, GIVE, DISTRIBUTE, DELIVER, OR OFFER THE SAME WITHOUT A RETAIL MARIJUANA STORE LICENSE	500.00/DAY OR UNIQUE TRANSACTION
10.80.300B.	RETAILER'S INTEREST IN TESTING FACILITY	100.00/DAY]
10.80.306B.	VIOLATE PROHIBITIONS FOR ON-SITE MARIJUANA CONSUMPTION AREAS	300.00
[10.80.306E.	REQUIRED ON-SITE OPERATING REQUIREMENTS	300.00
10.80.310A.	SELL, GIVE, DISTRIBUTE, DELIVER,	

	OR OFFER THE SAME:	
10.80.310A.1.	TO A PERSON UNDER THE AGE OF 21	500.00
10.80.310A.2.	TO A PERSON UNDER THE INFLUENCE	500.00
10.80.310A.3.	THAT IS NOT LABELED AND PACKAGED AS REQUIRED	100.00/PRODUCT
10.80.310A.4.	IN A QUANTITY EXCEEDING PERMISSIBLE LIMITS	100.00
10.80.310A.5.	OVER THE INTERNET	100.00
10.80.310A.6.	AFTER THE EXPIRATION DATE	100.00
10.80.310B.1.	CONDUCTING BUSINESS/CONSUMER ACCESS DURING PROHIBITED TIMES	100.00
10.80.310B.2.	ALLOW CONSUMPTION ON RETAIL PREMISES WITH NO ENDORSEMENT	500.00
10.80.310B.3.	ALLOW OVERCONSUMPTION WHILE IN ON-SITE CONSUMPTION AREA	300.00
10.80.310B.4.	OFFER/DELIVER ALCOHOL OR FREE MARIJUANA	100.00
10.80.310B.5.	ALLOW DRUNKEN OR INTOXICATED PERSON TO ENTER PREMISES	300.00
10.80.311	OFFERING PROHIBITED MILITARY DISCOUNT	200.00
10.80.320A.1., 2.	MARIJUANA HANDLER PERMIT REQUIRED; POSSESSION OF PERMIT ON PREMISES	50.00
10.80.325A.	UNDER 21 ON PREMISES	200.00
10.80.325B.	SIGNAGE REQUIRED	50.00/DAY
10.80.325C.	ALLOW PUBLIC IN RESTRICTED AREAS	100.00
10.80.330A.—D.	FAILURE TO COMPLY WITH INVENTORY TRACKING SYSTEM REQUIREMENTS	200.00
10.80.340	SELL, GIVE, DISTRIBUTE, DELIVER, OR OFFER THE SAME WITHOUT REQUIRED TESTING	100.00
10.80.345A.1.	REQUIRED PACKAGING AND LABELING OF MARIJUANA	200.00
10.80.345A.2.	REQUIRED PACKAGING AND LABELING OF MARIJUANA PRODUCT	200.00
10.80.345A.3.	REQUIRED PACKAGING WHEN PURCHASER LEAVES THE PREMISES	200.00
10.80.345B.1.—3.	ADDITIONAL LABEL REQUIREMENTS	200.00
10.80.350A.	ID REQUIRED FOR SALE	100.00
10.80.355A.1.—3.	LIMITS ON QUANTITY SOLD	200.00
10.80.360B.1.—5.	ADVERTISEMENT STATEMENTS OR	200.00

	ILLUSTRATIONS	
10.80.360C.1.—5.	PLACEMENT OF ADVERTISING	200.00
10.80.360D.	GIVEAWAY COUPONS; PROMOTIONAL ACTIVITIES	200.00
10.80.360E.	WARNINGS REQUIRED	200.00
10.80.361.	ADVERTISING PROHIBITED MILITARY DISCOUNT	200.00
10.80.366A.	FAILURE TO SUBMIT A SAMPLE	500.00/DAY
10.80.366D.	FAILURE TO DISPOSE OF OR EMBARGO MARIJUANA OR MARIJUANA PRODUCT	500.00/DAY
10.80.366E.1., 2.	REPORTING TEST RESULTS	100.00
10.80.366E.2.	FORM OF TEST RESULTS	100.00
10.80.371A.1., 2.	TEMPERATURE OF CONCENTRATES; LABELING	100.00
10.80.400A.	PLANT, PROPAGATE, CULTIVATE, ETC., OR SELL THE SAME TO ANY MARIJUANA ESTABLISHMENT, WITHOUT A MARIJUANA CULTIVATION FACILITY LICENSE	500.00/DAY OR UNIQUE TRANSACTION
10.80.400C.	CULTIVATOR'S INTEREST IN TESTING FACILITY	100.00/DAY
10.80.405A.2.	SALE TO UNLICENSED ENTITY	500.00
10.80.405A.4.	STORAGE OF PRODUCT NOT IN THE INVENTORY TRACKING SYSTEM	500.00
10.80.405B.1.	FAILURE TO SEPARATE CO- LOCATED BUSINESSES	500.00/DAY
10.80.405C.1.	SELL, DISTRIBUTE, OR TRANSFER TO A CONSUMER	500.00
10.80.405C.2.	ALLOW CONSUMPTION ON PREMISES	200.00
10.80.405C.3.	TREAT/ADULTERATE MARIJUANA	100.00
10.80.405C.4.	EXTRACTION OF CONCENTRATE WITHOUT A PERMIT	500.00
10.80.405C.5.	SELL WITHOUT PROPER PACKAGING AND LABELING	100.00
10.80.425A.1., 2.	MARIJUANA HANDLER PERMIT REQUIRED; POSSESSION OF PERMIT ON PREMISES	50.00
10.80.430B.	OPERATION IN FULLY ENCLOSED FACILITY	100.00/DAY
10.80.430C.1., 2.	PUBLIC VISIBILITY; ODOR	100.00/DAY
10.80.430D.	VIDEO SURVEILLANCE OF GROWTH, PRODUCTION, AND DESTRUCTION, ETC.	200.00
10.80.435A.—C.	FAILURE TO COMPLY WITH INVENTORY TRACKING SYSTEM REQUIREMENTS	200.00

10.80.440B.1.—3.	HEALTH AND SAFETY REQUIREMENTS	50.00
10.80.450A.1.	PRODUCTION OF MARIJUANA CONCENTRATE	300.00
10.80.460A.—C.	MARIJUANA SAMPLES	100.00
10.80.500A.	MARIJUANA PRODUCTION WITHOUT LICENSE	500.00/DAY
10.80.500C.	MANUFACTURER'S INTEREST IN TESTING FACILITY	100.00/DAY
10.80.505A.4.	SALE TO UNLICENSED ENTITY	500.00
10.80.510A.1.	SELL, DISTRIBUTE, OR TRANSFER TO A CONSUMER	500.00
10.80.510A.2.	SELL WITHOUT PROPER PACKAGING AND LABELING	100.00
10.80.510A.3.	ALLOW CONSUMPTION ON PREMISES	200.00
10.80.510A.4.	TREAT/ADULTERATE MARIJUANA; APPEARANCE OF CANDY OR APPEAL TO CHILDREN	100.00
10.80.510C.1., 2.	ACCEPT IMPROPERLY DOCUMENTED MARIJUANA	100.00
10.80.530A.1., 2.	MARIJUANA HANDLER PERMIT REQUIRED; POSSESSION OF PERMIT ON PREMISES	50.00
10.80.530B.	FOOD SAFETY WORKER CARD REQUIRED	50.00
10.80.535A.	MANUFACTURE IN RESTRICTED AREA REQUIRED	100.00/DAY
10.80.535B.	VIDEO SURVEILLANCE OF PRODUCTION, STORAGE, DESTRUCTION, ETC.	200.00
10.80.535C.	CONTROLLED STORAGE	50.00/DAY
10.80.540A.—D.	FAILURE TO COMPLY WITH INVENTORY TRACKING SYSTEM REQUIREMENTS	200.00
10.80.600A.	MARIJUANA TESTING WITHOUT LICENSE	500.00/DAY
10.80.600C.	INTEREST IN OTHER TYPE OF MARIJUANA FACILITY	100.00/DAY
10.80.610A.	POSSESSION OF PRODUCT NOT IN THE INVENTORY TRACKING SYSTEM	500.00
10.80.610A.1.	LICENSEE, EMPLOYEE, OR AGENT WITH OTHER TYPE OF MARIJUANA ESTABLISHMENT LICENSE	100.00/DAY
10.80.610A.2.	SELL, DISTRIBUTE, OR TRANSFER TO A CONSUMER	500.00
10.80.610A.3.	ALLOW CONSUMPTION ON	200.00

	PREMISES	
10.80.655A., B.	FAILURE TO COMPLY WITH INVENTORY TRACKING SYSTEM REQUIREMENTS	200.00
10.80.660A.1., 2.	FAILED TEST DISPOSAL; DOCUMENTATION	200.00
10.80.665B.1., 2.	PERFORM REQUIRED TEST; REPORT	500.00
10.80.670A.	REPORTING TEST RESULTS	100.00
10.80.670B.	FORM OF TEST RESULTS	100.00
10.80.675A.	RECORDS	100.00/DAY
10.80.705B.	LICENSE MUST BE POSTED	100.00/DAY
10.80.710B.	RESTRICTED ACCESS SIGNAGE; VISITORS LIMITED	200.00/DAY
10.80.710C.1.—3.	VISITOR REQUIREMENTS	50.00/VISITOR
10.80.715A.	IDENTIFICATION BADGE	50.00
10.80.715B.1.—3.	LIGHTING; SECURITY SYSTEM; VIDEO	100.00/DAY
10.80.715C.	POLICIES AND PROCEDURES REQUIRED	100.00
10.80.715D.	LOCKS	50.00/DOOR
10.80.720A.—E.	VIDEO SURVEILLANCE REQUIRED	200.00
10.80.740D.	WASTE DISPOSAL	100.00
10.80.745A.	CERTIFIED SCALES REQUIRED	50.00
10.80.750D.	TRANSPORTATION OF MARIJUANA	50.00/PACKAGE
10.80.755A., B.	BUSINESS RECORDS TO BE MAINTAINED	50.00/DAY]
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(AO No. 93-167(S-1), § 1, 4-13-94; AO No. 94-108, § 1, 10-5-94; AO No. 94-134, § 2, 9-8-94; AO No. 95-42, § 2, 3-23-95; AO No. 95-67(S), § 9, 7-1-95; AO No. 95-102, § 1, 4-26-95; AO No. 95-118, § 3, 9-1-95; AO No. 95-163(S), § 21, 8-8-95; AO No. 95-195(S-1), 1-1-96; AO No. 96-51(S-1), § 2, 8-1-96; AO No. 96-96(S-1), § 2, 2-1-97; AO No. 96-126(S), § 3, 10-1-96; AO No. 96-137(S), § 9, 1-2-97; AO No. 97-88, § 3, 6-3-97; AO No. 97-107, § 3, 11-17-97; AO No. 97-133(S), § 1, 11-11-97; AO No. 98-27(S-1), § 2, 11-11-97; AO No. 98-160, § 2, 12-8-98; AO No. 99-13(S), 2-9-99; AO No. 99-91(S), § 4, 7-13-99; AO No. 2000-64, § 1, 4-18-00; AO No. 2000-116(S), § 4, 7-18-00; AO No. 2000-127(S), § 2, 10-14-00; AO No. 2000-129(S), § 26, 11-21-00; AO No. 2001-48, § 1, 3-13-01; AO No. 2001-74(S), § 2, 4-17-01; AO No. 2001-4, § 2, 2-6-01; AO No. 2001-145(S-1), § 11, 12-11-01; AO No. 2003-68, § 1, 9-30-03; AO No. 2003-97, § 4, 9-30-03; AO No. 2003-117, § 2, 1-28-03; AO No. 2003-130, § 8, 10-7-03; AO No. 2003-152S, § 10, 1-1-04; AO No. 2004-1, § 2, 1-1-03; AO No. 2004-99, § 2, 6-22-04; AO No. 2004-100(S-1), § 6, 1-1-05; AO No. 2004-171, § 1, 1-11-05; AO No. 2005-160, § 9, 11-1-05; AO No. 2005-84(S), § 3, 1-1-06; AO No. 2005-185(S), § 35, 2-28-06; AO No. 2005-124(S-1A), § 33, 4-18-06; AO No. 2006-39, § 6, 4-11-06; AO No. 2006-54, § 1, 5-2-06; AO No.

2006-80, § 1, 6-6-06; AO No. 2007-50, § 4, 4-10-07; AO No. 2007-60, § 4, 11-1-07; AO No. 2007-70, § 3, 5-15-07; AO No. 2008-84(S), § 5, 7-15-08; AO No. 2009-61, § 3, 7-7-09; AO No. 2009-82, § 5, 7-7-09; AO No. 2009-40(S), § 3, 7-21-09; AO No. 2009-112, § 4, 10-13-09; AO No. 2009-122, § 2, 12-17-09; AO-2010-35(S), § 7, 5-11-10; AO No. 2010-39, § 2, 5-11-10; AO No. 2010-87(S), § 3, 12-7-10; AO No. 2011-46, § 4, 4-12-11; AO No. 2011-59, § 10, 5-24-11; AO No. 2011-106(S), § 3, 11-8-11; AO No. 2011-112, § 4, 11-22-11, eff. 12-22-11; AO No. 2012-10, § 1, 1-31-12; AO No. 2012-77, § 29, 8-7-12; AO No. 2013-109(S-1), § 5, 12-3-13; AO No. 2013-130(S-1), § 1, 1-14-14; AO No. 2014-42, § 31, 6-21-14; AO No. 2014-85, § 4, 8-5-14; AO No. 2014-110(S), § 2, 9-9-14; AO No. 2014-137(S), § 3, 11-18-14; AO No. 2015-23(S), § 20, 3-24-15; AO No. 2015-48, § 16, 5-14-15; AO No. 2015-54, § 1, 5-26-15; AO No. 2015-65, § 4, 6-9-15; AO No. 2015-111(S-1), § 2, 1-1-16; AO No. 2016-16(S), § 4, 2-9-16; AO No. 2016-76(S), § 7, 7-12-16; AO No. 2016-81(S), § 4, 8-25-16; AO No. 2016-83(S), § 9, 7-26-16; AO No. 2016-82, § 3, 8-9-16; AO No. 2016-116, § 2, 10-18-16; AO No. 2016-115(S), § 2, 11-15-16; AO No. 2016-124(S), § 11, 12-20-16; AO No. 2017-26, § 2, 5-1-17; AO No. 2017-29(S), § 61, 6-1-17; AO No. 2017-30, § 3, 3-21-17; AO No. 2017-31(S), § 5, 5-26-17; AO No. 2017-119(S), § 4, 11-9-17; AO No. 2017-101, § 2, 2-5-18; AO No. 2017-161(S), § 3, 2-27-18; AO No. 2017-16, § 3, 2-14-17; AO No. 2017-129, § 2, 1-23-18; AO No. 2018-63(S), § 2, 8-28-18; AO No. 2018-100(S), § 2, 1-1-19; AO No. 2018-110, § 2, 12-18-18; AO No. 2019-9(S), § 2, 2-12-19; AO No. 2019-12, § 2, 3-5-19; AO No. 2019-15(S), § 2, 3-19-19; AO No. 2019-34, § 5, 4-18-19; AO No. 2019-50(S), § 2, 6-6-19; AO No. 2019-66, § 26, 6-18-19; AO No. 2019-74(S), § 2, 6-18-19; AO No. 2019-79(S), § 2, 7-9-19; AO No. 2019-90(S), § 7, 8-20-19; Ord. No. 2020-4(S), § 3, 6-24-20; AO No. 2020-65, § 2, 9-25-20; AO No. 2020-103, § 2, 11-4-20; AO No. 2022-97, § 1, 11-9-22; AO No. 2023-27, § 2, 3-21-23; AO No. 2023-38(S), § 6, 4-18-23; AO No. 2024-82, § 2, 9-10-24; AO No. 2025-127(S), § 2, 12-2-25)

Section 4. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2026.

Chair of the Assembly

ATTEST:

Municipal Clerk

MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM

No. AM 234-2026



Meeting Date: March 24, 2026

1 **From: Assembly Chair Constant and Vice Chair Brawley**

2
3 **Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY**
4 **REPEALING AND REENACTING ANCHORAGE MUNICIPAL CODE CHAPTER**
5 **10.80, LICENSING AND REGULATION OF MARIJUANA ESTABLISHMENTS,**
6 **TO INCORPORATE CERTAIN PROVISIONS OF APPLICABLE STATE LAW**
7 **AND FUTURE AMENDMENTS TO THEM FOR OPERATION REQUIREMENTS**
8 **AND RESTRICTIONS, UPDATE AND CLARIFY MUNICIPAL MARIJUANA**
9 **LICENSING REGULATIONS, AMENDING AMC SECTION 10.10.015**
10 **REGARDING RECORDS RELATED TO MUNICIPAL LICENSE APPLICATIONS,**
11 **AND AMENDING AMC SECTION 14.60.030, FINE SCHEDULE, ACCORDINGLY,**
12 **AND RELATED MATTERS.**
13

14
15 This ordinance repeals and reenacts Anchorage Municipal Code Chapter 10.80, the
16 current marijuana licensing code to update version with focus on independent
17 municipal licensing requirements.
18

19 In 2014, the voters of Alaska passed Ballot Measure 2, An Act to Tax and Regulate
20 the Production, Sale and Use of Marijuana. This initiative was codified by the state
21 at AS 17.38 and subsequently codified by the Municipality at AMC 10.80, with the
22 intent to “mirror” the state requirements and “to make clear where municipal law
23 differs from or expands beyond, the requirements of state law.” See AS 2016-16(S).
24

25 Since these initial enactments, there have been numerous amendments to both
26 state law (statute and regulations) and municipal code. Rather than restating and
27 updating the state code in the municipal code, however, this proposed ordinance
28 establishes a system where the state statute and regulations, and some provisions
29 *as amended over time*, are incorporated by reference into the municipal code. This
30 serves to incorporate current state law and the amendments to them in the future
31 while avoiding duplication, and at the same time, highlighting municipal
32 requirements and process, including where municipal law differs from or expands
33 beyond the requirements of state law.
34

35 When incorporating or adopting state law by reference, AMC section 1.05.075
36 require it to be made available to the public “at the municipal clerk's office, unless a
37 different depository is set forth in the ordinance adopting the standard code or
38 statutes by reference.” As state statutes and regulations are readily available freely
39 on the internet and at State offices, the State is the depository for the state laws
40 adopted and incorporated by references.
41

42 In order to keep the Assembly informed and apprised of state law changes in the

1 future that are automatically incorporated by the language of AMC section
2 10.80.100, the intent is for the Municipal Clerk's Office, by the licensing clerk, to
3 attach new state law enactments to an AIM and distribute to the Assembly on a
4 regular meeting agenda as soon as practicable after final action to enact the new
5 state law. The Licensing Clerk actively monitors all notices of proposed state
6 regulations for marijuana and alcohol, and will take on this duty to notice the
7 Assembly of new changes. This notification provides the Assembly prompt notice
8 of the state law change and opportunity to assent to its inclusion as an amendment
9 incorporated by reference, or to introduce an ordinance to modify or exclude
10 provision(s) of the new state law enactment.

11
12 The proposed Chapter 10.80 rewrite recognizes that marijuana licensing involves
13 both a state licensing application, operational requirements, and license, as well as
14 a municipal application, operational requirements, and a municipal license. While
15 both approval of a state and municipal license application and licensing are required,
16 the application, licensing requirements, procedure, and license at times differ
17 between the state and municipality

18
19 In the process of updating municipal code, the following substantive changes are
20 incorporated (as more fully detailed in the attached cross walk):

- 21
- 22 • Allow transfer of location for marijuana licenses. The application process for
23 these is described in new sections AMC 10.80.120F., G., H., and I., with the
24 standards for approval in AMC 10.80.140 and grounds for denial in AMC
25 10.80.145C. Transfers of the license location will now be allowed and
26 processed similarly to how the state does, as well as ownership transfers.
 - 27 • Allow overlapping premises. This is not explicit in the code provisions, but
28 effectuated by adoption of the State Regulations setting out privileges for the
29 retail marijuana stores (3 AAC 306.305(c)), marijuana cultivation facilities (3
30 AAC 306.405(b)), marijuana product manufacturing facilities (3 AAC
31 306.505(b)), and the provisions related to restricted access areas for all
32 marijuana establishments (3 AAC 306.710 and .715). The process for
33 approval may be done as a minor modification approved by the Planning
34 Director to existing premises to designate them overlapping with adjacent
35 premises; others with a new special land use permit application or
36 enlargement of the floor area greater than twenty percent will require
37 Assembly approval. No change to Title 21 is necessary to allow for this, but
38 the Title 10 changes to legalize overlapping common areas consistent with
39 state law is accomplished with this ordinance.
 - 40 • Include language for inspection fees and re-inspection fees.
 - 41 • Update minors on premises language to allow for potential future changes to
42 include minor situations other than just breastfeeding.
 - 43 • Simplify Title 14 civil fines for marijuana code violations with an emphasis on
44 compliance with municipal licensing and operational requirements.
 - 45 • Remove Marijuana Testing Facilities from Municipal regulation, it will no
46 longer require a municipal license, but will continue under state license
47 administration. There has only been one testing facility within the
48 Municipality since 2016.

1
2 Finally, a few sections reference and suggest upcoming policy issues:
3

- 4 • Update the fee schedule.
- 5 • Option to increase fees.
- 6 • Only allows walk-up/drive through windows when they are permitted by Title
7 21, which currently does not allow them.
8

9 During development of this ordinance, there was discussion of whether the
10 Municipality should limit the number of marijuana establishment licenses allowed in
11 the Municipality, which state law AS 17.38.200(e) allows each municipality to do.
12 However, the policy of the Municipality since legalization by Ballot Measure 2 has
13 been to allow the market to determine license capacity, and that is not changed by
14 this proposal.
15

16 Meetings were held with municipal code enforcement, the Administrative Hearing
17 Officer, the Anchorage Health Department, the Code Enforcement Division, and the
18 Anchorage Fire Department for information gathering and recommendations for the
19 changes presented. This rewrite should make the Municipality's marijuana licensing
20 code easier to track with the State's evolving regulations, more efficient to
21 administer, friendlier to the industry and enhance effective enforcement and license
22 review.
23

24 **We request your support for the ordinance.**
25

26 Prepared by: Office of Assembly Counsel
27

28 Respectfully submitted: Christopher Constant, Assembly Chair
29 District 1 – North Anchorage
30

31 Anna Brawley, Assembly Vice Chair
32 District 3 – West Anchorage
33

34 Attachments are available in digital form on the Municipal website under the
35 Assembly Meetings page, and at the page "Licenses Issued by the Municipal Clerk"
36 under the heading "Additional Marijuana Information."
37

38 Attachment A: Current text of AMC Chapter 10.80 being repealed.

39 Attachment B: State Law adopted and incorporated by reference per AMC
40 10.80.100.
41

42 [https://www.muni.org/Departments/Assembly/Clerk/Licensing/SiteAssets/Pages/Default/Attachment%20B%20for%20AO%202026-xx MJ%20License%20Rewrite-%20Ch%2010.80 draft.v1.pdf](https://www.muni.org/Departments/Assembly/Clerk/Licensing/SiteAssets/Pages/Default/Attachment%20B%20for%20AO%202026-xx%20MJ%20License%20Rewrite-%20Ch%2010.80%20draft.v1.pdf)
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Code Section	Title	Section	Change	Notes*
				*Any section that has been removed without replacement section, is incorporated by reference. These are sections that have exact language as
10.80	Licensing and Regulation of Marijuana Establishments		10.80 has been repealed and reinstated. Applicable State statutes and regulations are now incorporated by reference and updates and clarifications have been included.	AO allows for State reg changes to occur and immediately be included in AMC. Assembly may take action to modify or prohibit any future changes the State incorporates that are not
		10.80.001	Designation of local regulatory authority.	
		10.80.002	Definitions.	Moved from 10.80.990, incorporated State definitions by reference, listed MOA specific definitions.
		10.80.100	Incorporation of applicable state statutes and	
10.80.005	License required.	10.80.105	License required.	Moved language from 10.80.300, 400, 500 & 600 here.
10.80.010	License restrictions.	10.80.111	License restrictions.	Same restrictions as listed in 3 AAC 306 with additional MOA specific
10.80.011	License restrictions-Sup-plemental standards.		Removed.	Included in 10.80.111 License restrictions.
10.80.015	License conditions.	10.80.110	License conditions.	
10.80.020	Application for new, renewal or transfer of license - State application forms incorporated.	10.80.115	Applications for new, renewal or transfer of license and/or endorsement.	Combined 10.80.020 and 021.
10.80.021	Application for new license-Supplemental municipal marijuana establishment license application.		Removed.	Included in 10.80.115C. Removed B. and D. as these are part of the internal review process.
10.80.026	Municipal application procedure for new license or endorsement.		Removed.	Included in 10.80.115C. Applications for new, renewal or transfer of license and/or endorsement.

10.80.036	of license or endorsement; failure to timely renew results in potential closure; expiration results in termination of license, endorsement and special land use	10.80.115D.-E.	Applications for new, renewal or transfer of license and /or endorsement.	10.80.036A. moved to new section 10.80.120 Action by the clerk.
10.80.045	Application for license transfer, procedures for change in or transfer of a controlling interest in a license issued to non-natural persons, for a transfer of license, transfer of a license with an endorsement, and for temporary operation following the death of an individual.	10.80.115G.-I.	Applications for new, renewal or transfer of license and/or endorsement.	Moved temporary operation following death to new section 10.80.720B.
10.80.045D.	Same as above.	10.80.120	Action by the clerk.	by the Clerk and separated from Action of the Assembly.
10.80.046	Reporting of ownership changes; non-controlling ownership changes to be reported; controlling interest ownership change and transfer of license requires transfer application.	10.80.115F.	Applications for new, renewal or transfer of license and/or endorsement.	
10.80.050	Relocation of licensed premises not allowed.	10.80.115G.	Applications for new, renewal or transfer of license and/or endorsement.	
10.80.056	Criminal justice information and records.		Removed.	
10.80.061	Protest to State Marijuana Control Board by municipality.	10.80.130	Assembly procedure for action on license or endorsement application and protest to State Marijuana Control Board.	Combined protest procedures for the assembly action on State license and MOA license.
10.80.065	Public participation.	10.80.125	Public participation.	
10.80.071	Public hearing.		Removed.	Included in 10.80.125 Public participation.
10.80.076	Procedure for action on license or endorsement application; commencement of operations.		Removed.	procedure for action on license or endorsement application and protest to State Marijuana Control Board.

10.80.080	Denial of application.	10.80.132	Denial of application.	Updated with MOA procedures, similar to alcohol.
		10.80.131	Standards governing assembly review of state marijuana license applications.	New section added.
10.80.095	Appeals.	10.80.716	Appeal.	Combined current 10.80.095/10.80.846
10.80.100	Fees; refund.	10.80.135	Fees; refund.	
10.80.300, 305, 310 & 311	Retail marijuana store license required. Retail marijuana store privileges. Acts prohibited at retail marijuana store. Acts additionally prohibited at retail marijuana store.	10.80.200	Retail marijuana store license required.	
10.80.306	On-site consumption endorsement for retail marijuana stores.	10.80.201	Onsite consumption endorsement for retail marijuana stores.	More restrictive than State regs.
10.80.315	Application for retail marijuana store license.		Removed.	
10.80.320	Marijuana handler permit required.		Removed.	
10.80.325	Access restricted at marijuana retail store.		Removed.	
10.80.330	Marijuana inventory tracking system.		Removed.	
10.80.335	Health and safety requirements.	10.80.215	Health and safety standards.	Updated per AHD.
10.80.340	Testing required for marijuana and marijuana products.		Removed.	
10.80.345	Packaging and labeling.		Removed.	
10.80.350	Identification requirement to prevent sale to person under 21.		Removed.	drive-through exterior window pick-up for retail stores.
10.80.355	Limit on quantity sold.		Removed.	

10.80.360, 361 & 362	Restriction on advertising of marijuana and marijuana products.- Supplemental provisions. Local restrictions on advertising of marijuana and marijuana products.	10.80.210	Local restrictions on advertising of marijuana and marijuana products.	More restrictive than State regs.
10.80.365	Required consumer notices for retail marijuana stores.		Removed.	
10.80.366	Retail Marijuana Store Product Testing Program.		Removed.	
10.80.371	Prevention of Clostridium botulinum in marijuana concentrates.	10.80.215	Health and safety standards.	Updated per AHD.
		10.80.216	Walk-up or drive-through exterior window pick-up for retail marijuana stores.	10.80.310 Retail prohibitions and 10.80.350 ID required for sale.
		10.80.217	Retail marijuana tax and certificate of registration.	Updated per Treasury.
10.80.400, 405, 420, 425, 430, & 435	Marijuana cultivation facility license required. Marijuana cultivation facility; privileges and prohibited acts. Application for marijuana cultivation facility license. Marijuana handler permit required. Restricted access area. Marijuana inventory tracking system.	10.80.300	Marijuana cultivation facility license required.	
10.80.440	Health and safety requirements.		Removed.	Updated per AHD.
10.80.450	Production of marijuana concentrate prohibited.		Removed.	
10.80.460	Samples.	10.80.625	Samples.	Clarified allowed sample types.

10.80.500, 505, 510, 520, 530, 535, & 540	Marijuana product manufacturing facility license required. Marijuana product manufactuirng facility privileges. Acts prohibited at marijuana product manufacturing facility. Application for marijuana product manufacturing facility license. Marijuana handler permit and food safety worker trainig. Restricted access and storage areas. Marijuana inventory tracking	10.80.400	Marijuana manufacturing facility license required.	Updated per AHD.
10.80.545	Health and safety standards.	10.80.415	Health and safety standards.	Updated per AHD.
10.80.546	Prevention of Clostridium botulinum in marijuana concentrates.		Removed.	Included in new 10.80.415 Health and safety standards.
10.80.600, 605, & 610	Applicability. Marijuana testing facility license required. Marijuana testing facilities: privileges and prohibitions.		Removed.	Testing license requirement removed. State has more robust license requirements. Only one license currently within MOA.
10.80.615, 655, 660, 665, 670, & 675	facility license. Marijuana inventory tracking system. Failed materials, retests. Supplemental marijuana quality testing. Reporting, verification. Records retention.		Removed.	
10.80.700	Marijuana handler permit required.		Removed.	
		10.80.600	Exercise of authority.	Moved from current 10.80.915
10.80.705	Licensed premises alteration.	10.80.610	Licensed premises alteration.	
10.80.710	Restricted access areas.		Removed.	
10.80.711	No overlapping licenses.		Removed.	
10.80.712	Breastfeeding on licensed premises.	10.80.620	Minors on licensed premises.	
10.80.715 & 720	Security alarm systems and lock standards. Video surveillance.		Removed.	
10.80.725	Inspection of licensed premises.	10.80.616	Inspection of licensed premises.	
10.80.730	Marijuana inventory tracking system.		Removed.	

10.80.735	Health and safety standards.	10.80.617	Health and safety standards.	Updated per AHD.
10.80.740	Waste disposal.	10.80.618	Waste disposal.	Updated per AHD.
10.80.745, 750, & 755	Standardized scales. Transportation. Business records.		Removed.	
10.80.800 & 805	Inspection and investigation. Report or notice of violation.	10.80.700	Powers and duties.	
10.80.810, 815, 821, & 825	or endorsement, certain civil fines. Suspension or revocation based on an act of employee. Procedure for action on license or endorsement suspension or revocation. Summary suspension ot protect public health, safety, or	10.80.710	Suspension or revocation of license or endorsement.	
10.80.830	Seizure of marijuan or marijuana		Removed.	
10.80.835	Hearing.		Removed.	Included in new 10.80.716 Appeal.
10.80.840	Civil fines.	10.80.705	Civil fines.	
10.80.846	Appeal.	10.80.716	Appeal.	
10.80.850	Surrender or destruction of license or endorsement.	10.80.720	Surrender or destruction of license or endorsement.	
10.80.905	Public records.	10.80.619	Public records.	
10.80.911	Refusal to sell marijuana.		Removed.	
10.80.915	Exercise of authority.	10.80.600	Exercise of authority.	
10.80.920	Death of licensee.	10.80.725	Death of licensee.	Included current 10.80.045B.2. operation after death section.
10.80.931	Designation of Local Regulatory Authority.		Removed.	Included in new 10.80.001 Designation of local regulatory authority.
10.80.990	Definitions.		Removed.	Included in new 10.80.002 Definitions.
14.60.030	Fine schedule.		Updated. See below deleted and duplicated State references.	State Fines incorporated by reference and additional MOA specific fines listed.
Code Section	Offense			Penalty/Fine
*** **				
10.80	Alaska Administrative Code 3 AAC 306 (identify specific violation)			75.00–500.00

10.80.1XX	Any violations of chapters 10.85 or 8.35.300 through 8.35.350 unless penalty or fine is listed below:	
	Suspensions and revocations of license or endorsements imposed by the assembly are appealed separately in accordance with procedures in section 10.80.710 and 715.	
10.80.105	License required 3 AAC 306.005	500.00/day
[10.80.040A.1.—3.	Failure to report ownership change 3 AAC 306.040	100.00/day
10.80.045A.	Transfer/receive license or interest without consent 3 AAC 306.045	100.00/day
10.80.050	Relocation of premises 3 AAC 306.050	100.00/day
10.80.300A.	Sell, give, distribute, deliver, or offer the same without a retail marijuana store license 3 AAC	500.00/day or unique transaction
10.80.300B.	Retailer's interest in testing facility 3 AAC 306.300	100.00/day
10.80.306B.	Violate prohibitions for on-site marijuana consumption areas 3 AAC 306.300	300
10.80.306E.	Required on-site operating requirements 3 AAC 306.305	300
10.80.310A.	Sell, give, distribute, deliver, or offer the same:	
10.80.310A.1.	To a person under the age of 21 3 AAC 306.310	500
10.80.310A.2.	To a person under the influence 3 AAC 306.310	500
10.80.310A.3.	That is not labeled and packaged as required 3 AAC 306.310	100.00/product
10.80.310A.4.	In a quantity exceeding permissible limits 3 AAC 306.310	100
10.80.310A.5.	Over the internet 3 AAC 306.310	100
10.80.310A.6.	After the expiration date 3 AAC 306.310	100
10.80.310B.1.	Conducting business/consumer access during prohibited times 3 AAC 306.310	100
10.80.310B.2.	Allow consumption on retail premises with no endorsement 3 AAC 306.370	500
10.80.310B.3.	Allow overconsumption while in on-site consumption area 3 AAC 306.370	300
10.80.310B.4.	Offer/deliver alcohol or free marijuana 3 AAC 306.370	100
10.80.310B.5.	Allow drunken or intoxicated person to enter premises 3 AAC 306.310	300.00}
10.80.[311]210	Offering Prohibited Military Discount	200
[10.80.320A.1., 2.	Marijuana handler permit required; possession of permit on premises 3 AAC 306.320	50
10.80.325A.	Under 21 on premises 3 AAC 306.325	200
10.80.325B.	Signage required 3 AAC 306.325	50.00/day
10.80.325C.	Allow public in restricted areas 3 AAC 306.325	100
10.80.330A.—D.	Failure to comply with inventory tracking system requirements 3 AAC 306.330	200
10.80.340	Sell, give, distribute, deliver, or offer the same without required testing 3 AAC 306.340	100
10.80.345A.1.	Required packaging and labeling of marijuana 3 AAC 306.345	200
10.80.345A.2.	Required packaging and labeling of marijuana product 3 AAC 306.345	200
10.80.345A.3.	Required packaging when purchaser leaves the premises 3 AAC 306.345	200

10.80.345B.1.—3.	Additional label requirements 3 AAC 306.345	200
10.80.350A.	ID required for sale 3 AAC 306.350	100
10.80.355A.1.—3.	Limits on quantity sold 3 AAC 306.355	200
10.80.360B.1.—5.	Advertisement statements or illustrations 3 AAC 306.770	200
10.80.360C.1.—5.	Placement of advertising 3 AAC 306.770	200
10.80.360D.	Giveaway coupons; promotional activities 3 AAC 306.770	200
10.80.360E.	Warnings required 3 AAC 306.770	200.00}
10.80.[361.]210	Advertising Prohibited Military Discount	200
[10.80.366A.	Failure to submit a sample 3 AAC 306.340	500.00/day
10.80.366D.	Failure to dispose of or embargo marijuana or marijuana product 3 AAC 306.340	500.00/day
10.80.366E.1., 2.	Reporting test results 3 AAC 306.340	100
10.80.366E.2.	Form of test results 3 AAC 306.340	100
10.80.371A.1., 2.	Temperature of concentrates; labeling 3 AAC 306.340	100
10.80.400A.	Plant, propagate, cultivate, etc., or sell the same to any marijuana establishment, without a marijuana cultivation facility license 3 AAC 306.400	500.00/day or unique transaction—
10.80.400C.	Cultivator's interest in testing facility 3 AAC 306.405	100.00/day
10.80.405A.2.	Sale to unlicensed entity 3 AAC 306.405	500
10.80.405A.4.	Storage of product not in the inventory tracking system 3 AAC 306.405	500
10.80.405B.1.	Failure to separate co-located businesses 3 AAC 306.405	500.00/day
10.80.405C.1.	Sell, distribute, or transfer to a consumer 3 AAC 306.405	500
10.80.405C.2.	Allow consumption on premises 3 AAC 306.405	200
10.80.405C.3.	Treat/adulterate marijuana 3 AAC 306.405	100
10.80.405C.4.	Extraction of concentrate without a permit 3 AAC 306.405	500
10.80.405C.5.	Sell without proper packaging and labeling 3 AAC 306.405	100
10.80.425A.1., 2.	Marijuana handler permit required; possession of permit on premises 3 AAC 306.425	50
10.80.430B.	Operation in fully enclosed facility 3 AAC 306.430	100.00/day
10.80.430C.1., 2.	Public visibility; odor 3 AAC 306.430	100.00/day
10.80.430D.	Video surveillance of growth, production, and destruction, etc. 3 AAC 306.430	200
10.80.435A.—C.	Failure to comply with inventory tracking system requirements 3 AAC 306.435	200
10.80.440B.1.—3.	Health and safety requirements 3 AAC 306.440	50
10.80.450A.1.	Production of marijuana concentrate 3 AAC 306.450	300
10.80.460A.—C.	Marijuana samples 3 AAC 306.460	100
10.80.500A.	Marijuana production without license 3 AAC 306.500	500.00/day
10.80.500C.	Manufacturer's interest in testing facility 3 AAC 306.500	100.00/day
10.80.505A.4.	Sale to unlicensed entity 3 AAC 306.505	500

10.80.510A.1.	Sell, distribute, or transfer to a consumer 3 AAC 306.510	500
10.80.510A.2.	Sell without proper packaging and labeling 3 AAC 306.510	100
10.80.510A.3.	Allow consumption on premises 3 AAC 306.510	200
10.80.510A.4.	Treat/adulterate marijuana; appearance of candy or appeal to children 3 AAC 306.770	100
10.80.510C.1., 2.	Accept improperly documented marijuana 3 AAC 306.510	100
10.80.530A.1., 2.	Marijuana handler permit required; possession of permit on premises 3 AAC 306.530	50
10.80.530B.	Food safety worker card required 3 AAC 306.530	50
10.80.535A.	Manufacture in restricted area required 3 AAC 306.535	100.00/day
10.80.535B.	Video surveillance of production, storage, destruction, etc. 3 AAC 306.535	200
10.80.535C.	Controlled storage 3 AAC 306.535	50.00/day
10.80.540A.—D.	Failure to comply with inventory tracking system requirements 3 AAC 306.540	200
10.80.600A.	Marijuana testing without license 3 AAC 306.600, 3 AAC 306.615, 3 AAC 306.620	500.00/day
10.80.600C.	Interest in other type of marijuana facility 3 AAC 306.600	100.00/day
10.80.610A.	Possession of product not in the inventory tracking system 3 AAC 306.610	500
10.80.610A.1.	Licensee, employee, or agent with other type of marijuana establishment license 3 AAC 306.610	100.00/day
10.80.610A.2.	Sell, distribute, or transfer to a consumer 3 AAC 306.610	500
10.80.610A.3.	Allow consumption on premises 3 AAC 306.610	200
10.80.655A., B.	Failure to comply with inventory tracking system requirements 3 AAC 306.655	200
10.80.660A.1., 2.	Failed test disposal; documentation 3 AAC 306.660	200
10.80.665B.1., 2.	Perform required test; report 3 AAC 306.665	500
10.80.670A.	Reporting test results 3 AAC 306.670	100
10.80.670B.	Form of test results 3 AAC 306.670	100
10.80.675A.	Records 3 AAC 306.675	100.00/day
10.80.705B.	License must be posted 3 AAC 306.705	100.00/day
10.80.710B.	Restricted access signage; visitors limited 3 AAC 306.710	200.00/day
10.80.710C.1.—3.	Visitor requirements 3 AAC 306.710	50.00/visitor
10.80.715A.	Identification badge 3 AAC 306.715	50
10.80.715B.1.—3.	Lighting; security system; video 3 AAC 306.715	100.00/day
10.80.715C.	Policies and procedures required 3 AAC 306.715	100
10.80.715D.	Locks 3 AAC 306.715	50.00/door
10.80.720A.—E.	Video surveillance required 3 AAC 306.720	200
10.80.740D.	Waste disposal 3 AAC 306.740	100
10.80.745A.	Certified scales required 3 AAC 306.745	50
10.80.750D.	Transportation of marijuana 3 AAC 306.750	50.00/package
10.80.755A., B.	Business records to be maintained 3 AAC 306.755	50.00/day}

<u>10.80.616</u>	<u>Inspection of licensed premises</u> 3 AAC 306.725	<u>100</u>
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Chapter 10.80 LICENSING AND REGULATION OF MARIJUANA ESTABLISHMENTS

ARTICLE 1. LICENSING ADMINISTRATION¹

10.80.005 License required.

A marijuana establishment may not operate in the municipality unless it has obtained the applicable marijuana establishment license from the municipality. Upon approval by the assembly, the municipal clerk will issue the following marijuana establishment licenses under this chapter:

- A. A retail marijuana store license, granting authority for activities allowed under AS 17.38.070(a), and subject to the standards of sections 10.80.300—10.80.371 and sections 10.80.700—10.80.755.
- B. A marijuana cultivation facility license, granting authority for activities allowed under AS 17.38.070(b), and subject to the standards of sections 10.80.400—10.80.460 and sections 10.80.700—10.80.755.
- C. A marijuana product manufacturing facility license, granting authority for activities allowed under AS 17.38.070(c), and subject to the standards of sections 10.80.500—10.80.545 and sections 10.80.700—10.80.755.
- D. A marijuana testing facility license, granting authority for activities allowed under AS 17.38.070(d), and subject to the standards of sections 10.80.600—10.80.675 and sections 10.80.700—10.80.755.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.010 License restrictions.

- A. Reserved.
- B. The municipality will not issue a marijuana establishment license if the licensed premises will be located in a liquor license premises.
- C. The municipality will not issue a marijuana establishment license to an applicant proposing to license a premises located in a zone in which Title 21 of the Anchorage Municipal Code does not permit the marijuana establishment to be located.
- D. The municipality 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 municipality will not issue a license if any partner holding an interest in a partnership, any member holding an ownership interest in a limited liability company, or any owner of a corporation's stock is

¹Editor's note(s)—AO No. 2017-95(S), § 9, effective May 1, 2017, amended article 1 title to read as herein set out. Formerly, such title pertained to licensing fees.

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 within the preceding five years 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 AS 04.16.052; or
 - c. A misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty; 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.

- E. A municipal marijuana establishment license is not transferable from the specific location for which it is issued to a different location. The holder of a municipal marijuana establishment license that permanently ceases to operate the business at the location for which it is issued shall surrender the license to the municipal clerk within ten days.
- F. A licensed marijuana retail establishment may not allow on-site consumption unless it has a current and valid municipal on-site consumption endorsement.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 1, 4-25-17; AO No. 2017-95(S), § 1, 5-1-17; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 1, 6-18-19)

10.80.011 License restrictions—Supplemental standards.

- A. The municipality will not issue a marijuana establishment license if the licensed premises do not meet the requirements of title 21.
- B. The prohibitions of sections 10.80.310, 10.80.405C., 10.80.510, or 10.80.610B. apply to the premises identified in an application for a municipal marijuana establishment license beginning from the time the application is deemed completed under section 10.80.026. Violations are subject to enforcement action, including denial of the application, or suspension or revocation of the license if issued prior to final adjudication of the violation.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 2, 4-25-17)

10.80.015 License conditions.

- A. The municipality will issue each marijuana establishment license to a specific individual, to a partnership, including a limited partnership, to a limited liability company, or to a corporation. 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. The municipality will not issue 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 municipality 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. Modifications to the size of a license premises are allowed in accordance with sections 10.80.705 and 21.03.105. A marijuana establishment may not relocate its licensed premises to a different place without obtaining a license for the new premises as required under section 10.80.050.
- D. The assembly may 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. A consulting fee from a licensee for services that are allowed under this chapter;
 2. "Resident of the state" means a person who meets the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which that person applies for a marijuana establishment license under this chapter.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.020 Application for new, renewal or transfer of license—State application forms incorporated.

An applicant for a new, renewal or transfer of a municipal marijuana establishment license must have submitted a state marijuana establishment license application in accordance with 3 AAC 306.020 and that application must be deemed complete by the director of alcohol and marijuana control office.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2019-66, § 2, 6-18-19)

10.80.021 Application for new license—Supplemental municipal marijuana establishment license application.

In addition to confirmation from the state of a deemed complete application as required by section 10.80.020, an applicant for a new municipal marijuana establishment license must submit to the planning department a municipal marijuana establishment license application, which shall be submitted on a form prescribed by the municipal clerk, and which shall provide the municipality with all information necessary to ensure that the applicant complies with supplemental standards contained in this chapter. Such information shall include, without limitation:

- A. A sworn statement listing all criminal convictions, notwithstanding the form of judgment and including withheld judgments, deferred judgments, and bond forfeitures, against every owner and manager for any offense other than traffic infractions for the five years preceding the application date. The municipal clerk may require additional information, including, but not limited to, the date, place, and nature of the crime that resulted in the judgment.
- B. A sworn statement that no licensee, as that term is used in 3 AAC 306.020(b)(2), owes past-due taxes, fees or fines to the municipality.
- C. Information required by section 21.03.105 for a special land-use permit for marijuana.
- D. Information required by section 10.80.056.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2019-66, § 2, 6-18-19)

10.80.026 Municipal application procedure for new license or endorsement.

- A. An applicant must initiate a new marijuana establishment license application only after submitting to the state alcohol and marijuana control office a complete application for a related state marijuana establishment license.
- B. If an applicant for a new municipal marijuana retail store license or the holder of a valid municipal marijuana retail store license is applying for a municipal endorsement for on-site consumption, the application shall contain the information required by section 10.80.306D.
- C. The applicant must pay to the municipality the application and licensing fees set out in section 10.80.100.
- D. New application: When an application for a new marijuana establishment license and special land use permit is received, the director of the planning department shall determine if the application is complete. If the director determines the application is complete, the director shall as soon as is practicable give written notice to:
 - 1. The applicant.
 - 2. Reserved.
 - 3. The community council in which the proposed licensed premises is located.
 - 4. Reserved.
- E. If an application for a marijuana establishment license is incomplete, the director of the planning department shall notify the applicant by electronic mail at the address provided by the applicant, and
 - 1. Return an incomplete application in its entirety to the applicant; or
 - 2. Request the applicant to provide additional identified items needed to complete the application.
- F. When the director of the planning department informs an applicant that its application is incomplete as provided in subsection E., the applicant must complete the application not later than 90 days after the date of the director's notice. If an applicant fails to complete its application during the 90-day period after the director's notice, the applicant must file a new application.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 3, 4-25-17; AO No. 2019-66, § 4, 6-18-19)

10.80.036 Municipal application for renewal of license or endorsement; failure to timely renew results in potential closure; expiration results in termination of license, endorsement and special land use permit.

- A. Marijuana establishment licenses must be renewed every two years. On or before May 1 of each year, the municipal clerk shall send notice that a marijuana establishment with a license in active and operating status, which is requiring renewal, must file a renewal application not later than June 30 of the current year. Renewal applications filed after that date are delinquent and subject the marijuana establishment to potential closure pending approval of the application as described in subsection G. Renewal applications for the next license period will be accepted by the municipal clerk's office only between May 1 and August 31, inclusive.
1. For all current licenses effective (as described in section 10.80.076D.) prior to July 1, 2023, the municipal clerk shall determine what year each such license requires biennial renewal.
- B. A marijuana establishment's renewal application must include:
1. Identification of the license sought to be renewed by license number, endorsement, license type, establishment name, and premises address;
 2. The information required for a state license renewal application under 3 AAC 306.035 and a municipal license under AMC section 10.80.021, except for information regarding the previously approved special land use permit as required by subsection 10.80.021C.;
 3. Any change from the marijuana establishment's original license application or last renewal application for any change in:
 - a. The name of the marijuana establishment business;
 - b. The licensed premises from the last diagram submitted;
 - c. The marijuana establishment's operating plan; and
 - d. Any new product a licensed marijuana product manufacturing facility wishes to produce;
 4. A report, for each licensee:
 - a. Any criminal charge on which that licensee has been convicted in the current and previous calendar years;
 - b. Any civil violation of AS Title 4, AS 17.38, or this chapter in the current and previous calendar years; and
 - c. If a current holder of a marijuana establishment license has a change in ownership or transfer of a controlling interest, it must submit a change report or an application for transfer at the same time as the application for renewal is submitted, if such report or application has not been submitted before the renewal application; and
 5. A declaration under penalty of unsworn falsification that:
 - a. The application is true, correct and complete;
 - b. The applicant has read and is familiar with AS 17.38 and this chapter; and
 - c. The applicant will provide all information the municipal clerk requires in support of the renewal application; and

6. Any other information required by the municipal clerk.
- C. If the municipal clerk determines that the renewal application is complete, the municipal clerk shall give notice of a renewal application to:
 1. The applicant;
 2. Reserved;
 3. The community council in which the licensed premises is located;
 4. Reserved.
 - D. If a marijuana establishment has received approval for its original license and special land use permit by the assembly, but it is not effective before July 1 of the current year because all conditions have not been met, a renewal application is not required to be submitted.
 - E. On or before May 1 of each year, the municipal clerk shall notify each community council of all the marijuana establishment licenses located within its boundaries that are due to expire in August that calendar year, and advise councils they may request a public hearing before the assembly on any renewal within its boundaries. Requests for a hearing made by a community council under this section shall be made no later than June 15 of that same year, and shall be submitted to the assembly as part of its packet before action is taken on those renewals.
 - F. On or before August 15 of each year, the municipal clerk shall deliver a notice of expiration to each marijuana establishment which requires renewal that has not filed a complete application for renewal of a license, along with any applicable affidavit unless the marijuana establishment has notified the municipal clerk that it does not intend to seek a renewal of its license. A marijuana establishment is not excused from filing a license renewal application not later than August 31 of each year in which the establishment requires renewal even if the marijuana establishment does not receive the notice of expiration described in this section.
 - G. Expiration. All marijuana establishment licenses and endorsements expire at 12:00 midnight on August 31 of each year in which the establishment requires renewal, unless a different date is set in the assembly resolution approving the license or endorsement.
 1. If a marijuana establishment fails to file a complete license renewal application on or before August 31 of a year in which the establishment requires renewal, the holder of that expired license shall, within ten days of expiration, surrender the license to the municipal clerk. Any holder of an expired license with no renewal application pending that seeks authority to operate must file a complete new application under sections 10.80.020 and 10.80.026, along with the required fee.
 2. If a marijuana establishment files a complete license renewal application between May 1 and on or before August 31:
 - a. Filed on or before June 30. The marijuana establishment may continue operating under the current license notwithstanding the expiration date until the renewed license is approved and effective, or until the assembly denies the application for renewal, only if its renewal application was filed on or before June 30.
 - b. Filed on or after July 1. The marijuana establishment shall not operate after August 31 until the renewed license is approved and effective, if the renewal application was filed on or after July 1. Such an establishment may retain possession of the marijuana or marijuana product that is otherwise compliant with this chapter on its premises, during the period it is prohibited from operations pending a decision on the renewal application and, if approved, compliance with all conditions.

- c. Notwithstanding subsection 21.03.105C.10.a., the special land use permit for marijuana shall not expire unless the renewal application is denied.

H. Nothing in this section supersedes any proceeding to suspend or revoke a license.

(AO No. 2016-16(S), § 1, 2-9-16; 2017-71(S), § 4, 4-25-17; AO No. 2017-95(S), § 2, 5-1-17; AO No. 2019-66, § 5, 6-18-19; AO No. 2023-46, § 1, 4-18-23)

Editor's note(s)—Section 10 of AO No. 2017-95(S), effective May 1, 2017, states, "Notwithstanding the Code amendments adopted by this ordinance, the 2017 municipal marijuana establishment license renewal applications shall be considered delinquent (section 10.80.036A.) only if they are filed after July 31, 2017."

10.80.045 Application for license transfer; procedures for change in or transfer of a controlling interest in a license issued to non-natural persons, for a transfer of license, transfer of a license with an endorsement, and for temporary operation following the death of an individual.

- A. *General provisions.* Except as otherwise provided in this section, a person may not receive or transfer a marijuana establishment license or controlling interest in a marijuana establishment license issued to a partnership, including a limited partnership, a limited liability company, or a corporation, without applying for the transfer and receiving the written consent of the assembly. Transfer of a controlling interest in a license includes a sale of all or part of the interest of an individual owner, and numerous separate transfers that in the aggregate amount to more than 50 percent of the ownership interest or the voting shares of a corporation.
- B. *Exceptions.*
 - 1. A transfer of a license with or without any associated endorsement issued to an individual as a sole proprietor to a limited liability company or a corporation with a single member or shareholder whom is the same individual may be approved by the municipal clerk. Any procedure in this section for a public hearing or assembly consideration or action is not applicable.
 - 2. Continued operations following death of a licensee, pending a transfer. A person who is a personal representative appointed by the superior court for the estate of a deceased licensee who is:
 - a. A sole proprietorship may operate the marijuana establishment in accordance with section 10.80.920.
 - b. A partner holding a controlling interest in a partnership, a member holding a controlling ownership interest in a limited liability company, or an owner of a controlling interest in a corporation's stock, may represent the deceased licensee's interest in the entity for a period not to exceed 90 days, and shall submit an application for a transfer of a controlling interest under this section within that time. The municipal clerk may extend the time allowed in this section for up to an additional 90 days upon written request of the personal representative. This subsection does not authorize the transfer of a controlling interest in a marijuana establishment license by the personal representative, administrator or executor to the estate of a decedent. If an application for transfer of a license is not received within this time, the municipal clerk shall notify the assembly.
- C. *Procedure.* An application for transfer with or without any associated endorsement must be filed in writing on a form the municipal clerk prescribes within ten days of the effective date of an agreement or contract for such a transfer, in compliance with the application procedure set out in section 10.80.026. Regardless of any

private agreement terms, a transfer of the license or of a controlling interest in a license is not effective until after approval. The application must name the current holder(s) of the marijuana establishment license and the proposed transferee(s), including all persons listed in 3 AAC 306.020 if a transferee is a partnership, limited liability company, or a corporation. The application must contain:

1. The same information about each transferee as is required of an applicant for a new license under section 10.80.020, section 10.80.021 except for information regarding the previously approved special land use permit as required by subsections 10.80.021C., and 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;
 3. Any other information required by the municipal clerk for the type of marijuana establishment license sought to be transferred; and
 4. A municipal on-site consumption endorsement may only be transferred to another person if the license for which the endorsement was issued is also transferred to that person.
- D. *Action by the municipal clerk.* When the municipal clerk receives a complete application for a transfer of a license with or without any associated endorsement to another person, the municipal clerk shall immediately:
1. Reserved;
 2. Reserved;
 3. Send notice of the proposed transfer to the community council in which the licensed premises is located; and
 4. Schedule the application for transfer to be considered by resolution by the assembly as soon as practicable.
- E. *Renewal application may be required.* If a licensed marijuana establishment submits an application for transfer after April 30 and before July 1 of a year in which the establishment requires renewal, it must also submit an application for renewal.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 6, 4-25-17; AO No. 2017-95(S), § 3, 5-1-17; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 6, 6-18-19; AO No. 2023-46, § 2, 4-18-23)

10.80.046 Reporting of ownership changes; non-controlling ownership changes to be reported; controlling interest ownership change and transfer of license requires transfer application.

- A. A licensed marijuana establishment shall, before or not later than ten days of the effective date of an agreement or contract for a non-controlling ownership change as described in this section, report the change on a form prescribed by the municipality, which shall include the information required under section 10.80.021, except for information regarding the previously approved special land use permit as required by subsection 10.80.021C. If an ownership change is due to the death of an individual with a non-controlling interest, the provisions allowing continued operation for a limited time set forth in subsection 10.80.045B.2. apply, pending submittal of a report.

- B. If any change required to be reported under this section will result in a change in controlling interest of the marijuana establishment license, including sole proprietorships, the marijuana establishment must file an application for transfer under section 10.80.045. Numerous separate transfers that in the aggregate amount to more than 50 percent of the ownership interest or the voting shares of a corporation require an application for transfer.
- C. 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.
- D. Any applicant or affiliate reported under this section must have complied with the state's fingerprint and fee requirements under 3 AAC 306.055 or AS 12.62.160 for criminal justice information.
- E. If a new owner owes past-due taxes, fees, or fines to the municipality, the owner shall have 30 days from the date the municipality notifies the new owner to pay the past-due taxes, fees, or fines. In the event such past-due taxes, fees, or fines are not paid within 30 days, the municipal clerk shall notify the assembly of the past-due taxes, fees, or fines.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 5, 4-25-17; AO No. 2017-95(S), § 4, 5-1-17; AO No. 2018-96(S), § 1, 11-7-18)

10.80.050 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.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.056 Criminal justice information and records.

When filing an application for a new marijuana establishment license or a transfer, or reporting an ownership change, the applicant must provide, and agree in writing to prospectively provide, the municipal clerk with any communication from the State Marijuana Control Board then in the applicant's possession or subsequently received by the applicant, disclosing the substance of information received by the State Marijuana Control Board as a result of a criminal history record check conducted about the applicant.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 7, 4-25-17; AO No. 2018-96(S), § 1, 11-7-18)

10.80.061 Protest to State Marijuana Control Board by municipality.

- A. The municipal clerk shall protest a state marijuana establishment license or endorsement application if:
 - 1. The applicant proposes to operate a marijuana establishment within the municipality, and

2. Does not possess all licenses, permits and approvals needed to operate a marijuana establishment or endorsement activity within the municipality.
- B. The assembly may recommend that the State Marijuana Control Board approve an application for a new state license, renewal of a state license, transfer of a state license with or without an associated endorsement to another person, or application for a new endorsement subject to a condition or conditions. In such circumstances, the municipal clerk shall request that a protest to the State Marijuana Control Board be lifted upon fulfillment of such condition or conditions.
- C. For those marijuana establishments not requiring renewal, the municipal clerk may prepare a memorandum for the assembly's approval stating its non-objection or waiver of the right to protest.
- D. A motion to reconsider may not be made regarding the assembly's action on whether to protest the state marijuana license application.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 7, 6-18-19; AO No. 2019-84, § 3, 7-9-19; AO No. 2023-46, § 3, 4-18-23)

10.80.065 Public participation.

A person may comment on an application for a new license, renewal of a license, transfer of a license, transfer of a controlling interest in a license with or without any associated endorsement, or application for a new endorsement by submitting a written statement to the municipal clerk. If a public hearing is held, a person may also give oral testimony at the public hearing held in accordance with section 10.80.071.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 8, 4-25-17; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 8, 6-18-19)

10.80.071 Public hearing.

- A. The assembly will hold a hearing to ascertain the reaction of the public to a new application for a marijuana establishment. The hearing will be consolidated with the hearing required by section 21.03.105 on the applicant's associated application for a special land use permit.
- B. The assembly may hold a hearing to ascertain the reaction of the public to an application for a renewal of a license, transfer of a license, or transfer of a controlling interest in a license.
- C. The assembly will hold a hearing to ascertain the reaction of the public to a new application for an on-site consumption endorsement. The hearing may be consolidated with the hearing required for a new application for a marijuana establishment license under subsection A. of this section. The assembly may hold a hearing to ascertain the reaction of the public to an application for renewal of an on-site consumption endorsement.
- D. If a hearing is held pursuant to this section, the municipality shall send notice of a hearing to each community council within 1,000 feet of the proposed premises.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 9, 6-18-19)

10.80.076 Procedure for action on license or endorsement application; commencement of operations.

- A. The assembly will decide whether to grant or deny an application after conducting a public hearing in accordance with section 10.80.071, if such a hearing is held.

- B. The assembly will consider any written objection, suggested condition, or petition, and any testimony received at a public hearing held under section 10.80.071 when it considers the application. The municipal clerk will retain the written objection, suggested condition, or petition as part of the record of the assembly's review of an application.
 - 1. On an application for renewal of a license or endorsement, the assembly may add, remove, or modify conditions of the license.
 - 2. On an application for transfer of a license, with or without any associated endorsement, or transfer of a controlling interest in a license, the assembly may add, remove, or modify conditions of the license, including conditioning its grant of the transfer on satisfaction of any such conditions of the transfer or imposed on the transferees.
- C. The assembly's decision on an application shall be made by assembly resolution.
- D. After the assembly approves a license application, the applicant may not begin operating the marijuana establishment until the applicant has received and posted the municipal marijuana license and special land use permit certificate inside the licensed establishment in accordance with section 10.80.705B. A marijuana establishment license that has been "approved" but all conditions of approval have not been met is not "effective" until the establishment is in compliance with this subsection.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 10, 4-25-17; AO No. 2017-95(S), § 5, 5-1-17; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 10, 6-18-19)

10.80.080 Denial of application.

- A. After review of the application, including the applicant's proposed operating plan and all relevant information, the assembly will deny an application for a new license or endorsement if the assembly finds that:
 - 1. The application is not complete as required under the applicable standards sections 10.80.020—10.80.056, or contains any false statement of material fact;
 - 2. The license or endorsement would violate any restriction in section 10.80.010 or 10.80.011 or 3 AAC 306;
 - 3. The license or endorsement would violate any restriction applicable to the particular license type authorized under this chapter;
 - 4. The license or endorsement is prohibited by municipal code;
 - 5. The assembly finds that the operating plan does not adequately demonstrate that the applicant will comply with applicable standards of this chapter; or
 - 6. Issuance of the license or endorsement will adversely impact the health, welfare or public safety of the neighborhood in which the marijuana establishment is proposed to be located, or otherwise would not be in the best interests of the public.
- B. After review of the application and all relevant information, the assembly will deny an application for renewal of a marijuana establishment license if the assembly finds:
 - 1. Any cause listed in subsection 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 assembly 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 assembly may deny an application for transfer of a license or transfer of a controlling interest in a license if the assembly finds:
1. Any cause listed in subsection 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 or of a controlling interest in the license would result in violation of the standards of this chapter relating to identity of licensees and financing of licensees; or
 4. That a prospective transferee does not have the qualifications of an original applicant required under this chapter.
- D. If the assembly denies an application for a new license, renewal of a license, transfer of a license, transfer of a controlling interest in a license, or a new or renewal of an endorsement, the municipal clerk will, not later than 15 days after the 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. The notice of denial will inform the applicant of the right to appeal under section 10.80.095.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 11, 6-18-19)

10.80.095 Appeals.

An applicant or marijuana establishment license or endorsement holder aggrieved by a final decision of the assembly regarding an application for a new license, a license renewal, or a transfer may appeal to the superior court.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 12, 6-18-19)

10.80.100 Fees; refund.

- A. The non-refundable application fee for a new marijuana establishment license or an application to transfer is \$0, provided the fee shall only be due as authorized by AS 17.38.210 or another provision of state law.
- B. The non-refundable application fee for a license renewal application is \$0, provided the fee shall only be due as authorized by AS 17.38.210 or another provision of state law; if a renewal application is delinquent as provided under section 10.80.036, an additional non-fundable late-renewal application fee is \$0, provided the fee shall only be due as authorized by AS 17.38.210 or another provision of state law.
- C. The non-refundable fee to request approval of a change in a licensed marijuana establishment's business name, ownership, licensed premises diagram, operating plan, or proposed new marijuana product is \$0, provided the fee shall only be due as authorized by AS 17.38.210 or another provision of state law. A change fee does not apply to an application for transfer of a license or a transfer of controlling interest to another person.

- D. The license operating fee to be paid with each application for a new marijuana establishment facility license and each license renewal application is \$0, except as further described in this subsection. If the state Marijuana Control Board fails to issue a timely response to an application as described in AS 17.38.210(f), and the municipality acts on the application, the applicant must pay an annual license operating fee to the municipality as follows:
 - 1. For a marijuana retailer license, \$0;
 - 2. For an on-site consumption endorsement, \$0;
 - 3. For a marijuana cultivation facility license, \$0;
 - 4. Reserved;
 - 5. For a marijuana product manufacturing facility license, \$0;
 - 6. For a marijuana testing facility license, \$0.
- E. Reserved.
- F. If the assembly denies an application for a license or for renewal of a license, the municipality will refund the license operating fee received with the denied application for a license or renewal. The municipality will not refund a license operating fee after the license has been issued.
- G. Fees charged by municipal departments for inspections or other applicable requirements shall be paid by the applicant.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 11, 4-25-17; AO No. 2017-95(S), § 6, 5-1-17; AO No. 2018-96(S), § 1, 11-7-18; AO No. 2019-66, § 13, 6-18-19; AO No. 2023-46, § 4, 4-18-23)

ARTICLE 3. RETAIL MARIJUANA STORES

10.80.300 Retail marijuana store license required.

- A. Except as permitted under AS 17.38.020, a person may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or any marijuana product to a consumer unless the person has obtained a retail marijuana store license from the municipality in compliance with this chapter, or is an employee or agent acting for a licensed retail marijuana store operating in compliance with this chapter. A person seeking a retail marijuana store license must:
 - 1. Submit an application for a retail marijuana store license containing the information set out under sections 10.80.020, 10.80.0.21 and 10.80.315; and
 - 2. Demonstrate, to the assembly's satisfaction, that the applicant will operate in compliance with:
 - a. Each applicable provision of sections 10.80.300—10.80.371 and sections 10.80.700—10.80.755; and
 - b. Each applicable land use, public health, fire, safety, and tax law of the municipality.
- B. A licensee of any retail marijuana store, or an employee or agent of a retail marijuana store, may not have an ownership interest in, or a direct or indirect financial interest in a licensed marijuana testing facility.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.305 Retail marijuana store privileges.

- A. A licensed retail marijuana store is authorized to:
 - 1. Sell marijuana purchased from a licensed marijuana cultivation facility, packaged and labeled as required under section 10.80.345, 3 AAC 306.470, and 3 AAC 306.475, in an amount not exceeding the limit set out in section 10.80.355, to an individual on the licensed premises for consumption off the licensed premises;
 - 2. Sell a marijuana product purchased from a licensed marijuana product manufacturing facility, packaged and labeled as required under section 10.80.345, 3 AAC 306.565 and 3 AAC 306.570, in a quantity not exceeding the limit set out in section 10.80.355, to an individual on the licensed premises for consumption off the licensed premises;
 - 3. Store marijuana and marijuana products on the licensed premises in a manner consistent with sections 10.80.710—10.80.720;
 - 4. Apply for an on-site consumption endorsement under section 10.80.306.
- B. This section does not prohibit a licensed marijuana retail store from refusing to sell marijuana or a marijuana product to a consumer.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2019-66, § 14, 6-18-19)

10.80.306 On-site consumption endorsement for retail marijuana stores.

- A. Unless prohibited by local or state law, a freestanding licensed retail marijuana store with an approved on-site consumption endorsement is authorized to:
 - 1. Sell marijuana and marijuana products, excluding marijuana concentrates, to patrons for consumption on the licensed premises at the time of purchase in compliance with this section and section 21.05.055 or 21.50.420, as applicable.
 - 2. Sell for consumption on the premises:
 - a. Reserved.
 - b. Edible marijuana products in quantities not to exceed ten mg of THC to any one person per day.
 - 3. Sell food or beverages not containing marijuana or alcohol for consumption on the premises.
 - 4. Allow a person to remove from the licensed premises marijuana or marijuana product that has been purchased on the licensed premises for consumption under this section, provided it is packaged in accordance with section 10.80.345.
- B. A licensed retail marijuana store with an approved on-site consumption endorsement may not:
 - 1. Sell marijuana concentrate for consumption in the marijuana consumption area or allow marijuana concentrate to be consumed in the marijuana consumption area;
 - 2. Allow any licensee, employee, or agent of a licensee to consume marijuana or marijuana product, including marijuana concentrate, during the course of a work shift;
 - 3. Allow a person to consume tobacco or tobacco products in the marijuana consumption area;
 - 4. Allow a person to bring into or consume in the marijuana consumption area any marijuana or marijuana product that was not purchased at the licensed retail marijuana store;

5. Sell, offer to sell, or deliver marijuana or marijuana product at a price less than the price regularly charged for the marijuana or marijuana product during the same calendar week;
 6. Sell, offer to sell, or deliver an unlimited amount of marijuana or marijuana product during a set period of time for a fixed price;
 7. Sell, offer to sell, or deliver marijuana or marijuana product on any one day at prices less than those charged the general public on that day;
 8. Encourage or permit an organized game or contest on the licensed premises that involves consuming marijuana or marijuana product or the awarding of marijuana or marijuana product as prizes; or
 9. Advertise or promote in any way, either on or off the premises, a practice prohibited under this section.
- C. A marijuana consumption area shall have the following characteristics:
1. The consumption area shall be isolated from the other areas of the retail marijuana store, separated by walls and a secure door, and shall have access only from the retail marijuana store;
 2. A smoke-free area for employees to monitor the marijuana consumption area; and
 3. If consumption by inhalation or smoking is to be permitted, a ventilation system that directs air from the marijuana consumption area to the outside of the building through a filtration system sufficient to remove visible smoke, consistent with all applicable building codes and ordinances, and adequate to eliminate odor at the property line.
- D. An applicant for an on-site consumption endorsement must file an application on a form prescribed by the municipal clerk, including the documents and endorsement fee set out in this section, which must include:
1. The applicant's operating plan, in a format the planning department prescribes, describing the retail marijuana store's plan for:
 - a. Security, in addition to what is required for a retail marijuana store, including:
 - i. Doors and locks;
 - ii. Windows;
 - iii. Measures to prevent diversion; and
 - iv. Measures to prohibit access to persons under the age of 21;
 - b. Ventilation, if consumption by inhalation or smoking is to be permitted, ventilation plans must be:
 - i. Signed and approved by a licensed mechanical engineer;
 - ii. Designed so there is no visible smoke in the retail area or at the lot line; and
 - iii. Consistent with all applicable building codes and ordinances;
 - c. If any of the marijuana consumption area is outdoors, compliance with section 21.05.055 or 21.50.420, as applicable;
 - d. Monitoring overconsumption;
 - e. Controlling unconsumed marijuana, by disposal or by packaging in accordance with section 10.80.345; and

- f. Preventing introduction into the marijuana consumption area of marijuana or marijuana products not sold by the retail marijuana store, and marijuana or marijuana products not sold specifically for on-site consumption.
- E. The retail marijuana store holding an on-site consumption endorsement under this chapter shall:
 - 1. Destroy all unconsumed marijuana left abandoned or unclaimed in the marijuana consumption area in accordance with the operating plan and section 10.80.740;
 - 2. Monitor patrons in the marijuana consumption area at all times, including for overconsumption;
 - 3. Display all warning signs required under sections 10.80.360 and 10.80.365 within the marijuana consumption area, visible to all consumers;
 - 4. Provide written materials containing marijuana dosage and safety information for each type of marijuana or marijuana product sold for consumption in the marijuana consumption area at no cost to patrons;
 - 5. Package and label all marijuana or marijuana product sold for consumption on the premises as required in section 10.80.345; and
 - 6. Comply with any conditions imposed by the assembly or placed on the endorsement by the State Marijuana Control Board.
- F. The holder of an on-site consumption endorsement must apply for renewal at the time of renewal of the underlying retail marijuana store license.

(AO No. 2019-66, § 15, 6-18-19; AO No. 2023-46, § 2, 4-18-23)

10.80.310 Acts prohibited at retail marijuana store.

- A. A licensed retail marijuana store may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver, marijuana or any marijuana product:
 - 1. To a person under the age of 21 years of age;
 - 2. To a person that is under the influence of an alcoholic beverage, inhalant, or controlled substance;
 - 3. That is not labeled and packaged as required in section 10.80.345, 3 AAC 306.470 and 3 AAC 306.475 or 3 AAC 306.565 and 3 AAC 306.570;
 - 4. In a quantity exceeding the limit set out in section 10.80.355;
 - 5. For sales accepted over the internet or by telephone, accept payment for the transaction from, and provide the purchased marijuana or marijuana product to any person other than the consumer present at the licensed premises who placed the order;
 - 6. Display marijuana or marijuana products at a walk-up or drive-through exterior window; all orders received through it must be placed by the consumer from a menu; or
 - 7. After the expiration date shown on the label of the marijuana or marijuana product.
- B. A licensed retail marijuana store may not:
 - 1. Conduct business on or allow a consumer to access the retail marijuana store's licensed premises during times prohibited by title 21;

2. Allow a person to consume marijuana or a marijuana product on the retail marijuana store's licensed premises except as authorized by a municipal endorsement;
3. Allow overconsumption of marijuana or marijuana product in an authorized on-site consumption area;
4. Offer, deliver, or sell an alcoholic beverage to a consumer; or
5. Offer or deliver free marijuana or marijuana product, including a sample; or
6. Allow intoxicated or drunken persons to enter the licensed premises.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2019-66, § 16, 6-18-19; AO No. 2021-12, § 2, 2-23-21; AO No. 2023-117, § 1, 1-9-24)

Administrative Code Reference—3 AAC 306.995.

10.80.311 Acts additionally prohibited at retail marijuana store.

- A. In addition to the restrictions of section 10.80.310, a licensed retail marijuana store may not:
1. Offer any type of military discount for an individual in the status of Active Duty, Guard, or Reserves in any branch of the United States military. For purposes of this subsection, "military discount" means any reduction in price or other special offer to encourage sales based on the current Active Duty, Guard, or Reserve military status of a potential customer.
 - a. The prohibition against offering a military discount for an individual in the status of Active Duty, Guard, or Reserves in any branch of the United States military does not extend to offering discounts to veterans no longer in Active, Guard, or Reserve status.
 - b. The prohibition against offering a military discount for an individual in the status of Active Duty, Guard, or Reserves in any branch of the United States military shall sunset without further action by the Assembly upon the Department of Defense or the United States Congress issuing guidance or changing the law to allow service members to use cannabis and remain in Active, Guard, and Reserve status without potential for discipline or administrative separation.

(AO No. 2017-16, § 1, 2-14-17)

10.80.315 Application for retail marijuana store license.

An applicant for a new retail marijuana store license must have submitted an application to the State Marijuana Control Board for a state marijuana retail store license deemed complete by the board, and must file with the municipal clerk a copy of all materials the applicant submitted the Marijuana Control Board in accordance with 3 AAC 306.315, and all information required by section 10.80.021.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.320 Marijuana handler permit required.

- A. A retail marijuana store shall ensure that:
1. Each licensee, employee, or agent who is required or permitted to be physically present on the licensed premises at any time 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.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.325 Access restricted at marijuana retail store.

- A. A person under 21 years of age may not enter a retail marijuana store.
- B. Each public entry to a retail marijuana store must be posted with a sign that says "No one under 21 years of age allowed." The sign must be not less than 12 inches long and 12 inches wide, with letters at least one-half inch in height in high contrast to the background of the sign.
- C. An area of a retail marijuana store's licensed premises where marijuana or any marijuana product is stocked for sale or dispensed for sale is a restricted access area. The retail marijuana store must post signs, require identification, and escort visitors in compliance with section 10.80.710.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 12, 4-25-17)

10.80.330 Marijuana inventory tracking system.

- A. A retail marijuana store shall use a marijuana inventory tracking system as provided in section 10.80.730 to ensure all marijuana and marijuana product in the retail marijuana store's possession is identified and tracked from the time the retail marijuana store receives any batch of marijuana or lot of marijuana product through the sale, transfer to another licensed marijuana establishment, or disposal of the batch of marijuana or lot of marijuana product.
- B. When marijuana from a marijuana cultivation facility or marijuana product from a marijuana product manufacturing facility is delivered or transported to the licensed premises of a retail marijuana store, the retail marijuana store shall immediately enter identification information for that batch of marijuana or lot of marijuana product into the retail marijuana store's marijuana inventory tracking system. A retail marijuana store may not accept marijuana or a marijuana product that does not have a valid transport manifest generated from the marijuana inventory tracking system of the marijuana establishment that originated the delivery.
- C. A retail marijuana store shall reconcile each transaction from the retail marijuana store's point-of-sale system and current marijuana inventory to its inventory tracking system at the close of business each day.
- D. A retail marijuana store shall account for any variance in the quantity of marijuana or marijuana product the retail marijuana store received and the quantity sold, transferred, or disposed of.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.335 Health and safety requirements.

A retail marijuana store must comply with each applicable health and safety requirement of the Anchorage Municipal Code, including, without limitation, those set out in section 10.80.735.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.340 Testing required for marijuana and marijuana products.

A retail marijuana store may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver, marijuana or a marijuana product until all laboratory testing required under 3 AAC 306.645 has been completed, and the label required under 3 AAC 306.475 or 3 AAC 306.570 is affixed.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.345 Packaging and labeling.

- A. A retail marijuana store shall assure that
1. Marijuana sold on its licensed premises is packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475;
 2. Any marijuana product sold on its licensed premises is packaged and labeled in compliance with 3 AAC 306.565 and 3 AAC 306.570, except that section 3 AAC 306.565(b)(2) does not apply to the packaging of wholesale marijuana products that are not edible marijuana products; and
 3. Marijuana or a marijuana product sold at a retail marijuana store must be packaged in opaque, resealable, child-resistant packaging when the purchaser leaves the retail section of the licensed premises; the packaging must be designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly.
- B. In addition to labeling requirements provided in subsection A. of this section, a retail marijuana store shall affix a label to each package of marijuana or marijuana product that:
1. Identifies the retail marijuana store selling the marijuana product by name or distinctive logo and marijuana establishment license number;
 2. States the total estimated amount of THC in the labeled product; and
 3. Contains each of the following statements:
 - a. "Marijuana has intoxicating effects and may be habit forming and addictive.";
 - b. "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence.";
 - c. "There are health risks associated with consumption of marijuana.";
 - d. "For use only by adults twenty-one and older. Keep out of the reach of children."; and
 - e. "Marijuana should not be used by women who are pregnant or breast feeding."

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.350 Identification requirement to prevent sale to person under 21.

- A. A retail marijuana store shall refuse to sell marijuana or a marijuana product or complete a walk-up or drive-through exterior window order of marijuana or marijuana product to a person who does not produce a form of valid photographic identification showing that person is 21 years of age or older.
- B. A valid form of photographic identification includes, but is not limited to:
1. An unexpired, unaltered passport;

2. An unexpired, unaltered driver's license; instruction permit, or identification card of a state or territory of the United States, the District of Columbia, or a province or territory of Canada;
 3. An identification card issued by a federal or state agency authorized to issue a driver's license or identification card; or
 4. A tribal identification card, issued by a federally recognized tribe, that meets the following criteria:
 - a. The identification card has a photograph, a signature, and a date of birth, and
 - b. The identification card has security features as identified by AS 28.15.111(a)(4).
- C. If a sale or the pick-up of an internet or telephone order is at a drive-through exterior window, the retail marijuana store shall require each person in a vehicle at the window to produce identification showing they are each 21 years of age or older, except for the purchaser's own child, grandchild, or ward who is not older than seven years of age.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2023-117, § 1, 1-9-24)

10.80.355 Limit on quantity sold.

- A. A retail marijuana store may not sell to any one person per day:
1. More than one ounce of usable marijuana;
 2. More than seven grams of marijuana concentrate for inhalation; or
 3. Marijuana or marijuana products, if the total amount of marijuana, marijuana products, or both marijuana and marijuana products sold contains more than 5,600 milligrams of THC.
- B. These limits include marijuana or marijuana product sold for on-site consumption under subsection 10.80.306A.2.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2019-66, § 17, 6-18-19)

10.80.360 Restriction on advertising of marijuana and marijuana products.

- A. Reserved.
- B. An advertisement for marijuana or a marijuana product may not contain a statement or illustration that:
1. Is false or misleading;
 2. Promotes excessive consumption;
 3. Represents that the use of marijuana has curative or therapeutic effects;
 4. Depicts a person under 21 years of age consuming marijuana; or
 5. Includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a person under 21 years of age, that promotes consumption of marijuana.
- C. A retail marijuana store may not place an advertisement for marijuana or a marijuana product, except as provided in subsection A. of this section:
1. Within 1,000 feet of the perimeter of any child-centered facility, including a school, a child care facility or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under 21 years of age;

2. On or in a public transit vehicle or public transit shelter;
 3. On or in a publicly owned or operated property;
 4. Within 1,000 feet of a substance misuse or treatment facility; or
 5. On a campus for postsecondary education.
- D. A retail marijuana store may not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products.
- E. All advertising for marijuana or any marijuana product must contain each of the following warnings:
1. "Marijuana has intoxicating effects and may be habit forming and addictive";
 2. "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence";
 3. "There are health risks associated with consumption of marijuana";
 4. "For use only by adults twenty-one and older. Keep out of the reach of children"; and
 5. "Marijuana should not be used by women who are pregnant or breast feeding".

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2020-24, § 1, 3-10-20)

10.80.361 Restriction on advertising of marijuana and marijuana products—Supplemental provisions.

In addition to the requirements of section 10.80.360, a retail marijuana store's signs must comply with chapter 21.12 of the Anchorage Municipal Code. The municipality may enforce the standards of section 10.80.360 on or off premises. To the extent of any conflict between this chapter and the requirements of chapter 21.12, the more restrictive requirements shall apply.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.362 Local restrictions on advertising of marijuana and marijuana products.

- A. In addition to the restrictions of section 10.80.360, an advertisement for marijuana or a marijuana product may not contain a statement or illustration that:
1. Advertises any type of military discount for an individual in the status of Active Duty, Guard, or Reserves in any branch of the United States military. For purposes of this section, "military discount" means any reduction in price or other special offer to encourage sales based on the current Active Duty, Guard, or Reserve military status of a potential customer.
 - a. The prohibition against advertising a military discount for an individual in the status of Active Duty, Guard, or Reserves in any branch of the United States military shall sunset without further action by the Assembly upon the Department of Defense or the United States Congress issuing guidance or changing the law to allow service members to use cannabis and remain in Active, Guard, and Reserve status without potential for discipline or administrative separation.

(AO No. 2017-16, § 2, 2-14-17)

Editor's note(s)—Ord. No. 2017-16, § 2, effective February 14, 2017, set out provisions intended for use as § 10.80.361. However, for purposes of clarity, and at the editor's discretion, these provisions have been included as § 10.80.362.

10.80.365 Required consumer notices for retail marijuana stores.

- A. A marijuana retail store must post, in a conspicuous location visible to customers, the following notices:
1. "Consumption of marijuana in public is prohibited by law."
 2. "Transportation or carriage of marijuana or marijuana products on Alaska waterways, including cruise ships, or by air carrier is prohibited by federal law."
 3. "Transportation or shipment of marijuana or marijuana products outside of the State of Alaska is prohibited by federal law."
 4. "Providing marijuana to persons under the age of 21 is prohibited by law."
- B. Notification signs required by this section must be at least 11 inches by 14 inches in size. Lettering must be at least one-half inch in height and in colors that contrast with the sign background color.

(AO No. 2017-17(S), § 13, 4-25-17)

10.80.366 Retail Marijuana Store Product Testing Program.

- A. *Required sample submission.* The municipality may require a retail marijuana store to submit a sample of marijuana, marijuana concentrate or marijuana product it possesses to the municipality or a licensed marijuana testing facility at any time and without notice.
1. The municipality may require samples collected pursuant to this rule to be tested for potency and contaminants which may include, but are not limited to, herbicides, pesticides, fungicides, molds, mildew, filth, metals, residual solvents, harmful chemicals and adulterants.
 2. Samples shall be submitted at no cost to the municipality or the marijuana testing facility; the cost of the laboratory tests shall be borne by the marijuana retail store.
 3. The marijuana retail store may select the licensed marijuana testing facility that will perform the analyses.
 4. Chain of custody procedures in 3 AAC 306.650 must be followed by the licensed marijuana testing facility conducting the sampling and analyses.
 5. The municipality may require the submission of additional samples for analysis by a licensed marijuana testing facility of its choosing to assess inter-laboratory variation. Required samples shall be transported at no cost to the municipality; the costs of the laboratory analyses are the responsibility of the municipality.
- B. *Methods for determining required testing.*
1. *Random testing.* The municipality may require samples to be submitted for testing through any one or more of the following processes: random process, risk-based process or other internally developed process.
 2. *Inspection or enforcement tests.* The municipality may require a retail marijuana store to submit a sample for testing if the municipality has reasonable grounds to believe that marijuana, marijuana concentrate or marijuana product is contaminated or mislabeled.

3. *Laboratory procedures.* The municipality may determine the specific laboratory procedures to be utilized in analyses, consistent with 3 AAC 306.600—3 AAC 306.675.
 4. *Chain of custody.* The municipality shall establish chain of custody procedures to be used for samples it requires to be submitted directly to the municipality consistent with 3 AAC 306.650.
- C. *Failure of samples.*
1. Potency testing for edible products. A sample is considered to fail the potency test if:
 - a. *Maximum THC.* An individually packaged edible marijuana packaged edible retail marijuana product is determined to have more than 50 mg of THC within it.
 - b. *Homogeneity.* If the total THC content of each serving in a multi-unit package is not within 20 percent of the labeled total THC content of the serving.
 2. *Pesticide contamination.* A sample of marijuana, marijuana concentrate or marijuana product is considered to fail the pesticide contamination test if the contamination is detected above the acceptable levels specified below:

Analyte	Chemical Abstract Services Registry Number	Maximum Allowable Level (parts per million)
Abamectin	71751-41-2	0.5
Acephate	30560-19-1	0.4
Acequinocyl	57960-19-7	2
Acetamiprid	135410-20-7	0.2
Aldicarb	116-06-3	0.4
Azoxystrobin	131860-33-8	0.2
Bifenazate	149877-41-8	0.2
Bifenthrin	82657-04-3	0.2
Boscalid	188425-85-6	0.4
Carbaryl	63-25-2	0.2
Carbofuran	1563-66-2	0.2
Chlorantraniliprole	500008-45-7	0.2
Chlorfenapyr	122453-73-0	1
Chlorpyrifos	2921-88-2	0.2
Clofentezine	74115-24-5	0.2
Cyfluthrin	68359-37-5	1
Cypermethrin	52315-07-8	1
Daminozide	1596-84-5	1
DDVP (Dichlorvos)	62-73-7	0.1
Diazinon	333-41-5	0.2
Dimethoate	60-51-5	0.2
Ethoprophos	13194-48-4	0.2
Etofenprox	80844-07-1	0.4
Etoxazole	153233-91-1	0.2
Fenoxycarb	72490-01-8	0.2
Fenpyroximate	134098-61-6	0.4

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Fipronil	120068-37-3	0.4
Flonicamid	158062-67-0	1
Fludioxonil	131341-86-1	0.4
Hexythiazox	78587-05-0	1
Imazalil	35554-44-0	0.2
Imidacloprid	138261-41-3	0.4
Kresoxim-methyl	143390-89-0	0.4
Malathion	121-75-5	0.2
Metalaxyl	57837-19-1	0.2
Methiocarb	2032-65-7	0.2
Methomyl	16752-77-5	0.4
Methyl parathion	298-00-0	0.2
MGK-264	113-48-4	0.2
Myclobutanil	88671-89-0	0.2
Naled	300-76-5	0.5
Oxamyl	23135-22-0	1
Paclobutrazol	76738-62-0	0.4
Permethrins ¹	52645-53-1	0.2
Phosmet	732-11-6	0.2
Piperonyl_butoxide	51-03-6	2
Prallethrin	23031-36-9	0.2
Propiconazole	60207-90-1	0.4
Propoxur	114-26-1	0.2
Pyrethrins ²	8003-34-7	1
Pyridaben	96489-71-3	0.2
Spinosad	168316-95-8	0.2
Spiromesifen	283594-90-1	0.2
Spirotetramat	203313-25-1	0.2
Spiroxamine	118134-30-8	0.4
Tebuconazole	80443-41-0	0.4
Thiacloprid	111988-49-9	0.2
Thiamethoxam	153719-23-4	0.2
Trifloxystrobin	141517-21-7	0.2

¹ Permethrins should be measured as cumulative residue of cis- and trans-permethrin isomers (CAS numbers 54774-45-7 and 51877-74-8 respectively).

² Pyrethrins should be measured as the cumulative residues of pyrethrin 1, cinerin 1, and jasmolin 1 (CAS numbers 121-21-1, 25402-06-6, and 4466-14-2, respectively).

3. *Microbial contamination.* A sample of marijuana, marijuana concentrate or marijuana product is considered to fail the microbial contamination test if the contamination is detected above the acceptable levels specified below:

Analyte	Acceptable Level (colony forming unit per gram)
Shiga-toxin producing Escherichia coli (STEC) - bacteria	<1
Salmonella species - bacteria	<1
Aspergillus fumigatus, Aspergillus flavus, Aspergillus niger - fungus	<1

4. *Residual solvent contamination.* A sample of marijuana, marijuana concentrate or marijuana product is considered to fail the residual solvent exceeds the acceptable levels specified below:

Analyte	Acceptable Level (parts per million)
Butanes	<800
Heptanes	<500
Benzene	<1
Toluene	<1
Hexane	<10
Total xylenes (m,p,o-xylenes)	<1
Any other solvent	Not detected

5. *Other contamination.* A sample of marijuana, marijuana concentrate or marijuana product is considered to fail the test for other contamination if, in the opinion of the Director of the Anchorage Health Department, the levels of metals, herbicides, fungicides, harmful chemicals, or filth pose a danger to public health.

D. *Failed materials, retests.*

1. If a sample tested by a marijuana testing facility does not pass the required tests based on the standards set out in this section, the municipality may require all retail marijuana stores within the Municipality of Anchorage to:
 - a. Dispose of all marijuana, marijuana concentrate or marijuana product from the harvest batch or production lot from which the sample was taken or embargo the product until further testing can be conducted;
 - b. If the municipality requires the disposal of the sample, all marijuana retail stores with the failed harvest batch or production lot in their inventory must document the disposal of the marijuana using its marijuana inventory control system.
2. If a sample of marijuana fails a required test the municipality may approve a request to allow the lot of marijuana that failed the required test to be returned to a marijuana product manufacturing facility to make a CO2 or solvent-based extract. After processing, the CO2 or solvent-based extract must pass all required tests.
3. If a retail marijuana store or the marijuana cultivation or marijuana product manufacturing facility that produced the product for the retail marijuana store petitions for a retest of marijuana or a marijuana product that failed a required test, the municipality may authorize a retest of the harvest batch or production lot to validate the test results. The retail store, marijuana cultivation facility or a marijuana product manufacturing facility that petitioned for a retest must pay all costs of such retest.

4. The Director of the Anchorage Health Department shall review the results of the retest and determine whether the marijuana product is acceptable for sale.

E. *Reporting; verification.*

1. A marijuana testing facility must report the result of each required laboratory test directly into its marijuana inventory control system within 24 hours after the test is completed. A marijuana testing facility must provide the final report:
 - a. To the facility that submitted the sample in a timely manner; and
 - b. To the municipal clerk within 72 hours when results of tested samples exceed allowable levels.
2. A marijuana testing facility shall establish procedures to ensure that reported results are accurate, precise, and scientifically valid. To ensure reported results are valid, a marijuana testing facility must include in all final reports:
 - a. The name and location of the marijuana testing facility;
 - b. The unique sample identifier assigned by the testing facility;
 - c. The marijuana establishment or other person that submitted the testing sample;
 - d. The sample identifier provided by the person that submitted the testing sample;
 - e. The date the facility received the sample;
 - f. The chain of custody identifier;
 - g. The date of report;
 - h. The type of product tested;
 - i. The test results;
 - j. The units of measure; and
 - k. Any other information or qualifiers needed for interpretation of the test method and the results being reported, including any identified and documented discrepancy.
3. A marijuana testing facility may amend a final report for clerical purposes except that test results may not be amended.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2018-118, § 2, 1-1-19)

10.80.371 Prevention of Clostridium botulinum in marijuana concentrates.

- A. All marijuana concentrates intended for non-smoking oral consumption must be maintained at a temperature of 41 degrees F or lower after extraction process is completed.
 1. Retail marijuana stores may not sell marijuana concentrates intended for oral consumption if there is reason to believe that the product has not been consistently maintained at a temperature of 41 degrees or lower since the extraction process was completed at the manufacturing facility.
 2. All marijuana concentrates intended for non-smoking oral consumption must contain a label stating: "This product must be refrigerated."
- B. The Director of the Anchorage Health Department may waive the requirements in subsection A of this section upon review of written procedures and scientific evidence submitted by the manufacturer that

demonstrates that the procedures used to produce the marijuana concentrate results in a product that does not require refrigeration.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2018-118, § 2, 1-1-19)

ARTICLE 4. MARIJUANA CULTIVATION FACILITIES

10.80.400 Marijuana cultivation facility license required.

- A. Except as provided under AS 17.38.020, a person may not plant, propagate, cultivate, harvest, trim, dry, cure, package, or label marijuana grown at a place under that person's control or sell marijuana grown at a place under that person's control to a marijuana establishment unless the person has obtained a marijuana cultivation facility license from the municipality in compliance with this chapter or is an employee or agent acting for a licensed marijuana cultivation facility. The municipality will license marijuana cultivation facilities with the privileges and subject to the prohibitions set out in sections 10.80.405—10.80.410.
- B. A person seeking a marijuana cultivation facility license as provided in subsection A. of this section must:
 - 1. Submit an application for the applicable marijuana cultivation facility license on a form the municipal clerk prescribes, including the information set out under sections 10.80.020, 10.80.021, and 10.80.420; and
 - 2. Demonstrate to the assembly's satisfaction that the applicant will operate in compliance with:
 - a. Each applicable provision of sections 10.80.400—10.80.460 and sections 10.80.700—10.80.755; and
 - b. Each applicable land use, public health, fire safety and tax law of the municipality.
- C. A licensee of a marijuana cultivation facility, or an employee or agent of a marijuana cultivation facility, may not have an ownership interest in, or a direct or indirect financial interest in a licensed marijuana testing facility.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.405 Marijuana cultivation facility: privileges and prohibited acts.

- A. A licensed marijuana cultivation facility is authorized to:
 - 1. Propagate, cultivate, harvest, prepare, cure, package, store, and label marijuana;
 - 2. Sell marijuana only to a licensed retail marijuana store, to another licensed marijuana cultivation facility, or to a licensed marijuana product manufacturing facility;
 - 3. Provide samples to a licensed marijuana testing facility for testing;
 - 4. Store inventory on the licensed premises; any stored inventory must be secured in a restricted access area and accounted for in the marijuana cultivation facility's marijuana inventory tracking system as required under section 10.80.730;
 - 5. Transport marijuana in compliance with section 10.80.750;
 - 6. Conduct in-house testing for the marijuana cultivation facility's own use;

7. Provide marijuana samples to a licensed retail marijuana store or marijuana product manufacturing facility for the purpose of negotiating a sale.
- B. A licensed marijuana cultivation facility may also apply for a marijuana product manufacturing facility license and a retail marijuana store license. A marijuana cultivation facility that obtains any other marijuana establishment license shall:
1. Conduct any product manufacturing or retail marijuana store operation in a room completely separated from the marijuana cultivation facility by a secure door when co-located; and
 2. Comply with each provision of this chapter that applies to any other type of marijuana establishment license that the marijuana cultivation facility licensee obtains.
- C. A licensed marijuana cultivation facility may not:
1. Sell, distribute, or transfer marijuana or a marijuana product to a consumer, with or without compensation;
 2. Allow any person, including a licensee, employee, or agent, to consume marijuana or a marijuana product on the licensed premises or within 20 feet of the exterior of any building on the licensed premises;
 3. Treat or otherwise adulterate marijuana with any organic or nonorganic chemical or other compound to alter the color, appearance, weight, or odor of the marijuana;
 4. Except as permitted under a marijuana product manufacturing facility license, extract marijuana concentrate, using any process described in 3 AAC 306.555, at the licensed premises;
 5. Sell marijuana that is not packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.420 Application for marijuana cultivation facility license.

An applicant for a new retail cultivation facility license must have submitted an application the State Marijuana Control Board for a state marijuana cultivation facility license deemed complete by the board, and must file with the municipal clerk a copy of all materials the applicant submitted to board in accordance with 3 AAC 306.420 and all information required by section 10.80.021.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.425 Marijuana handler permit required.

- A. A marijuana cultivation facility shall ensure that each licensee, employee, or agent who is required or permitted to be physically present on the licensed premises at any time:
1. Obtains a marijuana handler permit as provided in 3 AAC 306.700 before being present or employed at the marijuana cultivation facility's licensed premises; and
 2. 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 while on the marijuana cultivation facility's licensed premises.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.430 Restricted access area.

- A. A marijuana cultivation facility shall conduct any operation in a restricted access area in compliance with section 10.80.710 and this section.
- B. A marijuana cultivation facility shall conduct any marijuana growing operation within a fully enclosed secure indoor facility or greenhouse with rigid walls, a roof, and doors.
- C. A marijuana cultivation facility shall ensure that any marijuana at the marijuana cultivation facility:
 - 1. Cannot be observed by the public from outside the cultivation facility; and
 - 2. Does not emit an odor that is detectable by the public from outside the marijuana cultivation facility, except as allowed by special land use permit for marijuana.
- D. A marijuana cultivation facility shall have full video surveillance of the licensed premises as required under section 10.80.720, including any area where marijuana is grown, processed, packaged, or stored, or where marijuana waste is destroyed.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.435 Marijuana inventory tracking system.

- A. A marijuana cultivation facility shall use a marijuana inventory tracking system in compliance with section 10.80.730 to ensure all marijuana propagated, grown, or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is propagated through transfer to another licensed marijuana establishment or destruction. The marijuana cultivation facility shall assign a tracking number to each plant over eight inches tall. When harvested, bud and flowers, clones or cuttings, or leaves and trim may be combined in harvest batches of distinct strains, not exceeding five pounds. Each harvest batch must be given an inventory tracking number. Clones or cuttings must be limited to 50 or fewer plants and identified by a batch tracking number.
- B. A marijuana cultivation facility shall record each sale and transport of each batch in its marijuana inventory tracking system, and shall generate a valid transport manifest to accompany each transported batch.
- C. A marijuana cultivation facility shall record in its marijuana inventory tracking system all marijuana used to provide a sample authorized under section 10.80.460 for the purpose of negotiating sales, including:
 - 1. The amount of each sample;
 - 2. The retail marijuana store or marijuana product manufacturing facility that received the sample; and
 - 3. The disposal of any expired or outdated promotional sample returned to the marijuana cultivation facility.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.440 Health and safety requirements.

- A. A marijuana cultivation facility shall comply with all applicable health and safety requirements set out in section 10.80.735 and the additional requirements set out in this section.
- B. A marijuana cultivation facility shall ensure that any licensee, employee, or agent who is present at the marijuana cultivation facility and in contact with any marijuana:

1. Wears clean clothing appropriate for the duties that person performs;
2. Wears protective apparel, such as head, face, hand, and arm coverings, as necessary to protect marijuana from contamination; and
3. Practices good sanitation and health habits.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.450 Production of marijuana concentrate prohibited.

- A. A marijuana cultivation facility may not produce or possess marijuana concentrate that was extracted using any process described in 3 AAC 306.555 on the marijuana cultivation facility's licensed premises. An abutting marijuana product manufacturing facility with a manufacturing facility license must be in a separate room that:
1. Is physically separated by a secure door from any cultivation area; and
 2. Has a sign that clearly identifies the room as a marijuana concentrate production area, and warns unauthorized persons to stay out; and
 3. Comply with all applicable standards of sections 10.80.500—10.80.570.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 14, 4-25-17)

10.80.460 Samples.

- A. A marijuana cultivation facility may provide a free sample of marijuana to a retail marijuana store if packaged in a sample jar containing not more than three and one-half grams of marijuana and protected by a plastic or metal mesh screen to allow customers to smell the product before purchase.
- B. A marijuana cultivation facility may provide a free sample of marijuana to a retail marijuana store or marijuana product manufacturing facility as follows:
1. A sample provided for the purpose of negotiating a sale may be not more than one ounce;
 2. A marijuana cultivation facility may not provide any one licensed retail marijuana store or marijuana product manufacturing facility with more than one ounce of marijuana per month free-of-charge for the purpose of negotiating a sale.
- C. A retail marijuana store that receives a marijuana sample may not sell the marijuana sample to a customer, and shall either:
1. Return the marijuana sample to the marijuana cultivation facility that provided the sample, or
 2. Destroy anything that remains of the marijuana sample after use and document the use and destruction in the marijuana store's marijuana inventory control system.

(AO No. 2016-16(S), § 1, 2-9-16)

ARTICLE 5. MARIJUANA PRODUCT MANUFACTURING FACILITIES

10.80.500 Marijuana product manufacturing facility license required.

- A. A person may not extract marijuana concentrate for sale or formulate or manufacture any marijuana product for sale unless that person has obtained a marijuana product manufacturing facility license from the municipality in compliance with this chapter, or is an employee or agent acting for a licensed marijuana product manufacturing facility.
- B. A person seeking a marijuana product manufacturing facility license must:
 - 1. Submit an application for a marijuana product manufacturing facility license on a form the municipal clerk prescribes, including the information set out under section 10.80.020, section 10.80.021, and section 10.80.520; and
 - 2. Demonstrate to the assembly's satisfaction that the applicant will operate in compliance with:
 - a. Each applicable provision of sections 10.80.500—10.80.545 and sections 10.80.700—10.80.755; and
 - b. Each applicable land use, public health, fire, safety, and tax law of the municipality.
- C. A licensee of a marijuana product manufacturing facility, or an employee or agent of a marijuana product manufacturing facility, may not have an ownership interest in or a direct or indirect financial interest in a licensed marijuana testing facility.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.505 Marijuana product manufacturing facility privileges.

- A. A licensed marijuana product manufacturing facility, including a marijuana concentrate manufacturing facility, is authorized to:
 - 1. Purchase marijuana from a marijuana cultivation facility or from another marijuana product manufacturing facility;
 - 2. Extract marijuana concentrate in compliance with 3 AAC 306.555;
 - 3. Manufacture, refine, process, cook, package, label, and store marijuana products approved under 3 AAC 306.525, including:
 - a. Marijuana concentrate;
 - b. Any product intended for consumption or use on the body that is comprised of marijuana and other ingredients, including edible products, ointments, salves, patches, or tinctures;
 - 4. Sell, distribute, or deliver marijuana extract or any marijuana product only to a licensed retail marijuana store or to another licensed marijuana product manufacturing facility;
 - 5. Provide and transport samples of marijuana concentrate or other marijuana product to a licensed marijuana testing facility for testing;
 - 6. Provide a sample of marijuana concentrate or a marijuana product approved under 3 AAC 306.525 to a licensed retail marijuana store for the purpose of negotiating a sale;
 - 7. Store inventory in a restricted access area on the licensed premises as provided in section 10.80.535;
 - 8. Transport marijuana in compliance with section 10.80.750;

9. Conduct in-house testing for the marijuana product manufacturing facility's own use.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.510 Acts prohibited at marijuana product manufacturing facility.

- A. A licensed marijuana product manufacturing facility, including a licensed marijuana concentrate manufacturing facility, may not:
 1. Sell, deliver, distribute, or transfer marijuana, marijuana concentrate, or a marijuana product directly to a consumer, with or without compensation;
 2. Sell marijuana, marijuana concentrate, or a marijuana product that is not manufactured, packaged, and labeled in compliance with 3 AAC 306.500—3 AAC 306.570;
 3. Allow any person, including a licensee, employee, or agent, to consume marijuana, marijuana concentrate, or a marijuana product on the licensed premises; and
 4. Manufacture or sell any product that:
 - a. Is an adulterated food or drink;
 - b. Closely resembles a familiar food or drink item including candy; or
 - c. Is packaged to look like candy, or in bright colors or with cartoon characters or other pictures or images that would appeal to children.
- B. A licensed marijuana product manufacturing facility may not accept any marijuana from a marijuana cultivation facility or another marijuana product manufacturing facility unless:
 1. All marijuana in the shipment is properly identified with a label generated in the marijuana inventory tracking system of the facility that provided the marijuana; and
 2. A valid transport manifest showing the source and destination of the marijuana is attached to the shipment.
- C. In this section, "closely resemble" or "look like" means the product or its packaging has a shape, color, markings, or decorative patterns that are familiar to the public from a widely distributed branded food product, so that the marijuana product could reasonably be mistaken for that branded product, especially by children.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.520 Application for marijuana product manufacturing facility license.

An applicant for a new marijuana product manufacturing facility license must have submitted an application to the State Marijuana Control Board for a state marijuana product manufacturing license deemed complete by the Board, and must file with the municipal clerk a copy of all materials the applicant submitted the Marijuana Control Board in accordance with 3 AAC 306.520, and section 10.80.021.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.530 Marijuana handler permit and food safety worker training.

- A. A marijuana product manufacturing facility shall ensure that each licensee, employee, or agent:

1. Obtains a marijuana handler permit as provided in 3 AAC 306.700 before being present 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.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.535 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 section 10.80.710.
- B. A marijuana product manufacturing facility shall have full video surveillance of the licensed premises as provided in section 10.80.720, 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.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.540 Marijuana inventory tracking system.

- A. A marijuana product manufacturing facility shall use a marijuana inventory tracking system as provided in section 10.80.730 to ensure that the marijuana product manufacturing facility identifies and tracks any marijuana or marijuana product from the time the marijuana or marijuana product is received, through:
1. Use of the marijuana or marijuana product in manufacturing any other marijuana product;
 2. Sale or transfer of the marijuana or marijuana product originally received, or any marijuana product manufactured at that marijuana product manufacturing facility to another licensed marijuana establishment; and
 3. Disposal of any expired or outdated marijuana or marijuana product that is not sold or transferred to another licensed marijuana establishment.
- B. When marijuana from a marijuana cultivation facility or a marijuana product from another marijuana product manufacturing facility is delivered or transported to the licensed premises of a marijuana product manufacturing facility, the marijuana product manufacturing facility shall immediately enter tracking information for that marijuana or marijuana product into the marijuana inventory tracking system. A marijuana product manufacturing facility may not accept any marijuana or marijuana product that does not have a valid transport manifest generated from the marijuana inventory tracking system of the licensed marijuana establishment that supplies the marijuana or marijuana product.

- C. A marijuana product manufacturing facility shall track any received marijuana or marijuana product to its use in a marijuana product, and shall reconcile each transaction to the marijuana product manufacturing facility's marijuana inventory tracking system at the close of business each day.
- D. A marijuana product manufacturing facility shall account for any variance in the quantity of marijuana or marijuana product the facility received, and the quantity the facility sold, transferred, or disposed of.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.545 Health and safety standards.

- A. A marijuana product manufacturing facility shall comply with the health and safety standards set out in section 10.80.735 and at chapter 16.60 (Anchorage Food Code), if applicable.
- B. A marijuana product manufacturing facility is subject to inspection by the municipal clerk, Anchorage Police Department, Municipal Code Enforcement, Municipal Health Department or any other local agency with health and safety responsibilities.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 15, 4-25-17)

10.80.546 Prevention of Clostridium botulinum in marijuana concentrates.

- A. All marijuana concentrates intended for non-smoking oral consumption must be maintained at a temperature of 41 degrees F or lower after extraction process is completed.
- B. Marijuana product manufacturing facilities may not sell marijuana concentrates intended for oral consumption to other marijuana facilities if there is reason to believe that the product has not been consistently maintained at a temperature of 41 degrees or lower since the extraction process was completed at the manufacturing facility.
- C. The Director of the Anchorage Health Department may waive the requirements in subsections A. and/or B. of this section upon review of written procedures and scientific evidence submitted by the manufacturer that demonstrates that the procedures used to produce the marijuana concentrate results in a product that does not require refrigeration.

(AO No. 2017-71(S), § 16, 4-25-17; AO No. 2018-118, § 2, 1-1-19)

ARTICLE 6. MARIJUANA TESTING FACILITIES

10.80.600 Applicability.

- A. The standards of sections 10.80.600—10.80.675 apply to a person offering a service testing, analyzing, or certifying potency, moisture content, pesticide or solvent residue, mold, mildew, bacteria, or other contaminants in marijuana or a marijuana product to another person including a marijuana establishment or a member of the public, whether for compensation or not, as an independent or third-party testing facility.
- B. The standards of sections 10.80.600—10.80.675 do not apply to a licensed marijuana establishment that controls marijuana testing equipment used solely for its own in-house testing of its own cultivated crop, of products produced or manufactured at its own facility, or of retail products placed or offered for sale in its retail marijuana retail store.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.605 Marijuana testing facility license required.

- A. A person may not offer or provide a marijuana testing service or test results unless the person has obtained a marijuana testing facility license from the municipality in compliance with this chapter, or is an employee or agent acting for a licensed marijuana testing facility.
- B. A person seeking a marijuana testing facility license must:
 - 1. Submit an application for a marijuana testing facility license on a form the municipal clerk prescribes, including the information set out under section 10.80.020, section 10.80.021, and section 10.80.615; and
 - 2. Demonstrate to the assembly's satisfaction that the applicant:
 - a. Will operate in compliance with each applicable provision of sections 10.80.600—10.80.675, and sections 10.80.700-3—10.80.755; and
 - b. Will operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of the state and the Municipality of Anchorage.
 - c. Does not hold a marijuana establishment license in Alaska other than a marijuana testing facility license, or have a financial interest in common with a person who is a licensee of a marijuana establishment in Alaska other than a marijuana testing facility license; and
 - d. Meets the assembly's standards for approval as set out in sections 10.80.600—10.80.675.
- C. A licensee of a marijuana testing facility, or an employee or agent of a licensed marijuana testing facility, may not have an ownership interest in or a direct or indirect financial interest in another type of licensed marijuana establishment, other than a marijuana testing facility.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.610 Marijuana testing facilities: privileges and prohibitions.

- A. A licensed marijuana testing facility may have any amount of marijuana and marijuana products on its premises at any given time if the marijuana testing facility's marijuana inventory tracking system and other records document that all marijuana and marijuana products are on the premises only for the testing purposes described in sections 10.80.600—10.80.675 or 3 AAC 306.600—3 AAC 306.675.
- B. A licensed marijuana testing facility may not:
 - 1. Have a licensee, employee, or agent who holds a type of marijuana establishment license other than a marijuana testing facility license issued under this chapter;
 - 2. Sell, deliver, distribute, or transfer marijuana or a marijuana product to a consumer, with or without compensation; or
 - 3. Allow a person to consume marijuana or a marijuana product on its licensed premises.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.615 Application for marijuana testing facility license.

An applicant for a new marijuana testing facility license must file an application on a form the municipal clerk prescribes, including:

- A. The information required under section 10.80.020; and
- B. The proposed marijuana testing facility's operating plan, including, in addition to the information required under section 10.80.020 and section 10.80.021:
 - 1. Each test the marijuana testing facility will offer;
 - 2. The marijuana testing facility's standard operating procedure for each test the marijuana testing facility will offer; and
 - 3. The acceptable range of results for each test the marijuana testing facility will offer.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.655 Marijuana inventory tracking system.

A marijuana testing facility shall use a marijuana inventory tracking system as provided in section 10.80.730 to ensure all marijuana transported to the marijuana testing facility's premises is identified and tracked from the time the marijuana arrives at the marijuana testing facility to the use and destruction of the marijuana in testing, or disposal in compliance with section 10.80.740.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.660 Failed materials, retests.

- A. If a sample tested by a marijuana testing facility does not pass the required tests based on the standards set out in 3 AAC 306.645, including a visual foreign matter inspection, the marijuana establishment that provided the sample shall:
 - 1. Dispose of the entire harvest batch or production lot from which the sample was taken; and
 - 2. Document the disposal of the sample using the marijuana establishment's marijuana inventory tracking system.
- B. Reserved.
- C. Reserved.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 17, 4-25-17)

10.80.665 Supplemental marijuana quality testing.

- A. The municipal clerk may at any time determine that the interests of the public require random supplemental testing of marijuana or a marijuana product. When the municipal clerk requires random supplemental testing, the municipal clerk shall direct the marijuana cultivation facility that produced the marijuana, the marijuana product manufacturing facility that manufactured the product, or the retail establishment that offered the product for sale, to submit a specified sample, batch, or packaged product to a designated

marijuana testing facility. The material must be packaged in a manner that ensures the marijuana testing facility will be able to confirm that it has received and is testing the correct supplemental sample.

- B. When a marijuana testing facility receives a sample for random supplemental testing under this section, the marijuana testing facility shall:
 - 1. Perform any required laboratory test the assembly or municipal clerk requests; and
 - 2. Report its results to:
 - a. The municipal clerk; and
 - b. The facility that provided the sample.
- C. A marijuana testing facility that conducts laboratory testing under this section shall bill all costs directly to the marijuana cultivation facility or the marijuana product manufacturing facility that provided the samples for testing.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.670 Reporting, verification.

- A. A marijuana testing facility shall report the result of each required laboratory test directly into its marijuana inventory tracking system not later than 24 hours after the test is completed. A marijuana testing facility shall provide the final report:
 - 1. In a timely manner to the marijuana establishment that submitted the sample; and
 - 2. To the municipal clerk not later than 72 hours after the marijuana testing facility determines that results of tested samples exceed allowable levels.
- B. A marijuana testing facility shall establish procedures to ensure that reported result are accurate, precise, and scientifically valid. To ensure reported results are valid, a marijuana testing facility shall include in a final report:
 - 1. The name and location of the marijuana testing facility;
 - 2. The unique sample identifier assigned by the marijuana testing facility;
 - 3. The marijuana establishment or other person that submitted the testing sample;
 - 4. The sample identifier provided by the marijuana establishment or other person that submitted the testing sample;
 - 5. The date the facility received the sample;
 - 6. The chain of custody identifier;
 - 7. The date of the report;
 - 8. The type of marijuana or marijuana product tested;
 - 9. The test results;
 - 10. The units of measure; and
 - 11. Any other information or qualifiers needed for interpretation of the test method and the results being reported, including any identified and documented discrepancy.

- C. A marijuana testing facility may amend a final report for clerical purposes except that test results may not be amended.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.675 Records retention.

- A. A marijuana testing facility shall maintain the business records required under section 10.80.755 for the period of time specified in that section. The books and records required under section 10.80.755A.1. include:
1. Test results;
 2. Quality control and quality assurance records;
 3. Standard operating procedures;
 4. Chain-of-custody records;
 5. Proficiency testing records;
 6. Analytical data to include printouts generated by the instrumentation;
 7. Accession numbers;
 8. Specimen type;
 9. Raw data of calibration standards and curves, controls, and subject results;
 10. Final and amended reports;
 11. Acceptable reference range parameters;
 12. The identity of the analyst; and
 13. The date of the analysis.

(AO No. 2016-16(S), § 1, 2-9-16)

ARTICLE 7. OPERATING REQUIREMENTS

10.80.700 Marijuana handler permit.

- A. Any marijuana establishment and each licensee, employee, or 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 must obtain a marijuana handler permit pursuant to State of Alaska regulation 3 AAC 306.700 before being licensed or beginning employment at a marijuana establishment.
- B. A licensee, employee, or agent of a marijuana establishment must keep the marijuana handler permit card issued pursuant to 3 AAC 306.700(c) 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 marijuana establishment.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.705 Licensed premises alteration.

- A. A marijuana establishment license will be issued for specific licensed premises. A specific licensed premises must constitute a place clearly designated in a license application and described by a line drawing submitted with the license application. The licensed premises must:
 - 1. Have adequate space for its approved operations, including growing, manufacturing, processing, packaging, or storing marijuana or marijuana products; and
 - 2. Be located and constructed to facilitate cleaning, maintenance, and proper operation.
- B. A marijuana establishment's municipal license must be posted in a conspicuous place within the licensed premises.
- C. A holder of a marijuana establishment license may alter the functional floor plan or reduce or expand the area of the licensed premises in accordance with section 21.03.105.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.710 Restricted access areas.

- A. A marijuana establishment shall restrict access to any part of the licensed premises where marijuana or a marijuana product is grown, processed, tested, stored, or stocked.
- B. Except as provided in section 10.80.325 for a retail marijuana store, each entrance to a restricted access area must be marked by a sign that says, "Restricted access area. Visitors must be escorted." A marijuana establishment shall limit the number of visitors to not more than five visitors for each licensee, employee, or agent of the licensee who is actively engaged in supervising those visitors.
- C. In a restricted access area, a licensee, employee, or agent of the marijuana establishment shall wear a current identification badge bearing the person's photograph. A person under 21 years of age may not enter a restricted access area. Any visitor to the restricted access area must:
 - 1. Show identification as required in section 10.80.350 to prove that person is 21 years of age or older;
 - 2. Obtain a visitor identification badge before entering the restricted access area; and
 - 3. Be escorted at all times by a licensee, employee or agent of the marijuana establishment.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.711 No overlapping licenses.

The municipality will issue only one marijuana establishment license for a single premises.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.712 Breastfeeding on licensed premises.

- A. Notwithstanding any other provision of this chapter, a licensee or employee of a licensee may bring a child, who is the child of the licensee or employee and of an age that is allowed by state law, onto the licensed premises, excluding a restricted access area as described under section 10.80.710 for the purpose of breastfeeding the child.

- B. A licensee may designate an area for breastfeeding or for the expression of breast milk. A designated area may not include a restricted access area described under section 10.80.710.
- C. This section may not be construed to supersede or change the requirements of 29 U.S.C. 207 (Section 7 of the Fair Labor Standards Act of 1938) or any other law applicable to breastfeeding in the workplace.

(AO No. 2022-115(S), § 1, 12-20-22)

10.80.715 Security alarm systems and lock standards.

- A. Each license employee, or agent of a marijuana establishment shall display an identification badge issued by the marijuana establishment at all times when on the marijuana establishment's licensed premises.
- B. The licensed premises of a marijuana establishment must have:
 - 1. Exterior lighting to facilitate surveillance;
 - 2. A security alarm system on all exterior doors and windows; and
 - 3. Continuous video monitoring as provided in section 10.80.720.
- C. A marijuana establishment shall have policies and procedures that:
 - 1. Are designed to prevent diversion of marijuana or marijuana product;
 - 2. Prevent loitering;
 - 3. Describe the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of the licensed premises; and
 - 4. Describe the actions to be taken by a licensee, employee, or agent of the marijuana establishment when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security.
- D. A marijuana establishment shall use commercial grade, non-residential door locks on all exterior entry points to the licensed premises.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.720 Video surveillance.

- A. A marijuana establishment shall install and maintain a video system that must cover:
 - 1. Each restricted access area and each entrance to a restricted access area within the licensed premises;
 - 2. Each entrance to the exterior of the licensed premises;
 - 3. Each point-of-sale (POS) area; and
 - 4. Sales and all interactions at a walk-up or drive-through exterior window, including of the licensee or employee verifying identification and completing the transaction.
- B. At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance and walk-up or drive-through service window to the facility must be recorded by a video camera.

- C. Any area where marijuana is grown, cured, or manufactured, or where marijuana waste is destroyed, must have a camera placement in the room facing the primary entry door, and in adequate fixed positions, at a height that will provide a clear, unobstructed view of the regular activity without a sight blockage from lighting hoods, fixtures, or other equipment, in order to allow for the clear and certain identification of any person and activity in the area at all times.
- D. Surveillance recording equipment and video surveillance records must be housed in a locked and secure area or in a lock box, cabinet, closet or other secure area that is accessible only to a marijuana establishment licensee or authorized employee, and to law enforcement personnel. A marijuana establishment may use an offsite monitoring service and offsite storage of video surveillance records if security requirements at the offsite facility are at least as strict as onsite security requirements as described in this section.
- E. Each surveillance recording must be preserved for a minimum of 40 days, in a format that can be easily accessed for viewing. All recorded images must clearly and accurately display the time and date, and must be archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated. After 40 days, a marijuana establishment may erase video recordings, unless the licensee knows or should know of any pending criminal, civil, or administrative investigation for which the video recording may contain relevant information.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2023-117, § 1, 1-9-24)

10.80.725 Inspection of licensed premises.

- A. A marijuana establishment or an applicant for a marijuana establishment license under this chapter shall, upon request, make the licensed premises or the proposed licensed premises, including any place for storage, immediately available for inspection by an official charged with the enforcement of this chapter, the Anchorage Police Department, the Anchorage Fire Department, the Municipal Code Enforcement Department, the Municipal Health Department or any other local official with health and safety responsibilities.
- B. Inspection under this section includes inspection of the premises, facilities, qualifications of personnel, methods of operation, business and financial records, marijuana inventory tracking system, policies, and purposes of any marijuana establishment and of any applicant for a marijuana establishment license.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.730 Marijuana inventory tracking system.

- A. A marijuana establishment shall use a marijuana inventory tracking system capable of sharing information with the system implemented by the State Marijuana Control Board in accordance with 3 AAC 306.730.
- B. Marijuana delivered to a marijuana establishment must be weighed on a scale in compliance with section 10.80.745.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.735 Health and safety standards.

- A. A marijuana establishment is subject to inspection by the Anchorage Fire Department, a Municipal building inspector, or code enforcement officer to confirm that no health or safety concerns are present and the establishment is in compliance with all municipal codes.

- B. A marijuana establishment shall take all reasonable measures and precautions to ensure that:
1. Any person who has an illness, an open sore or infected wound, or other potential source of infection does not come in contact with marijuana or a marijuana product while the illness or source of infection persists;
 2. The licensed premises have:
 - a. Adequate and readily accessible toilet facilities that are maintained in good repair and sanitary condition; and
 - b. Convenient handwashing facilities with running water at a suitable temperature; the marijuana establishment shall require employees to wash or sanitize their hands, and shall provide effective hand-cleaning, sanitizing preparations, and drying devices;
 3. Each person working in direct contact with marijuana or a marijuana product conforms to good hygienic practices while on duty, including:
 - a. Maintaining adequate personal cleanliness; and
 - b. Washing hands thoroughly in an adequate hand washing area before starting work, after using toilet facilities, and at any other time when the person's hands may have become soiled or contaminated;
 4. Litter, waste, and rubbish are properly removed; the waste disposal equipment must be maintained and adequate to:
 - a. Avoid contaminating any area where marijuana or any marijuana product is stored, displayed, or sold; and
 - b. Prevent causing odors or attracting pests;
 5. Floors, walls, and ceilings are constructed to allow adequate cleaning, and are kept clean and in good repair;
 6. Adequate lighting is installed in any area where marijuana or a marijuana product is stored, displayed, or sold, and where any equipment or utensil is cleaned;
 7. Screening or other protection adequately protects against the entry of pests;
 8. Each building, fixture, and other facility is maintained in sanitary condition;
 9. Each toxic cleaning compound, sanitizing agent, and pesticide chemical is identified and stored in a safe manner to protect against contamination of marijuana or a marijuana product and in compliance with any applicable local, state, or federal law;
 10. Adequate sanitation principles are used in receiving, inspecting, transporting, and storing marijuana or a marijuana product; and
 11. Marijuana or a marijuana product is held in a manner that prevents the growth of bacteria, microbes, or other undesirable microorganisms.
- C. A marijuana establishment shall ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace. In this subsection, "stored improperly" means being exposed to extremes in temperature, humidity, smoke, fumes, pressure, or radiation due to a natural disaster, fire, accident, or equipment failure.

- D. If a marijuana establishment does not have reliable information about the age or storage conditions of marijuana or a marijuana product in its possession, the marijuana establishment may salvage the marijuana only if:
1. A licensed marijuana testing facility determines from quality assurance testing that the marijuana or marijuana product meets all applicable standards of moisture, potency, and contaminants;
 2. Inspection of the premises where a disaster or accident occurred shows that the marijuana or marijuana product stored there was not adversely affected by the disaster or accident; and
 3. The marijuana establishment maintains a record of the salvaged marijuana or marijuana product in its marijuana inventory tracking system, including the name, lot number, and final disposition.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.740 Waste disposal.

- A. A marijuana establishment shall store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation production, processing, testing, or retail sales, in compliance with applicable federal, state, and local code, ordinances and regulations.
- B. Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves a marijuana establishment. Marijuana waste includes:
1. Marijuana plant waste, including stalks, leaves, and stems that have not been processed with solvent, but excluding roots;
 2. Solid marijuana sample plant waste in the possession of a marijuana testing facility;
 3. Marijuana or a marijuana product that has been found by the licensee unfit for sale or consumption;
 4. Expired marijuana products; and
 5. Other waste as determined by the municipality.
- C. A marijuana establishment shall:
1. Reserved; and
 2. Record the waste in the marijuana inventory tracking system required under section 10.80.730; and
 3. Keep a record through the marijuana inventory tracking system of the final destination of marijuana waste made unusable.
- D. Marijuana plant waste must be made unusable by grinding the marijuana plant waste and mixing it with at least an equal amount of other compostable or non-compostable materials. A marijuana establishment may use another method to make marijuana waste unusable if the State Marijuana Control Board approves the method in advance. Material that may be mixed with the marijuana waste includes:
1. Compostable materials including food waste, yard waste, or vegetable based grease or oils, when the mixed material can be used as compost feedstock or in another organic waste method such as an anaerobic digester; or
 2. Non-compostable materials including paper waste, cardboard waste, plastic waste, or oil, when the mixed material may be delivered to a permitted solid waste facility or incinerator.

- E. If marijuana or a marijuana product is found by, or surrendered to, a law enforcement officer including a peace officer or an airport security officer, the officer may dispose of the marijuana or marijuana product as provided in this section or by any method that is allowed under municipal code, including title 7.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2018-102, § 1, 11-20-18)

10.80.745 Standardized scales.

- A. A marijuana establishment shall use registered scales in compliance with AS 45.75.080, (Weights and Measures). A marijuana establishment shall:
 - 1. Maintain registration and inspection reports of scales registered under AS 45.75.080 and 17 AAC 90.920—17 AAC 90.935; and
 - 2. Upon request by the municipal clerk or designee, provide a copy of the registration and inspection reports of the registered scales to the municipal clerk or designee for review.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.750 Transportation.

- A. Marijuana or a marijuana product may only be transported to a licensed marijuana establishment by a licensee or an agent or employee of a licensee.
- B. A marijuana establishment from which a shipment of marijuana or marijuana product originates is responsible for preparing, packaging, and securing the marijuana or marijuana product during shipment, for recording the transfer in the marijuana inventory tracking system, and for preparing the transport manifest. A individual transporting marijuana in compliance with this section shall have a marijuana handler permit required under section 10.80.700, and shall the permit in the person's immediate possession when transporting marijuana.
- C. When marijuana or a marijuana product is transported, the marijuana establishment that originates the transport shall use the marijuana inventory tracking system to record the type, amount and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle. A complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times.
- D. During transport, the marijuana or marijuana product must be in a sealed package or container and in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product. The sealed package may not be opened during transport. A vehicle transporting marijuana or a marijuana product must travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and may not make unnecessary stops in between except to deliver or pick up marijuana or a marijuana product at another licensed marijuana establishment.
- E. When a marijuana establishment receives marijuana or a marijuana product transported in compliance with this section, the recipient of the shipment shall use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received. The recipient shall refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.
- F. A marijuana establishment shall keep records of all marijuana or marijuana products shipped from or received at that marijuana establishment as required under section 10.80.755.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-150, § 1, 10-11-17)

10.80.755 Business records.

- A. A marijuana establishment shall maintain in a format that is readily understood by a reasonably prudent business person the following information:
 - 1. All books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months must be maintained on the marijuana establishment's licensed premises. Older records may be archived on or off premises;
 - 2. A current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;
 - 3. The business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises;
 - 4. Records related to advertising and marketing;
 - 5. A current diagram of the licensed premises including each restricted access area;
 - 6. A log recording the name, and date and time of entry of each visitor permitted in a restricted access area;
 - 7. All records normally retained for tax purposes;
 - 8. Accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed; and
 - 9. Transportation records for marijuana and marijuana products as required under section 10.80.750F.
- B. A marijuana establishment shall provide any record required to be kept on the licensed premises to the municipal clerk or designee upon request. Any record kept off premises must be provided to the municipal clerk or designee not later than three business days after a request for the record.
- C. A marijuana establishment shall exercise due diligence in preserving and maintaining all required records. Loss of records and data, including electronically maintained records, does not excuse a violation of this section. Failure to retain records required under this section may be interpreted by the municipality as a license violation affecting public safety.

(AO No. 2016-16(S), § 1, 2-9-16)

ARTICLE 8. ENFORCEMENT, CIVIL PENALTIES

10.80.800 Inspection and investigation.

- A. The municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, a Health Department Officer, or a designee of the municipal clerk, may:
 - 1. Inspect the licensed premises of a marijuana establishment, including any marijuana and marijuana product on the premises, equipment used in cultivating, processing, testing, or storing marijuana, the

- marijuana establishment's marijuana inventory tracking system, business records, and computers, at any reasonable time and in a reasonable manner;
2. Issue a report or notice as provided in section 10.80.805; and
 3. Exercise peace officer powers and take any other action the municipality determines is necessary.
- B. A marijuana establishment, and any licensee, employee, or agent in charge shall cooperate with the municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, a Health Department Officer, or a designee of the municipal clerk, to enforce the laws related to marijuana, including:
1. Permitting entry upon and inspection of the licensed premises; and
 2. Providing access to business records at reasonable times when requested by the municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, or a Health Department Officer.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.805 Report or notice of violation.

- A. The municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, or a Health Department Officer may issue an inspection report, an advisory report, or a notice of violation before taking action to initiate suspension or revocation of a marijuana establishment license or endorsement.
- B. An inspection report documents an investigator's inspection of licensed premises.
- C. The municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, or a Health Department Officer may issue an advisory notice when an incident occurs or a defect is noted that could result in a violation of the Anchorage Municipal Code. An advisory notice may result from an inspection report, but is not a basis for administrative action unless the incident or defect continues or is not corrected.
- D. The municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, or a Health Department Officer may issue a notice of violation if an inspection report or other credible information shows a marijuana establishment is in violation of AS 17.38, this chapter, or other provision of the Anchorage Municipal Code. The notice of violation must be delivered to the marijuana establishment at its licensed premises. The notice must describe any violation, and cite applicable standards of law or conditions of approval. A marijuana establishment that receives a notice of violation may respond to the notice orally or in writing, and may, not later than ten days after receiving the notice, request an opportunity to appear before the Administrative Hearing Officer. A notice of violation may be the basis of a proceeding to suspend or revoke a marijuana establishment's license as provided under section 10.80.810.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 19, 4-25-17; AO No. 2019-66, § 18, 6-18-19)

10.80.810 Suspension or revocation of license or endorsement, certain civil fines.

- A. The municipal clerk will suspend or revoke a marijuana establishment license or endorsement issued under this chapter if any licensee is convicted of violating any provision of law listed in section 10.80.010D.2., or if the municipal clerk becomes aware that a licensee did not disclose a previous such conviction.
- B. The assembly may, in addition to other provisions of this chapter setting forth grounds for such action, suspend, revoke, or otherwise restrict a license or endorsement issued under this chapter for the reasons set forth in this section. Except where summary suspension or revocation is provided for in this chapter, no decision of the assembly to suspend, revoke, or otherwise limit or restrict a license granted under this chapter shall be effective until the person holding that license is first given an opportunity to be heard before

the decision is made. The assembly may impose a civil fine contemporaneously with a suspension, revocation or license restriction proceeding. The assembly may hold hearings or refer hearings to the Administrative Hearings Officer to conduct as the assembly's designee. If referred to an administrative hearings officer, the hearing officer shall conduct the hearing and prepare recommended findings, conclusions, and civil fines, if any. The administrative hearings officer shall forward the record of proceedings and the recommendations to the assembly for adoption, rejection or modification, and issuance of a final order or decision by the assembly. If the assembly modifies the hearing officer's recommended order or decision, the reasons shall be stated in the record before issuance of the final order or decision. The grounds for suspension, revocation or restriction of a marijuana establishment license include, but are not limited to, when the assembly finds a licensee.

1. Misrepresented a material fact on an application for a marijuana establishment license, or an affidavit, report, or signed statement under AS 17.38 or this chapter; or
 2. Is following any practice or procedure that is contrary to the best interests of the public, including:
 - a. Using any process not approved by the State Marijuana Control Board for extracting or manufacturing marijuana concentrate or products; or
 - b. Selling or distributing any marijuana concentrate or product that has not been approved by the State Marijuana Control Board;
 3. Failed, within a reasonable time after receiving a notice of violation, to correct any defect that is the subject of the notice of violation of:
 - a. AS 17.38 or this chapter;
 - b. A condition or restriction imposed by the assembly, including a condition on a special land use permit for marijuana; or
 - c. Other applicable law;
 4. Knowingly allowed an employee or agent to violate AS 17.38, this chapter, or a condition or restriction imposed by the assembly, including a condition on a special land use permit for marijuana;
 5. Failed to comply with any applicable land use, public health, fire, safety, or tax law or regulation in the municipality; or
 6. Used the licensed premises for an illegal purpose including gambling, possession or use of narcotics other than marijuana, prostitution, or sex trafficking.
- C. If the municipality obtains evidence that a marijuana establishment has violated a provision of AS 17.38, this chapter, or a condition the assembly has imposed on the marijuana establishment, including a condition on a special land use permit for marijuana, it shall so notify the State Marijuana Control Board.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 20, 4-25-17; AO No. 2019-66, § 19, 6-18-19)

10.80.815 Suspension or revocation based on act of employee.

- A. If, in a proceeding to suspend or revoke a marijuana establishment license under sections 10.80.810 and 10.80.820, or an endorsement, evidence shows that an employee or agent of a licensed marijuana establishment was responsible for an act that would justify suspension or revocation of the marijuana establishment's license if committed by a licensee, the Administrative Hearings Officer may find that licensee knowingly allowed the act if:
 1. The licensee:

- a. Was physically present when the violation occurred; and
 - b. Knew or should have known the violation was occurring; and
 - c. Took no action to stop the violation;
2. The licensee failed to adequately supervise the agent or employee;
 3. The licensee failed to adequately train the agent or employee in the requirements of AS 17.38 and this chapter relating to marijuana; or
 4. The licensee was reckless or careless in hiring the agent or employee.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2019-66, § 20, 6-18-19)

10.80.821 Procedure for action on license or endorsement suspension or revocation.

Except for the municipal clerk's action set forth in subsection 10.80.810A. or section 10.80.825, a proceeding to suspend or revoke a license or endorsement must be initiated by service of an accusation on the marijuana establishment in compliance with section 3.60.025 and conducted in accordance with chapter 3.60 of the Anchorage Municipal Code.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 21, 4-25-17; AO No. 2019-66, § 21, 6-18-19)

10.80.825 Summary suspension to protect public health, safety, or welfare.

- A. If the municipal clerk finds that a person holding a marijuana establishment license or endorsement has acted and appears to be continuing to act in a way that constitutes an immediate threat to the public health, safety or welfare, the municipal clerk may issue an order immediately suspending the license of that person, and ordering an immediate stop to the activity that constitutes the threat to the public health, safety, or welfare.
- B. When the municipal clerk issues a summary suspension under this section, the municipal clerk shall immediately give the marijuana establishment subject to the summary suspension order notice of the reasons for the summary suspension, and of the time and place for an expedited hearing before the Administrative Hearings Officer. Unless the marijuana establishment subject to the summary suspension order requests a delay, the hearing will be held not later than five days after the municipal clerk gives notice of the reasons for the summary suspension and the scheduled hearing.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2019-66, § 22, 6-18-19)

10.80.830 Seizure of marijuana or marijuana product.

- A. The municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, or a Health Department Officer may seize marijuana or any marijuana product from a licensed marijuana establishment if the marijuana establishment has:
 1. Any marijuana or marijuana product not properly logged into the marijuana establishment's marijuana inventory tracking system;
 2. Any adulterated marijuana food or drink product prohibited under section 10.80.510A.;
 3. Any marijuana or marijuana product that is not properly packaged and labeled as provided in:

- a. 3 AAC 306.470 and 3 AAC 306.475; or
 - b. 3 AAC 306.565 and 3 AAC 306.570; or
 4. Not renewed its license as required under section 10.80.036, except when a renewal application was filed on or before August 31 and a decision on the application is pending; or
 5. Operated in violation of this chapter.
- B. If the municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, or a Health Department Officer seizes marijuana or a marijuana product under this section, the municipal clerk, a sworn Peace Officer, a Code Enforcement Officer, or a Health Department Officer shall so notify the director of the State Marijuana Control Board and ensure that the seized items are stored in a reasonable manner, as set forth below. The agent seizing the marijuana or marijuana product shall immediately give the marijuana establishment from which the marijuana or marijuana product was seized notice of the reasons for the seizure and the time and place of a hearing before the Administrative Hearings Officer. Unless the marijuana establishment from which the marijuana or marijuana product was seized requests a delay, the hearing will be held not later than ten days after the municipal clerk, sworn Peace Officer, Code Enforcement Officer, or Health Department Officer gives notice of the reasons for seizure and the scheduled hearing. If the seizure occurs in connection with a summary suspension under section 10.80.825, the hearing will be combined with a hearing on the summary suspension.
- C. If the marijuana establishment from which the marijuana or marijuana product was seized does not request or participate in a hearing under this section, or if after a hearing the Administrative Hearings Officer finds that seizure of the marijuana or marijuana product was justified, the marijuana or marijuana product will be destroyed by burning, crushing, or mixing with other material to make the marijuana or marijuana product unusable as provided in section 10.80.740, or chapter 7.25.
- D. Seized marijuana and marijuana product, including marijuana plants, shall be inventoried by the licensee and the official authorized to seize, and shall then be either removed by the official authorized to seize, or secured on the licensed premises pending the hearing. The seizure order may direct a marijuana cultivation facility to continue care of marijuana plants until the hearing. No marijuana or marijuana product, once seized and secured, shall be transferred, sold, or involved in any other commercial activity.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 22, 4-25-17; AO No. 2017-95(S), § 7, 5-1-17)

10.80.835 Hearing.

- A. Except as provided in section 10.80.825 or section 10.80.830, a person aggrieved by an action of the municipal clerk, sworn Peace Officer, Code Enforcement Officer, or Health Department Officer may request a hearing in accordance with chapter 3.60 of the Anchorage Municipal Code.
- B. The Office of Administrative Hearings will conduct the hearing in accordance with chapter 3.60 of the Anchorage Municipal Code.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.840 Civil fines.

- A. The Administrative Hearings Officer may, in addition to any other penalties imposed under this title, impose a civil fine on a marijuana establishment, licensee, or person that the Administrative Hearings Officer determines to have violated a provision of AS 17.38 or this chapter.

- B. A civil fine imposed by the Administrative Hearings Officer may not to exceed the amount listed on the fine schedule set out in section 14.60.030.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.846 Appeal.

A person aggrieved by a final decision of the Assembly suspending, revoking, or restricting a license or endorsement under this chapter, or imposing a civil fine, may appeal to the superior court.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-71(S), § 23, 4-25-17; AO No. 2019-66, § 23, 6-18-19)

10.80.850 Surrender or destruction of license or endorsement.

A license or endorsement issued under this chapter must be surrendered to the municipal clerk, sworn Peace Officer, Code Enforcement Officer, or Health Department Officer if the municipal clerk or Administrative Hearings Officer so orders. A license or endorsement issued under this chapter must be surrendered not later than ten days after the marijuana establishment loses or vacates the licensed premises. If a license is destroyed, the marijuana establishment shall promptly notify the municipal clerk.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2019-66, § 24, 6-18-19)

ARTICLE 9. GENERAL PROVISIONS

10.80.905 Public records.

- A. Marijuana establishment applications are public records. The municipal clerk, in consultation with the Municipal Attorney, may, at the request of any applicant, designate materials confidential if they:

1. Contain proprietary information including trade secrets; or
2. Are required to be kept confidential by any federal or state law or regulation.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.911 Refusal to sell marijuana.

Nothing in this chapter prohibits a licensee from refusing to sell marijuana or marijuana products to any person unless that refusal is in violation of Title 5 of the Anchorage Municipal Code.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.915 Exercise of authority.

Until a marijuana establishment surrenders its license to the municipal clerk, and so long as business is conducted under the license on the licensed premises, the person holding the license, whether an individual, a partnership, a limited liability company, a corporation, or a local government, is responsible and liable for the conduct of the business. Any individual exercising actual authority over the conduct of business on the licensed

premises must be the holder of the marijuana establishment license, or an agent or employee of that person unless the assembly has approved a transfer of the license to a different person.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.920 Death of licensee.

- A. If an individual who is the sole licensee of a marijuana establishment dies, the marijuana establishment shall cease operation. A personal representative appointed by the superior court for the estate of the deceased licensee may submit to the municipal clerk a written request to reopen the business, along with a copy of the court order appointing the personal representative. If the licensed marijuana establishment is in good standing, and the personal representative is not a person prohibited from holding a marijuana establishment license by AS 17.38.200(i) or section 10.80.011, the municipal clerk shall grant permission to the personal representative to operate the business on the licensed premises subject to subsection B of this section. In this section, a marijuana establishment is in "good standing" if the marijuana establishment:
1. Has a valid current license;
 2. Has paid all fees due under this chapter and all local taxes due; and
 3. Has no unresolved suspension or revocation proceedings against it.
- B. A personal representative authorized to operate a marijuana establishment under subsection A of this section must submit an application for a transfer of ownership to another person in compliance with section 10.80.045 not later than 90 days after obtaining the municipal clerk's approval to operate. The municipal clerk may extend the time allowed in this section for another 90 days if the personal representative requests the additional time.
- C. This section does not authorize the transfer of a marijuana establishment license unless the assembly approves the personal representative's application for transfer of license to another person.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.931 Designation of Local Regulatory Authority.

Pursuant to AS 17.38.210(c), the municipal clerk is designated as the local regulatory authority for the municipality.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.990 Definitions.

- A. In this chapter:

"Affiliate" means a person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, a partnership, limited liability company, or corporation subject to this chapter;

"Assisting" does not include:

- a. Using, displaying, purchasing, or transporting marijuana in excess of the amount allowed in AS 17.38.020;

- b. Possessing, growing, processing, or transporting marijuana plants in excess of the number allowed in AS 17.38.020;
- c. Growing marijuana plants for another person in a place other than:
 - i. That other person's primary residence; or
 - ii. A garage, shed, or similar place under the other person's control;

"Delivering":

- a. Means handing to a person who purchases the product on licensed premises only;
- b. Does not include transferring or transporting to a consumer off licensed premises;

"Flowering" means a marijuana plant that has visible crystals, buds, or flowers, or for which the exposure to light is scheduled with the intent to produce crystals, buds, or flowers;

"Immature" means a marijuana plant with no visible crystals, buds, or flowers, and in which the exposure to light is scheduled with the intent to prevent formation of crystals, buds, or flowers;

"In public":

- a. Means in a place to which the public or a substantial group of people has access; and
- b. Includes highways, transportation facilities, schools, laces of amusement or business, parks, playgrounds, prisons, and hallways, lobbies and other portions of apartment houses and hotels not constituting rooms or apartments designed for actual residence;

"Municipal Clerk" means the Municipal Clerk or the Clerk's designate.

"Personal cultivation" does not include:

- a. Using, displaying, purchasing, or transporting marijuana in excess of the amount allowed in AS 17.38.020;
- b. Possessing, growing, processing, or transporting marijuana plants in excess of the number allowed in AS 17.38.020;
- c. Growing marijuana plants for another person in a place other than:
 - i. That other person's primary residence; or
 - ii. A garage, shed, or similar place under the other person's control;

"Possess" means having physical possession or control over property;

"Registration" means licensure or license;

- B. In this chapter, unless the context requires otherwise:

"Adulterated food or drink product":

- a. Means a product that is intended to be consumed orally and that existed without marijuana in a form ready for consumption before marijuana was added by any process;
- b. Does not include raw ingredients that are combined with marijuana in a manufacturing process;

"Agent":

- a. Means a representative who is authorized to act for a licensee, the assembly, or the municipal clerk, as context requires;

- b. Includes a contractor or subcontractor;

"Batch" or *"harvest batch"* means a specifically identified quantity of plant trim, leaf, and other usable product from marijuana plants that are uniform in strain, cultivated in one place and under the same conditions, using the same medium and agricultural chemicals including pesticides and fungicides, and harvested at the same time;

"Bud and flower" means the hairy, sticky, or crystal-covered parts of mature female marijuana plants generally harvested for their high potency content;

"Business day" means a day other than a Saturday, Sunday, or a state holiday;

"CBD" means cannabidiol;

"CBDA" means CBD Acid;

"CBN" means cannabinol;

"Clones" or *"cuttings"* means small starter plants:

- a. Shorter than eight inches tall; and
- b. Used to propagate marijuana plants;

"Compensation":

- a. Means money, bartered objects or services, or anything else of value, whether given as payment or voluntarily as a donation, when accepted by a person who gives, distributes, or delivers marijuana to another;
- b. Includes a cover charge, a delivery charge, and a packaging charge;

"Concentrate" or *"marijuana concentrate"* means resin, oil, wax, or any other substance produced by extracting or isolating cannabinoids, THC, or other components from a marijuana plant or from materials harvested from a marijuana plant;

"Consumer":

- a. Means an individual who purchases and uses marijuana or a marijuana product; and
- b. Does not include a marijuana establishment that resells marijuana or incorporates marijuana into a manufactured product;

"Consumption" has the meaning given in AS 17.38.900(3);

"Contaminant" means one or more of the following:

- a. Harmful microbials, including Escherichia coli (E. coli), or Salmonella species;
- b. Residual solvents;
- c. Poisons or toxins;
- d. Harmful chemicals, including pesticides;
- e. Dangerous molds, mildew, or filth;

"Controlling interest" means ownership or control of:

- a. 50 percent or more of the ownership interest or voting shares of a corporation; or
- b. Less than 50 percent if a person and family members jointly exert actual control as demonstrated by:

- i. Making decisions for the corporation without independent participation of other owners;
- ii. Exercising day-to-day control over the corporation's affairs;
- iii. Disregarding formal legal requirements;
- iv. Using corporation funds for personal expenses or investments, or intermingling corporation finances with personal finances; or
- v. Taking other actions that indicate the corporation is a mere instrumentality of the individual;

"Distribute" means spread out or pass out among several or many members of a group;

"Drunken person" has the meaning given in AS 04.21.080(b)(9);

"Edible" and *"edible marijuana product"*:

- a. Means a marijuana product that is intended to be consumed orally, whether as food or drink;
- b. Does not include an adulterated food or drink product;

"Extraction" or *"marijuana extraction"* means production of marijuana concentrate by any water-based, food-based, or solvent-based method;

"Freestanding" has the meaning given in AS 18.35.301(i)(1);

"Homogenous" means a component or quality, such as THC, is spread evenly throughout the product, or can be found in equal amounts in each part of a multi-serving unit;

"Individual" means a natural person;

"In-house testing":

- a. Means laboratory testing as provided in 3 AAC 306.635 and that does not meet the requirements of 3 AAC 306.645;
- b. Does not include consumption of any marijuana or marijuana product on the licensed premises;

"Intoxicated" has the meaning given in AS 11.81.900(b)(35);

"Licensed":

- a. Means holding a current and valid license that the municipal clerk has issued under this chapter;
- b. Does not include holding a formerly valid license that has expired or that has been suspended or revoked;

"Licensee" means each individual identified in 3 AAC 306.020 who must be listed in an application for a marijuana establishment license under this chapter;

"Licensed premises" means any or all designated portions of a building or structure, or rooms or enclosures in the building or structure, at the specific address for which a marijuana establishment license is issued, and used, controlled, or operated by the marijuana establishment to carry out the business for which it is licensed;

"Lot" or *"production lot"* means a group of marijuana products that were prepared at the same time from the same batch of marijuana, using the same recipe or process;

"Marijuana" has the meaning given in AS 17.38.900;

"Marijuana consumption area" means a designated area within the licensed premises of a retail marijuana store that holds a valid on-site consumption endorsement, where marijuana and marijuana products, excluding marijuana concentrates, may be consumed;

"*Marijuana cultivation facility*" has the meaning given in AS 17.38.900;

"*Marijuana infused product*":

- a. Means a product that contains marijuana or marijuana concentrate and is intended for human use;
- b. Does not include bud and flower marijuana;

"*Marijuana plant*" means a living organism of the genus *Cannabis* capable of absorbing water and inorganic substances through its roots, and synthesizing nutrients in its leaves by photosynthesis;

"*Marijuana product*" has the meaning given in AS 17.38.900;

"*Marijuana product manufacturing facility*" has the meaning given in AS 17.38.900;

"*Overconsumption*" means, in relation to consumption of marijuana or marijuana product, (1) more than the amount allowed for on-site consumption under section 10.80.306A.2., or (2) consumption of an amount that results in the person being affected by marijuana or marijuana products to the point where the person's physical or mental conduct is substantially impaired;

"*Peace officer*" has the meaning given in AS 01.10.060;

"*Person*" has the meaning given in AS 01.10.060;

"*Process*" or "*processing*" means harvesting, curing, drying, or trimming of a marijuana plant;

"*Propagate*" means to cause a marijuana plant to grow by planting clones or cuttings, and nurturing them into viable plants up to eight inches in height;

"*Recreation or youth center*" means a building, structure, athletic playing field, or playground:

- a. Run or created by a local government or the state to provide athletic, recreational, or leisure activities for persons under 21 years of age; or
- b. Operated by a public or private organization licensed to provide shelter, training, or guidance for minors;

"*Retail marijuana store*" has the meaning given in AS 17.38.900;

"*Retail marijuana store premises*" means an area encompassing both the retail marijuana store and any marijuana consumption area;

"*Square feet under cultivation*":

- a. Means an area of the licensed premises of a marijuana cultivation facility that is used for growing marijuana, measured from the perimeter of the floor or growing space for marijuana;
- b. Does not include a processing or storage area, an equipment storage area, an office, a hallway, or another area, if that area is not used for growing marijuana;

"*THC*" means tetrahydrocannabinol, the main psychoactive substance found in marijuana;

"*THCA*" means THC Acid;

"*Transaction*" means one single occurrence in which marijuana or a marijuana product not exceeding the limits set out in section 10.80.355 is passed from a licensed marijuana establishment to another person.

(AO No. 2016-16(S), § 1, 2-9-16; AO No. 2017-95(S), § 8, 5-1-17; AO No. 2017-150, § 2, 10-11-17; AO No. 2019-66, § 25, 6-18-19)

CHAPTER 10.80.100
INCORPORATION OF STATE STATUTES AND REGULATIONS; NOTICE TO ASSEMBLY

Sec. 17.38.070. Lawful operation of marijuana-related facilities.

- (a) Notwithstanding any other provision of law, the following acts, when performed by a retail marijuana store with a current, valid registration, or a person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a retail marijuana store, are lawful and are not an offense under state law or a basis for seizure or forfeiture of assets under state law:
- (1) possessing, displaying, storing, or transporting marijuana or marijuana products, except that marijuana and marijuana products may not be displayed in a manner that is visible to the general public from a public right-of-way;
 - (2) delivering or transferring marijuana or marijuana products to a marijuana testing facility;
 - (3) receiving marijuana or marijuana products from a marijuana testing facility;
 - (4) purchasing marijuana from a marijuana cultivation facility;
 - (5) purchasing marijuana or marijuana products from a marijuana product manufacturing facility; and
 - (6) delivering, distributing, or selling marijuana or marijuana products to consumers.
- (b) Notwithstanding any other provision of law, the following acts, when performed by a marijuana cultivation facility with a current, valid registration, or a person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a marijuana cultivation facility, are lawful and are not an offense under state law or a basis for seizure or forfeiture of assets under state law:
- (1) cultivating, manufacturing, harvesting, processing, packaging, transporting, displaying, storing, or possessing marijuana;
 - (2) delivering or transferring marijuana to a marijuana testing facility;
 - (3) receiving marijuana from a marijuana testing facility;
 - (4) delivering, distributing, or selling marijuana to a marijuana cultivation facility, a marijuana product manufacturing facility, or a retail marijuana store;
 - (5) receiving or purchasing marijuana from a marijuana cultivation facility; and

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- (6) receiving marijuana seeds or immature marijuana plants from a person 21 years of age or older.
- (c) Notwithstanding any other provision of law, the following acts, when performed by a marijuana product manufacturing facility with a current, valid registration, or a person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a marijuana product manufacturing facility, are lawful and are not an offense under state law or a basis for seizure or forfeiture of assets under state law:
- (1) packaging, processing, transporting, manufacturing, displaying, or possessing marijuana or marijuana products;
 - (2) delivering or transferring marijuana or marijuana products to a marijuana testing facility;
 - (3) receiving marijuana or marijuana products from a marijuana testing facility;
 - (4) delivering or selling marijuana or marijuana products to a retail marijuana store or a marijuana product manufacturing facility;
 - (5) purchasing marijuana from a marijuana cultivation facility; and
 - (6) purchasing marijuana or marijuana products from a marijuana product manufacturing facility.
- (d) Notwithstanding any other provision of law, the following acts, when performed by a marijuana testing facility with a current, valid registration, or a person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a marijuana testing facility, are lawful and are not an offense under state law or a basis for seizure or forfeiture of assets under state law:
- (1) possessing, cultivating, processing, repackaging, storing, transporting, displaying, transferring, or delivering marijuana;
 - (2) receiving marijuana or marijuana products from a marijuana cultivation facility, a marijuana retail store, a marijuana products manufacturer, or a person 21 years of age or older; and
 - (3) returning marijuana or marijuana products to a marijuana cultivation facility, a marijuana retail store, a marijuana products manufacturer, or a person 21 years of age or older.

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- (e) Notwithstanding any other provision of law, it is lawful and is not an offense under state law or a basis for seizure or forfeiture of assets under state law to lease or otherwise allow the use of property owned, occupied, or controlled by any person, corporation, or other entity for any of the activities conducted lawfully in accordance with (a) — (d) of this section.
- (f) Nothing in this section prevents the imposition of penalties upon marijuana establishments for violating this chapter or rules adopted by the board or local governments pursuant to this chapter.
- (g) The provisions of [AS 17.30.020](#) do not apply to marijuana establishments.

Sec. 17.38.200. Marijuana establishment registrations, only subsections (g), (h), and (i).

- (g) Every marijuana establishment registration shall specify the location where the marijuana establishment will operate. A separate registration shall be required for each location at which a marijuana establishment operates.
- (h) Marijuana establishments and the books and records maintained and created by marijuana establishments are subject to inspection by the board.
- (i) A marijuana establishment may not be registered under this chapter if a person who is an owner, officer, or agent of the marijuana establishment has been convicted of a felony and either
 - (1) less than five years have elapsed from the time of the person's conviction; or
 - (2) the person is currently on probation or parole for that felony.

Sec. 17.38.900. Definitions.

As used in this chapter, unless the context otherwise requires,

- (1) “board” means the Marijuana Control Board established by [AS 17.38.080](#);
- (2) “consumer” means a person 21 years of age or older who purchases marijuana or marijuana products for personal use by persons 21 years of age or older, but not for resale to others;
- (3) “consumption” means the act of ingesting, inhaling, or otherwise introducing marijuana into the human body;

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- (4) “director” means the director of the Marijuana Control Board and the Alcoholic Beverage Control Board;
- (5) “dwelling” has the meaning given in [AS 11.81.900](#);
- (6) “established village” means an area that does not contain any part of an incorporated city or another established village and that is an unincorporated community that is in the unorganized borough and that has 25 or more permanent residents;
- (7) “local government” means both home rule and general law municipalities, including boroughs and cities of all classes and unified municipalities;
- (8) “local regulatory authority” means the office or entity designated to process marijuana establishment applications by a local government;
- (9) “manufacture” has the meaning given in [AS 11.71.900](#).
- (10) “marijuana” means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate; “marijuana” does not include fiber produced from the stalks, oil or cake made from the seeds of the plant, sterilized seed of the plant that is incapable of germination, the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products, or industrial hemp as defined in [AS 03.05.100](#);
- (11) “marijuana accessories” means any equipment, products, or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human body;
- (12) “marijuana cultivation facility” means an entity registered to cultivate, prepare, and package marijuana and to sell marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers;
- (13) “marijuana establishment” means a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, or a retail marijuana store;
- (14) “marijuana product manufacturing facility” means an entity registered to purchase marijuana; manufacture, prepare, and package marijuana products; and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers;

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- (15) “marijuana products” means concentrated marijuana products and marijuana products that are comprised of marijuana and other ingredients and are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures;
- (16) “marijuana testing facility” means an entity registered to analyze and certify the safety and potency of marijuana;
- (17) “registration” means registration or licensure, as determined by regulation;
- (18) “retail marijuana store” means an entity registered to purchase marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana products from marijuana product manufacturing facilities, and to sell marijuana and marijuana products to consumers;
- (19) “unreasonably impracticable” means that the measures necessary to comply with the regulations require such a high investment of risk, money, time, or any other resource or asset that the operation of a marijuana establishment is not worthy of being carried out in practice by a reasonably prudent businessperson.

3 AAC 306.010. License restrictions.

- (a) The board will not issue a new marijuana establishment license, or approve an application for a transfer of a license to another location, 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 a marijuana establishment license, a license conversion under 3 AAC 306.047, or the transfer of a 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 a 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 new marijuana establishment license, or approve an application for a transfer of a license to another location if the licensed premises will be located in a liquor license premises.
- (c) The board will not issue a new marijuana establishment license, or approve an application for a transfer of a marijuana establishment license to another location when a

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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 marijuana establishment 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. (Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229; am 1/22/2023, Register 245)

3 AAC 306.015. License conditions.

- (a) The board will issue each marijuana establishment license to a specific individual, a partnership, including a limited partnership, a limited liability company, a corporation, or 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 approve an application for a transfer of 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

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

- (c) The board will issue each marijuana establishment license for a specific location identified on the application 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.

- (d) A person may not transfer a marijuana establishment license to another location without the applicant applying for and receiving written consent of the board. Subject to any applicable provisions of AS 17.38 and this chapter, the board may approve an application for a transfer of a marijuana establishment license to another location in a different local government.

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

- (f) 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. (Eff. 2/21/2016, Register 217; add'l am 2/21/2016, Register 217; am 2/21/2019, Register 229; am 4/11/2019, Register 230; am 10/18/2020, Register 236; am 1/22/2023, Register 245)

3 AAC 306.049. Foreclosures.

A marijuana establishment license issued under AS 17.38 and this chapter is not subject to foreclosure and may not be used as collateral to secure a debt. If a license is transferred to

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another person, the transferor may secure payment for real and personal property conveyed to the transferee upon the promise of the transferee to transfer the license back to the transferor upon default in payment. (Eff. 3/22/2024, Register 249)

3 AAC 306.051. Application for return of a license to a person with a retained security interest.

- (a) A licensee who wishes to establish a security interest in a marijuana establishment license proposed for transfer to another person under 3 AAC 306.045 shall submit the following additional documents with the transfer application:
 - (1) a leasehold conveyance or contract of sale of real property made in the course of the license transfer;
 - (2) a list of personal property being conveyed from the transferor to the transferee, along with the value of the property and a draft Uniform Commercial Code financing statement in which a security interest in the license is claimed under 3 AAC 306.049, this section, and 3 AAC 306.080(d)(2)(B), containing the following statement: “Under the terms of 3 AAC 306.049, 3 AAC 306.051, and 3 AAC 306.080(d)(2)(B), the transferor/lessor retains a security interest in the marijuana license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors.”; the value of the personal property must be sufficient for the board to determine that the license is not being used as collateral except as provided under 3 AAC 306.049; and
 - (3) all transaction and security documents relating to the lease or sale of real property and sale of personal property in conjunction with the license transfer.
- (b) The transferor must include in the published notice of transfer required by 3 AAC 306.025(b), the following statement: “Under the terms of 3 AAC 306.049, 3 AAC 306.051, and 3 AAC 306.080(d)(2)(B), the transferor/lessor retains a security interest in the marijuana license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors.”
- (c) After board approval, a copy of the recorded leasehold conveyance or contract of sale of real property and the recorded Uniform Commercial Code financing statement must be provided to the director before the transferred license may be operated.
- (d) A security interest in a marijuana establishment license may not be established when the license transfer contemplates a transfer of less than 100 percent of the interest in the license.
- (e) A marijuana establishment license with an established security interest may not be transferred to another person unless all obligations under the security interest are satisfied before or as part of the transfer. The board may make an exception in the case of the death of a licensee. (Eff. 3/22/2024, Register 249)

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3 AAC 306.055. Criminal justice information and records.

- (a) When filing an application for a new marijuana establishment license, transfer of a license to another person, or ownership change, 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. An individual who has submitted fingerprints and fees under this section is not required to submit a new set of fingerprints and fees for a second or subsequent application for a new license, transfer of a marijuana establishment license to another person, or ownership change, if the second or subsequent application is submitted not later than 12 calendar months after the date criminal justice information is received in response to the initial submission of fingerprints and fees.
- (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. (Eff. 2/21/2016, Register 217; am 5/9/2019, Register 230; am 1/22/2023, Register 245)

Article 3. Retail Marijuana Stores.

Excluding: 3 AAC 306.315, 3 AAC 306.370, 3 AAC 306.380

3 AAC 306.300. Retail marijuana store license required.

- (a) Except as permitted under AS 17.38.020, a person may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or any marijuana product to a consumer unless the person has obtained a retail marijuana store license from the board in compliance with this chapter, or is an employee or agent acting for a licensed retail marijuana store operating in compliance with this chapter.
- (b) A licensee of any retail marijuana store, or an employee or agent of a retail marijuana store, may not have an ownership interest in, or a direct or indirect financial interest in a licensed marijuana testing facility. (Eff. 2/21/2016, Register 217; am 10/17/2018, Register 228; am 9/1/2021, Register 239; am 1/22/2023, Register 245)

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3 AAC 306.305. Retail marijuana store privileges.

- (a) A licensed retail marijuana store is authorized to
 - (1) sell marijuana purchased from a licensed marijuana cultivation facility, packaged and labeled as required under 3 AAC 306.345, 3 AAC 306.470, and 3 AAC 306.475 in an amount not exceeding the limit set out in 3 AAC 306.355, to an individual on the licensed premises or as permitted under 3 AAC 306.380 for consumption off the licensed premises;
 - (2) reject or revoke acceptance of marijuana purchased from a licensed marijuana cultivation facility;
 - (3) sell a marijuana product purchased from a licensed marijuana product manufacturing facility, packaged and labeled as required under 3 AAC 306.345, 3 AAC 306.565, and 3 AAC 306.570, in a quantity not exceeding the limit set out in 3 AAC 306.355, to an individual on the licensed premises or as permitted under 3 AAC 306.380 for consumption off the licensed premises;
 - (4) reject or revoke acceptance of a marijuana product purchased from a licensed marijuana product manufacturing facility;
 - (5) salvage and sell kief, trim, or flower separated from marijuana purchased from a licensed marijuana cultivation facility while preparing the marijuana with required packaging and labeling under 3 AAC 306.345, 3 AAC 306.565, and 3 AAC 306.570 to an individual on the licensed premises;
 - (6) store marijuana and marijuana product on the licensed premises in a manner consistent with 3 AAC 306.710 - 3 AAC 306.720;
 - (7) with prior approval of the board, permit consumption of marijuana or a marijuana product purchased on the licensed premises, in a designated area on the licensed premises.
- (b) This section does not prohibit a licensed retail marijuana store from refusing to sell marijuana or a marijuana product to a consumer.
- (c) A licensee of a retail marijuana store may also apply for a marijuana cultivation facility license, marijuana product manufacturing facility license, or both. A licensee of a retail marijuana store who obtains a marijuana cultivation facility license, marijuana product manufacturing facility license, or both shall
 - (1) except for overlapping premises approved by the board under 3 AAC 306.710(d), conduct a marijuana cultivation operation or marijuana product manufacturing operation in a room separate from any other operation and the retail marijuana store; if the rooms are connected and co-located in an area that is not approved by the board as overlapping premises, a secure door must separate the rooms

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from each other; a secure door must separate any room connected to and co-located with the retail marijuana store; and

- (2) comply with each provision of this chapter that applies to any other type of marijuana establishment license that the licensee of a retail marijuana store obtains. (Eff. 2/21/2016, Register 217; em am 4/17/2020 – 8/14/2020, Register 234; am 11/24/2020, Register 236; am 12/10/2020, Register 236; am 12/10/2020, Register 236; am 8/13/2023, Register 247; am 1/5/2024, Register 249; am 8/16/2024, Register 251)

3 AAC 306.310. Acts prohibited at retail marijuana store.

- (a) A licensed retail marijuana store may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver, marijuana or a marijuana product
 - (1) to a person under 21 years of age;
 - (2) to a person that is under the influence of an alcoholic beverage, inhalant, or controlled substance;
 - (3) that is not labeled and packaged as required in 3 AAC 306.345 and
 - (A) 3 AAC 306.470 and 3 AAC 306.475; or
 - (B) 3 AAC 306.565 and 3 AAC 306.570;
 - (4) in a quantity exceeding the limit set out in 3 AAC 306.355;
 - (5) repealed 8/13/2023;
 - (6) after the expiration date shown on the label of the marijuana or marijuana product.
- (b) A licensed retail marijuana store may not
 - (1) conduct business on or allow a consumer to access the retail marijuana store's licensed premises between the hours of 5:00 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, deliver, or sell an alcoholic beverage to a consumer for any reason; or
 - (4) allow intoxicated or drunken persons to enter or to remain on the licensed premises. (Eff. 2/21/2016, Register 217; am 4/11/2019, Register 230; em am 4/17/2020 – 8/14/2020, Register 234; am 11/24/2020, Register 236; am 8/13/2023, Register 247, am 10/08/2023, Register 248)

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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. (Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229)

3 AAC 306.325. Access restricted at retail marijuana store.

- (a) Except as provided under 3 AAC 306.712, a person under 21 years of age may not enter a retail marijuana store.
- (b) Each entry to a retail marijuana store must be posted with a sign that says "No one under 21 years of age allowed." The sign must be not less than 12 inches long and 12 inches wide, with letters at least one-half inch in height in high contrast to the background of the sign.
- (c) An area of a retail marijuana store's licensed premises where marijuana or any marijuana product is stocked for sale or dispensed for sale is a restricted access area. The retail marijuana store must post signs, require identification, and escort visitors in compliance with 3 AAC 306.710.
- (d) If a retail marijuana store displays marijuana to a consumer for the purpose of smelling the marijuana before purchase, the retail marijuana store shall package the marijuana in a sample jar that is protected by a plastic, metal, or other protective mesh screen, and the jar must remain in the monitored custody of the retail marijuana store during consumer inspection. (Eff. 2/21/2016, Register 217; am 5/9/2019, Register 230; am 1/1/2021, Register 237)

3 AAC 306.330. Marijuana inventory tracking system.

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- (a) A retail marijuana store shall use a marijuana inventory tracking system as provided in 3 AAC 306.730 to ensure all marijuana and marijuana product in the retail marijuana store's possession is identified and tracked from the time the retail marijuana store receives, rejects, or revokes acceptance of any batch of marijuana or lot of marijuana product through the sale, transfer to another licensed marijuana establishment, including the relocation of marijuana or marijuana product to the new licensed premises in the case of a transfer of a marijuana establishment license to another location approved by the board, or disposal of the batch of marijuana or lot of marijuana product.
- (b) When marijuana from a marijuana cultivation facility or marijuana product from a marijuana product manufacturing facility is delivered or transported to the licensed premises of a retail marijuana store, the retail marijuana store shall immediately enter identification information for that batch of marijuana or lot of marijuana product into the retail marijuana store's marijuana inventory tracking system. A retail marijuana store shall reject marijuana or a marijuana product that does not have a valid transport manifest generated from the marijuana inventory tracking system of the marijuana establishment that originated the delivery.
- (c) A retail marijuana store shall reconcile each transaction from the retail marijuana store's point-of-sale system and current inventory to its marijuana inventory tracking system at the close of business each day.
- (d) A retail marijuana store shall account for any variance in the quantity of marijuana or marijuana product the retail marijuana store received and the quantity it sold, transferred, or disposed of. (Eff. 2/21/2016, Register 217; am 1/22/2023, Register 245; am 1/5/2024, Register 249)

3 AAC 306.335. Health and safety requirements.

A retail marijuana store shall comply with each applicable health and safety requirement set out in 3 AAC 306.735. (Eff. 2/21/2016, Register 217)

3 AAC 306.340. Testing required for marijuana and marijuana products.

A retail marijuana store may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver, marijuana or a marijuana product until all laboratory testing required under 3 AAC 306.645 has been completed, and the label required under 3 AAC 306.475 or 3 AAC 306.570 is affixed. (Eff. 2/21/2016, Register 217)

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3 AAC 306.345. Packaging and labeling.

- (a) A retail marijuana store shall assure that
 - (1) marijuana sold on its licensed premises is packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475;
 - (2) any marijuana product sold on its licensed premises is packaged and labeled in compliance with 3 AAC 306.565 and 3 AAC 306.570; and
 - (3) at the point of sale, marijuana or a marijuana product sold is packaged in resealable, child-resistant packaging designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly; and
 - (4) unless already packaged by the cultivation facility or the manufacturing facility in an opaque package for final retail sale, any marijuana or marijuana product purchased by the consumer is placed in an opaque package by the retail marijuana store or the consumer before the consumer exits the retail marijuana store.
- (b) In addition to labeling requirements provided in (a) of this section, a retail marijuana store shall affix a label to each package of marijuana or marijuana product that
 - (1) identifies the retail marijuana store selling the marijuana product by name or distinctive logo and marijuana establishment license number;
 - (2) states the estimated amount of total THC in the labeled product; and
 - (3) contains each of the following statements:
 - (A) "Marijuana has intoxicating effects and may be habit forming and addictive.";
 - (B) "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence.";
 - (C) "There are health risks associated with consumption of marijuana.";
 - (D) "For use only by adults twenty-one and older. Keep out of the reach of children.";
 - (E) "Marijuana should not be used by women who are pregnant or breast feeding.".
- (c) In this section, "opaque" means a packaging material that does not allow the contents of the package to be seen without opening the package. (Eff. 2/21/2016, Register 217; am 11/8/2018, Register 228; am 12/5/2021, Register 240)

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3 AAC 306.350. Identification requirement to prevent sale to person under 21.

- (a) A retail marijuana store shall refuse to sell marijuana or a marijuana product or complete a walk-up or drive-through exterior window order of marijuana or marijuana product to a person who does not produce a form of valid photographic identification showing that person is 21 years of age or older.
- (b) For the purpose of this section, a valid form of photographic identification is
 - (1) an unexpired, unaltered passport;
 - (2) an unexpired, unaltered driver's license, instruction permit, or identification card of a state or territory of the United States, the District of Columbia, or a province or territory of Canada;
 - (3) an identification card issued by a federal or state agency authorized to issue a driver's license or identification card; or
 - (4) a tribal identification card, issued by a federally recognized tribe, that meets the following criteria:
 - (A) the identification card has a photograph, a signature, and a date of birth; and
 - (B) the identification card has security features as identified by AS 28.15.111(a)(4). (Eff. 2/21/2016, Register 217; am 9/24/2021, Register 239; am 8/13/2023, Register 247)

Editor's note: A list of federally recognized tribes can be found at <https://www.federalregister.gov/documents/2020/01/30/2020-01707/Indian-entities-recognized-by-and-eligible-to-receive-services-from-the-united-states-bureau-of-indian-affairs>.

3 AAC 306.355. Limit on quantity sold.

- (a) A retail marijuana store may not sell to any one person per day
 - (1) more than one ounce of usable marijuana;
 - (2) more than seven grams of marijuana concentrate for inhalation; or
 - (3) more than 5,600 milligrams of THC in combined sales of marijuana and marijuana products.
- (b) The limits set out in (a) of this section include marijuana or marijuana product sold for onsite consumption under 3 AAC 306.370. (Eff. 2/21/2016, Register 217; am 4/11/2019, Register 230; am 10/18/2020, Register 236)

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3 AAC 306.360. Restriction on advertising of marijuana and marijuana products.

(Eff. 2/21/2016, Register 217; repealed 10/17/2018, Register 228)

3 AAC 306.365. Required consumer notices for retail marijuana stores.

- (a) A retail marijuana store shall post, in a conspicuous location visible to customers, the following notices:
- (1) “Consumption of marijuana in public is prohibited by law.”;
 - (2) “Transportation or carriage of marijuana or marijuana products on Alaska waterways, including cruise ships, or by air carrier is prohibited by federal law.”;
 - (3) “Transportation or shipment of marijuana or marijuana products outside the State of Alaska is prohibited by federal law.”;
 - (4) “Providing marijuana to persons under 21 years of age is prohibited by law.”.
- (b) Notification signs required under (a) of this section must be at least 11 inches by 14 inches in size. Lettering must be at least one-half inch in height and in colors that contrast with the background. (Eff. 7/22/2017, Register 223)

Article 4. Marijuana Cultivation Facilities.

Excluding: 3 AAC 306.420, 3 AAC 306.480

3 AAC 306.400. Marijuana cultivation facility license required.

- (a) Except as provided under AS 17.38.020, a person may not plant, propagate, cultivate, harvest, trim, dry, cure, package, or label marijuana grown at a place under that person's control or sell marijuana grown at a place under that person's control to a marijuana establishment unless the person has obtained a marijuana cultivation facility license from the board in compliance with this chapter or is an employee or agent acting for a licensed marijuana cultivation facility. The board will issue the following types of marijuana cultivation facility licenses, with the privileges and subject to the prohibitions set out in 3 AAC 306.405 and 3 AAC 306.410:
- (1) a standard marijuana cultivation facility license;

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- (2) a limited marijuana cultivation facility license to a person operating a marijuana cultivation facility with fewer than 500 square feet under cultivation.
- (b) A person seeking a standard or limited marijuana cultivation facility license as provided in (a) of this section must
 - (1) submit an application for the applicable marijuana cultivation facility license on a form the board prescribes, including the information set out under 3 AAC 306.020 and 3 AAC 306.420; and
 - (2) demonstrate to the board's satisfaction that the applicant will operate in compliance with
 - (A) each applicable provision of 3 AAC 306.400 - 3 AAC 306.480 and 3 AAC 306.700 - 3 AAC 306.770; and
 - (B) each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.
- (c) A licensee of a marijuana cultivation facility, or an employee or agent of a marijuana cultivation facility, may not have an ownership interest in, or a direct or indirect financial interest in a licensed marijuana testing facility. (Eff. 2/21/2016, Register 217)

Editor's note: As of Register 228 (January 2019), the regulations attorney made a technical correction under AS 44.62.125(b)(6), to 3 AAC 306.400(b), using the spanned cross-reference "3 AAC 306.700 - 3 AAC 306.770" to reflect the range of sections grouped under Article 7 as of Register 228, and to be consistent with changes to the same spanned cross-reference in 3 AAC 306.005, effective October 17, 2018 (Register 228).

3 AAC 306.405. Standard marijuana cultivation facility: privileges and prohibited acts.

- (a) A licensed standard marijuana cultivation facility is authorized to
 - (1) propagate, cultivate, harvest, prepare, cure, package, store, and label marijuana;
 - (2) sell marijuana only to a licensed retail marijuana store, to another licensed marijuana cultivation facility, or to a licensed marijuana product manufacturing facility;
 - (3) accept marijuana from a licensed retail marijuana store that
 - (A) rejected a shipment of marijuana; or
 - (B) revoked acceptance of a shipment of marijuana;

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- (4) provide samples to a licensed marijuana testing facility for testing;
 - (5) store inventory on the licensed premises; any stored inventory must be secured in a restricted access area and accounted for in the marijuana cultivation facility's marijuana inventory tracking system as required under 3 AAC 306.730;
 - (6) transport marijuana in compliance with 3 AAC 306.750;
 - (7) conduct in-house testing for the marijuana cultivation facility's own use;
 - (8) provide marijuana samples to a licensed retail marijuana store or marijuana product manufacturing facility for the purpose of negotiating a sale;
 - (9) begin initial operations at the time of preliminary inspection by an employee or agent of the board with
 - (A) 12 or fewer mature, non-flowering plants, designated and used as mother plants;
 - (B) any number of immature plants; and
 - (C) any number of seeds for cultivation on the licensed premises;
 - (10) introduce a new strain after written approval by the director on a form prescribed by the board, by
 - (A) receiving not more than twenty clones or cuttings from a person 21 years of age or older, without compensation; or
 - (B) receiving seeds from a person 21 years of age or older, without compensation, for cultivation on the licensed premises.
- (b) A licensee of a standard marijuana cultivation facility may also apply for a marijuana product manufacturing facility license, retail marijuana store license, or both. A licensee of a standard marijuana cultivation facility who obtains a marijuana product manufacturing facility license, retail marijuana store license, or both shall
- (1) except for overlapping premises approved by the board under 3 AAC 306.710(d), conduct a marijuana product manufacturing operation or retail marijuana store operation in a room separate from any other operation and the marijuana cultivation facility; if the rooms are connected and co-located in an area that is not approved by the board as overlapping premises, a secure door must separate the rooms from each other; a secure door must separate any room connected to and co-located with the marijuana cultivation facility; and
 - (2) comply with each provision of this chapter that applies to any other type of marijuana establishment license that the licensee of a standard marijuana cultivation facility obtains.
- (c) A licensed standard marijuana cultivation facility may not

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- (1) sell, distribute, or transfer marijuana or a marijuana product to a consumer, with or without compensation;
- (2) allow any person, including a licensee, employee, or agent, to consume marijuana or a marijuana product on the licensed premises or within 20 feet of the exterior of any building or outdoor cultivation facility on the licensed premises;
- (3) treat or otherwise adulterate marijuana with any organic or nonorganic chemical or other compound to alter the color, appearance, weight, or odor of the marijuana;
- (4) sell marijuana that is not packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475;
- (5) introduce marijuana or a marijuana product, including plants and seeds, onto the licensed premises from any outside source after the initial preliminary inspection, except
 - (A) as acquired from another licensed marijuana cultivation facility and accounted for in each marijuana cultivation facility's marijuana inventory tracking system as required under 3 AAC 306.730; or
 - (B) as provided under this section; or
- (6) product or possess marijuana concentrate that was extracted using any process described in 3 AAC 306.555 on the marijuana cultivation facility's licensed premises, unless the licensee of the standard marijuana cultivation facility also has a marijuana product manufacturing facility license; a licensed standard marijuana cultivation facility must conduct any extraction or production of marijuana concentrate on the premises.
 - (A) in a room that
 - (i) is separate as required in (b) of this section from the marijuana cultivation area; and
 - (ii) is posted with a sign that complies with 3 AAC 306.710(b) and warns unauthorized persons to stay out; and
 - (B) in compliance with all applicable provisions of 3 AAC 306.500 – 3 AAC 306.570. (Eff. 2/21/2016, Register 217; am 10/20/2018, Register 228; am 12/10/2020, Register 236; am 12/31/2023, Register 248; am 1/5/2024, Register 249; am 8/16/2024, Register 251)

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

A licensed limited marijuana cultivation facility

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- (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). (Eff. 2/21/2016, Register 217)

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
- (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 cultivation facility's licensed premises. (Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229)

3 AAC 306.430. Restricted access area.

- (a) A marijuana cultivation facility shall conduct any operation in a restricted access area in compliance with 3 AAC 306.710 and this section.
- (b) A marijuana cultivation facility shall conduct any marijuana growing operation within a fully enclosed secure indoor facility or greenhouse with rigid walls, a roof, and doors. Where not prohibited by local government, outdoor production may take place in non-rigid greenhouses, other structures, or an expanse of open or cleared ground fully enclosed by a physical barrier. To obscure public view of the premises, outdoor production must be enclosed by a sight- obscuring wall or fence at least six feet high.
- (c) A marijuana cultivation facility shall ensure that any marijuana at the marijuana cultivation facility
 - (1) cannot be observed by the public from outside the marijuana cultivation facility; and
 - (2) does not emit an odor that is detectable by the public from outside the cultivation facility except as specifically allowed by a local government approval.
- (d) A marijuana cultivation facility shall have full video surveillance of the licensed premises as required under 3 AAC 306.720, including any area where marijuana is grown,

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processed, packaged, or stored, or where marijuana waste is destroyed. (Eff. 2/21/2016, Register 217; am 8/11/2018, Register 227)

3 AAC 306.435. Marijuana inventory tracking system.

- (a) A marijuana cultivation facility shall
 - (1) use a marijuana inventory tracking system in compliance with 3 AAC 306.730 to ensure all marijuana propagated, grown, or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is propagated through transfer to another licensed marijuana establishment, including when marijuana or marijuana product is
 - (A) relocated to a new licensed premises in the case of a transfer of a marijuana establishment license to another location approved by the board; or
 - (B) destroyed;
 - (2) assign a tracking number to each
 - (A) plant that is
 - (i) mature; or
 - (ii) flowering; and
 - (B) package of marijuana to be transferred to another facility; a package of marijuana may not exceed 10 pounds;
 - (3) assign a plant batch name or number to each batch of immature plants propagated from seed, clones or cuttings.
- (b) A marijuana cultivation facility shall record each sale and transport of any plants or seeds and each package in its marijuana inventory tracking system and shall generate a valid transport manifest to accompany any transported plants and seeds and each transported package.
- (c) A marijuana cultivation facility shall record in its marijuana inventory tracking system all marijuana used to provide a sample authorized under 3 AAC 306.460 for the purpose of negotiating sales, including
 - (1) the amount of each sample;
 - (2) the retail marijuana store or marijuana product manufacturing facility that received the sample; and

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- (3) the disposal of any expired or outdated promotional sample returned to the marijuana cultivation facility. (Eff. 2/21/2016, Register 217; am 3/13/2020, Register 233; am 1/22/2023, Register 245; am 8/16/2024, Register 251; am 4/20/2025, Register 254; am 4/25/2025, Register 254)

3 AAC 306.440. Health and safety requirements.

- (a) A marijuana cultivation facility shall comply with all applicable health and safety requirements set out in 3 AAC 306.735 and the additional requirements set out in this section.
- (b) A marijuana cultivation facility shall ensure that any licensee, employee, or agent who is present at the marijuana cultivation facility and in contact with any marijuana
 - (1) wears clean clothing appropriate for the duties that person performs;
 - (2) wears protective apparel, such as head, face, hand, and arm coverings, as necessary to protect marijuana from contamination; and
 - (3) practices good sanitation and health habits. (Eff. 2/21/2016, Register 217)

3 AAC 306.445. Standards for cultivation and preparation.

- (a) A marijuana cultivation facility shall use registered scales in compliance with AS 45.75.080 and 3 AAC 306.745.
- (b) A marijuana cultivation facility shall segregate harvested marijuana into harvest batches.
- (c) Once a harvest batch has been uniformly dried and cured, the marijuana cultivation facility shall divide the harvest batch into packages not exceeding 10 pounds each. A sample of each harvest batch package must be submitted to a marijuana testing facility for required testing under 3 AAC 306.455.
- (d) Once a harvest batch sample has passed all required testing, a marijuana cultivation facility may repackage marijuana from that harvest batch package for sale or transfer. (Eff. 2/21/2016, Register 217; am 3/13/2020, Register 233)

3 AAC 306.450. Production of marijuana concentrate prohibited. Repealed. (Eff. 2/21/2016, Register 217; repealed 12/10/2020, Register 236)

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3 AAC 306.455. Required laboratory testing.

- (a) A marijuana cultivation facility shall provide samples from each harvest batch package of marijuana produced at the facility to a marijuana testing facility and may not sell or transport any marijuana, except as provided for in (c) of this section, until all laboratory testing required under 3 AAC 306.645 has been completed.
- (b) To comply with (a) of this section, a marijuana cultivation facility shall
 - (1) collect a representative sample for testing from each harvest batch package that has been uniformly dried and cured, in an amount as set out in the following table:

Harvest Batch Package Size (pounds)	Number of 1g sub-samples to make up required sample
1	4
2	4
3	5
4	6
5	8
6	10
7	11
8	13
9	14
10	16

- (2) designate an individual responsible for collecting each sample; that individual shall
 - (A) prepare a signed statement showing that each sample is representative of the harvest batch package;
 - (B) provide the signed statement to the marijuana testing facility; and
 - (C) maintain a copy as a business record under 3 AAC 306.755; and

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- (3) transport the samples to the marijuana testing facility's licensed premises in compliance with 3 AAC 306.750.
- (c) A marijuana cultivation facility shall segregate the harvest batch package from which the testing sample was selected until the marijuana testing facility reports the results from its tests. During this period of segregation, the marijuana cultivation facility that provided the sample shall maintain the harvest batch package in a secure, cool, and dry location to prevent the marijuana from becoming contaminated or losing its efficacy. The marijuana cultivation facility that provided the sample may not sell or transport any marijuana from the segregated harvest batch package until the marijuana testing facility has completed its testing and provided those results, in writing, to the marijuana cultivation facility that provided the sample. A marijuana cultivation facility may transfer untested marijuana to a licensed marijuana concentrate or standard marijuana product manufacturing facility to be used to make carbon dioxide- or solvent-based extract before receiving test results in writing. After processing, the carbon dioxide- or solvent-based extract must pass all required tests. The marijuana cultivation facility shall maintain the testing results as part of its business books and records. (Eff. 2/21/2016, Register 217; am 11/8/2018, Register 228; am 03/13/2020, Register 233; am 4/16/2023, Register 246)

3 AAC 306.460. Samples.

- (a) A marijuana cultivation facility may provide a free sample of marijuana to a retail marijuana store if packaged in a sample jar containing not more than three and one-half grams of marijuana and protected by a plastic or metal mesh screen to allow the retail marijuana store to smell the product before purchase.
- (b) A marijuana cultivation facility may provide a free sample of marijuana to a retail marijuana store or marijuana product manufacturing facility as follows:
 - (1) a sample provided for the purpose of negotiating a sale may be not more than one ounce;
 - (2) a marijuana cultivation facility may not provide any one licensed retail marijuana store or marijuana product manufacturing facility with more than one ounce of marijuana per month free-of-charge for the purpose of negotiating a sale.
- (c) A retail marijuana store that receives a marijuana sample may not sell the marijuana sample to a customer, and shall either
 - (1) return the marijuana sample to the marijuana cultivation facility that provided the sample; or
 - (2) destroy the marijuana sample after use and document the destruction in the retail marijuana store's marijuana inventory control system.

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- (d) A marijuana cultivation facility may provide a sample of marijuana grown at that facility to an employee of the facility, who is in possession of a valid marijuana handler card for the purpose of quality control only if
- (1) samples provided to employees for quality control do not exceed a cumulative total of one ounce per 30-day period;
 - (2) each sample is registered and tracked using the marijuana inventory tracking system in accordance with 3 AAC 306.730;
 - (3) consumption of marijuana does not occur on the licensed premises;
 - (4) no sample provided under this subsection is sold or given to another licensee or consumer;
 - (5) each employee who receives a marijuana sample for the purpose of quality control completes a quality control form approved by the board for each sample;
 - (6) the licensee maintains copies of completed forms required under (5) of this subsection in accordance with 3 AAC 306.755;
 - (7) samples that leave the licensed premises are packaged in opaque, resealable, child-resistant packaging and clearly marked or labeled “For Quality Control” and the packaging is designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly; and
 - (8) each sample is tested under 3 AAC 306.455 and 3 AAC 306.645 before being provided to an employee under this subsection. (Eff. 2/21/2016, Register 217; am 5/25/2018, Register 226; am 5/9/2019, Register 230; am 12/25/2020, Register 236)

3 AAC 306.465. Random sampling.

- (a) The board will or the director shall from time to time require a standard or limited marijuana cultivation facility to provide samples of the growing medium, soil amendments, fertilizers, crop production aids, pesticides, or water for random compliance checks. The sample may be screened for pesticides and chemical residues, screened for unsafe levels of metals, and used for other laboratory tests the director finds to be in the interests of the public. The marijuana cultivation facility shall bear all costs of testing under this subsection.
- (b) When the board or the director orders random sampling under this section, the director shall identify a licensed marijuana testing facility to perform the testing. The marijuana testing facility shall collect the test samples. The marijuana cultivation facility shall cooperate to facilitate the collection of samples. (Eff. 2/21/2016, Register 217)

3 AAC 306.470. Packaging of marijuana.

- (a) A marijuana cultivation facility shall package its marijuana bud and flower for sale
 - (1) to a retail marijuana store, either
 - (A) in a package not exceeding one ounce for resale to consumers without additional handling by the retail marijuana store except to add the retail marijuana store's own
 - (i) identifying name or logo; and
 - (ii) license number; or
 - (B) in a wholesale package not exceeding 10 pounds for repackaging by the retail marijuana store; or
 - (2) to a marijuana product manufacturing facility in a wholesale package
 - (A) not exceeding 10 pounds; and
 - (B) consisting of a single strain or a mixture of strains as identified on the label.
- (b) When a marijuana cultivation facility packages marijuana for a retail marijuana store to sell to a consumer without repackaging, the packaging may not have any printed images, including cartoon characters, that specifically target persons under 21 years of age. In addition, the packaging must protect the product from contamination and may not impart any toxic or damaging substance to the marijuana.
- (c) Each package prepared in compliance with this section must be identified by a tracking label generated for tracking by the marijuana cultivation facility's marijuana inventory tracking system.
- (d) A marijuana cultivation facility shall prepare marijuana for transport or transfer to another marijuana establishment by
 - (1) placing marijuana packaged in compliance with (a) - (c) of this section within a sealed, tamper-evident shipping container;
 - (2) affixing a label in compliance with 3 AAC 306.475 to the shipping container; and
 - (3) generating a transport manifest from the marijuana cultivation facility's marijuana inventory tracking system; the transport manifest must remain with the marijuana at all times while being transported, and a copy must be given to the licensed marijuana establishment that receives the shipment. (Eff. 2/21/2016, Register 217; am 3/13/2020, Register 233)

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Editor's note: As of Register 233 (April 2020), the regulations attorney made a technical revision under AS 44.62.125(b)(6), to 3 AAC 306.470(a)

3 AAC 306.475. Labeling of marijuana.

- (a) When a marijuana cultivation facility packages marijuana for a retail marijuana store to sell to a consumer without re-packaging, the marijuana cultivation facility shall affix a label to each package of marijuana or marijuana product that contains each of the following statements:
 - (1) "Marijuana has intoxicating effects and may be habit forming and addictive.";
 - (2) "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence.";
 - (3) "There are health risks associated with consumption of marijuana.";
 - (4) "For use only by adults twenty-one and older. Keep out of the reach of children.";
 - (5) "Marijuana should not be used by women who are pregnant or breast feeding.".
- (b) With each harvest batch of marijuana sold, a marijuana cultivation facility shall disclose in writing
 - (1) each soil amendment, fertilizer, and other crop production aid applied to the growing medium or marijuana plant included in the batch, including any pesticide, herbicide, or fungicide that was used; and
 - (2) the name of the licensed marijuana testing facility that performed any required laboratory test and the results of each required laboratory test.
- (c) A marijuana cultivation facility may not label marijuana as organic.
- (d) To each package of marijuana sold to another marijuana establishment, a marijuana cultivation facility shall affix a label setting out.
 - (1) the name and license number of the marijuana cultivation facility where the marijuana was grown;
 - (2) the inventory tracking number assigned to the marijuana in the package;
 - (3) the net weight of the marijuana in the package,
 - (A) not including weight of the shipping container; and
 - (B) using a standard of measure compatible with the marijuana cultivation facility's marijuana inventory tracking system; and

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- (4) a complete list of all pesticides, fungicides, and herbicides used in cultivation of the marijuana.
- (e) If a marijuana cultivation facility transports wholesale marijuana to another marijuana establishment for sale at retail or for use in manufacturing a marijuana product, a label must be affixed to the shipping container showing that a licensed marijuana testing facility has tested each harvest batch in the shipment as provided in 3 AAC 306.645. The label must report the test results, including
 - (1) a cannabinoid potency profile expressed as a range of percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that strain of marijuana from the same marijuana cultivation facility within the last three months;
 - (2) a statement listing the results of microbial testing required under 3 AAC 306.645(b)(2); and
 - (3) a statement listing the results of residual solvent testing required under 3 AAC 306.645(b)(3), if applicable.
- (f) If a marijuana cultivation facility ships wholesale marijuana from a harvest batch that has not been tested for each contaminant listed in (g) of this section, the label for that batch must include a statement identifying each contaminant listed in (g) of this section for which that harvest batch has not been tested.
- (g) If a marijuana cultivation facility transports wholesale marijuana to another marijuana establishment for sale at retail or for use in manufacturing a marijuana product, the marijuana cultivation facility shall produce a statement that lists contaminants for which the wholesale marijuana was tested in addition to the contaminant testing required under 3 AAC 306.645(b) immediately upon request of the receiving marijuana establishment. Additional tested contaminants may include
 - (1) molds, mildew, and filth;
 - (2) herbicides, pesticides, and fungicides; and
 - (3) harmful chemicals. (Eff. 2/21/2016, Register 217; am 11/8/2018, Register 228; am 4/19/2025, Register 254)

Article 5. Marijuana Product Manufacturing Facilities.

Excluding: 3 AAC 306.520

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3 AAC 306.500. Marijuana product manufacturing facility license required.

- (a) A person may not extract marijuana concentrate for sale or formulate or manufacture any marijuana product for sale unless that person has obtained a marijuana product manufacturing facility license from the board in compliance with this chapter, or is an employee or agent acting for a licensed marijuana product manufacturing facility. The board will issue
 - (1) a standard marijuana product manufacturing facility license; and
 - (2) a marijuana concentrate manufacturing facility license.
- (b) Repealed 1/22/2023 (language moved to .520)
- (c) A licensee of a marijuana product manufacturing facility, or an employee or agent of a marijuana product manufacturing facility, may not have an ownership interest in or a direct or indirect financial interest in a licensed marijuana testing facility. (Eff. 2/21/2016, Register 217; am 1/22/2023, Register 245)

3 AAC 306.505. Marijuana product manufacturing facility privileges.

- (a) Except as provided in 3 AAC 306.515, a licensed marijuana product manufacturing facility is authorized to
 - (1) purchase marijuana from a marijuana cultivation facility or from another marijuana product manufacturing facility;
 - (2) extract marijuana concentrate in compliance with 3 AAC 306.555;
 - (3) manufacture, refine, process, cook, package, label, and store marijuana product approved under 3 AAC 306.525, including
 - (A) marijuana concentrate; or
 - (B) any product intended for consumption or use on the body that is comprised of marijuana and other ingredients, including edible products, ointments, salves, patches, or tinctures;
 - (4) sell, distribute, or deliver marijuana extract or any marijuana product only to a licensed retail marijuana store or to another licensed marijuana product manufacturing facility;
 - (5) reject or revoke acceptance of marijuana purchased from a licensed marijuana cultivation facility or another marijuana product manufacturing facility;

3 AAC 306.505. Marijuana product manufacturing facility privileges.

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- (a) Except as provided in 3 AAC 306.515, a licensed marijuana product manufacturing facility is authorized to
- (1) purchase marijuana from a marijuana cultivation facility or from another marijuana product manufacturing facility;
 - (2) extract marijuana concentrate in compliance with 3 AAC 306.555;
 - (3) manufacture, refine, process, cook, package, label, and store marijuana product approved under 3 AAC 306.525, including
 - (A) marijuana concentrate; or
 - (B) any product intended for consumption or use on the body that is comprised of marijuana and other ingredients, including edible products, ointments, salves, patches, or tinctures;
 - (4) sell, distribute, or deliver marijuana extract or any marijuana product only to a licensed retail marijuana store or to another licensed marijuana product manufacturing facility;
 - (5) reject or revoke acceptance of marijuana purchased from a licensed marijuana cultivation facility or another marijuana product manufacturing facility;
 - (6) accept marijuana product from a licensed retail marijuana store or another marijuana product manufacturing facility that
 - (A) rejected a shipment of marijuana product; or
 - (B) revoked acceptance of a shipment of marijuana product;
 - (7) provide and transport samples of marijuana concentrate or other marijuana product to a licensed marijuana testing facility for testing;
 - (8) provide a sample of marijuana concentrate or a marijuana product approved under 3 AAC 306.525 to a licensed retail marijuana store for the purpose of negotiating a sale;
 - (9) store inventory in a restricted access area on the licensed premises as provided in 3 AAC 306.535;
 - (10) transport marijuana in compliance with 3 AAC 306.750;
 - (11) conduct in-house testing for the marijuana product manufacturing facility's own use.
- (b) A licensee of a marijuana product manufacturing facility may also apply for a marijuana cultivation facility license, retail marijuana store license, or both. A licensee of a marijuana product manufacturing facility who obtains a marijuana cultivation facility license, retail marijuana store license, or both shall

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- (1) except for overlapping premises approved by the board under 3AAC 306.710(d), conduct a marijuana cultivation operation or retail marijuana store operation in a room separate from any other operation and the marijuana product manufacturing facility; if the rooms are connected and co-located in an area that is not approved by the board as overlapping premises, a secure door must separate the rooms from each other; a secure door must separate any room connected to and co-located with the marijuana product manufacturing facility; and
- (2) comply with each provision of this chapter that applies to any other type of marijuana establishment license that the licensee of a marijuana product manufacturing facility obtains. (Eff. 2/21/2016, Register 217; am 12/10/2020, Register 236; am 4/16/2023, Register 246; am 1/5/2024, Register 249; am 8/16/2024, Register 251)

3 AAC 306.510. Acts prohibited at marijuana product manufacturing facility.

- (a) A licensed marijuana product manufacturing facility may not
 - (1) sell, deliver, distribute, or transfer marijuana, marijuana concentrate, or a marijuana product directly to a consumer, with or without compensation;
 - (2) sell marijuana, marijuana concentrate, or a marijuana product that is not manufactured, packaged, and labeled in compliance with 3 AAC 306.500 - 3 AAC 306.570;
 - (3) allow any person, including a licensee, employee, or agent, to consume marijuana, marijuana concentrate, or a marijuana product on the licensed premises;
 - (4) manufacture or sell any product that
 - (A) is an adulterated food or drink;
 - (B) closely resembles a familiar food or drink item including candy; or
 - (C) is packaged to look like candy, or in bright colors or with cartoon characters or other pictures or images that would appeal to children.
- (b) A licensed marijuana product manufacturing facility may not accept any marijuana from a marijuana cultivation facility or another marijuana product manufacturing facility unless
 - (1) all marijuana in the shipment is properly identified with a label generated in the marijuana inventory tracking system of the facility that provided the marijuana; and

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- (2) a valid transport manifest showing the source and destination of the marijuana is attached to the shipment.
- (c) In this section, "closely resemble" or "look like" means the product or its packaging has a shape, color, markings, or decorative patterns that are familiar to the public from a widely distributed branded food product, so that the marijuana product could reasonably be mistaken for that branded product, especially by children. (Eff. 2/21/2016, Register 217; am 4/16/2023, Register 246)

3 AAC 306.515. Marijuana concentrate manufacturing facility license.

A licensed marijuana concentrate manufacturing facility has the privileges set out in 3 AAC 306.505, except that it may not

- (1) manufacture, refine, process, cook, package, label, or store any marijuana product other than marijuana concentrate;
- (2) sell, distribute, or deliver a marijuana product other than marijuana concentrate to a retail marijuana store or to another marijuana product manufacturing facility;
- (3) provide or transport a sample of a marijuana product other than marijuana concentrate to a licensed marijuana testing facility for testing;
- (4) provide samples of a product other than marijuana concentrate to a licensed retail marijuana store for purposes of negotiating a sale; or
- (5) prepare or package infused dairy butter, oils, or fats as a stand-alone edible product for sale other than on wholesale to another marijuana product manufacturing facility. (Eff. 2/21/2016, Register 217; am 4/16/2023, Register 246)

3 AAC 306.525. Approval of concentrates and marijuana products.

- (a) A marijuana product manufacturing facility must obtain the board's approval for each product that it will manufacture for sale or transfer to another licensed marijuana establishment. A standard marijuana product manufacturing facility must obtain the board's approval for each product that it will use as an in-house ingredient in another marijuana product. The board will not approve a product that is prohibited under 3 AAC 306.510(a)(4).
- (b) An applicant for a marijuana product manufacturing facility license may request the board's approval of its intended products with a new license application by including, in its operating plan

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- (1) a photograph, drawing, or graphic representation of the expected appearance of each final product; and
 - (2) the proposed standard production procedure and detailed manufacturing process for each product.
- (c) A licensed marijuana product manufacturing facility may submit at any time a new product approval request to the board on a form the board prescribes along with the fee required under 3 AAC 306.100(c).
- (d) A licensed marijuana product manufacturing facility shall keep its ingredient list and potency limits for any food-based concentrate or food product containing marijuana on file at the marijuana product manufacturing facility's licensed premises. The ingredient list and potency limits for any product manufactured at the facility must be made available for inspection on request by the director, or an employee or agent of the board. (Eff. 2/21/2016, Register 217; am 4/16/2023, Register 246)

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

- (a) A marijuana product 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. (Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229; am 4/16/2023, Register 246)

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.

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- (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. (Eff. 2/21/2016, Register 217)

3 AAC 306.540. Marijuana inventory tracking system.

- (a) A marijuana product manufacturing facility shall use a marijuana inventory tracking system as provided in 3 AAC 306.730 to ensure that the marijuana product manufacturing facility identifies and tracks any marijuana or marijuana product from the time the marijuana or marijuana product is received, through
 - (1) use of the marijuana or marijuana product in manufacturing any other marijuana product;
 - (2) sale or transfer of the marijuana or marijuana product originally received, or any marijuana product manufactured at that marijuana product manufacturing facility to another licensed marijuana establishment;
 - (3) return of marijuana product from a licensed retail marijuana store or another marijuana product manufacturing facility that
 - (A) rejected a shipment of marijuana product; or
 - (B) revoked acceptance of a shipment of marijuana product;
 - (4) disposal of any expired or outdated marijuana or marijuana product that is not sold or transferred to another licensed marijuana establishment; and
 - (5) relocation of marijuana or marijuana product to the new licensed premises in the case of a transfer of a marijuana establishment license to another location approved by the board.
- (b) When marijuana from a marijuana cultivation facility or a marijuana product from another marijuana product manufacturing facility is delivered or transported to the licensed premises of a marijuana product manufacturing facility, the marijuana product manufacturing facility shall immediately enter tracking information for that marijuana or

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marijuana product into the marijuana inventory tracking system. A marijuana product manufacturing facility may not accept any marijuana or marijuana product that does not have a valid transport manifest generated from the marijuana inventory tracking system of the licensed marijuana establishment that supplies the marijuana or marijuana product.

- (c) A marijuana product manufacturing facility shall track any received marijuana or marijuana product to its use in a marijuana product, and shall reconcile each transaction to the marijuana product manufacturing facility's marijuana inventory tracking system at the close of business each day.
- (d) A marijuana product manufacturing facility shall account for any variance in the quantity of marijuana or marijuana product the facility received, and the quantity the facility sold, transferred, or disposed of. (Eff. 2/21/2016, Register 217; am 1/22/2023, Register 245; am 1/5/2024, Register 249)

3 AAC 306.545. Health and safety standards.

- (a) A marijuana product manufacturing facility shall comply with the health and safety standards set out in 3 AAC 306.735, 18 AAC 31 (Alaska Food Code), if applicable, and any local kitchen-related health and safety standards for retail food establishments.
- (b) In addition to inspection by the director or an employee or agent of the board, a marijuana product manufacturing facility is subject to inspection by local safety officials, including a local fire department, building inspector, or code enforcement officer. (Eff. 2/21/2016, Register 217)

3 AAC 306.550. Required laboratory testing.

- (a) A marijuana product manufacturing facility shall provide a sample of each marijuana product manufactured at the facility to a licensed marijuana testing facility, and may not sell or transport a marijuana product until all laboratory testing required under 3 AAC 306.645 has been completed.
- (b) To comply with (a) of this section, a marijuana product manufacturing facility shall
 - (1) collect a random sample for testing by selecting a product from each production lot in an amount required by the marijuana testing facility;
 - (2) designate an individual responsible for collecting each sample; that individual shall
 - (A) prepare a signed statement showing that each sample has been randomly selected for testing;
 - (B) provide the signed statement to the marijuana testing facility; and

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- (C) maintain a copy as a business record under 3 AAC 306.755; and
 - (3) transport the sample to the marijuana testing facility in compliance with 3 AAC 306.750.
- (c) After collecting and transporting a sample for testing, a marijuana product manufacturing facility shall segregate the entire production lot from which the testing sample was selected until the marijuana testing facility reports the results from its tests. During this period of segregation, the marijuana product manufacturing facility that provided the sample shall maintain the production lot in a secure, cool, and dry location to prevent the marijuana product from becoming contaminated or losing its efficacy. The marijuana product manufacturing facility may not sell or transport any marijuana product from the segregated lot until the marijuana testing facility has completed its testing and analysis and provided those results, in writing, to the marijuana product manufacturing facility that provided the sample. The marijuana product manufacturing facility shall maintain the testing results as part of its business records. (Eff. 2/21/2016, Register 217)

3 AAC 306.555. Production of marijuana concentrate.

- (a) Before producing marijuana concentrate for sale, a marijuana product manufacturing facility shall develop standard operating procedures, good manufacturing practices, a safety plan, and a training plan for each individual employed in an extraction process.
- (b) A marijuana product manufacturing facility may create marijuana concentrates only as follows:
 - (1) water-based marijuana concentrate may be produced by extracting cannabinoids from marijuana by using only water, ice, or dry ice;
 - (2) food-based marijuana concentrate may be produced by extracting cannabinoids from marijuana through the use of propylene glycol, glycerin, butter, olive oil, or other typical cooking fats; infused dairy butter, oils, or fats derived from natural sources may be used to prepare infused edible products;
 - (3) solvent-based marijuana concentrate may be produced using the hydrocarbons N-butane, isobutane, propane, or heptane or other solvents or gases the board approves that exhibit low to minimal potential human health-related toxicity; approved solvents must be of at least 99 percent purity and must be used
 - (A) in a professional grade closed-loop extraction system designed to recover the solvents;
 - (B) in an environment with proper ventilation; and
 - (C) with control of all sources of ignition if a flammable atmosphere is or may be present.

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- (c) A marijuana product manufacturing facility using a professional grade closed-loop gas extraction system shall ensure that
- (1) each vessel is used in compliance with the manufacturer's stated pressure ratings;
 - (2) any carbon dioxide used is of at least 99 percent purity;
 - (3) a person using a solvent or gas to extract marijuana concentrate in the closed-loop system is fully trained on how to use the system, has direct access to applicable material safety data sheets, and handles and stores the solvent and gas safely;
 - (4) a licensed engineer has certified that the professional grade closed-loop system was commercially manufactured, is safe for its intended use, and is built to codes of recognized and generally accepted engineering practices; and
 - (5) any professional grade closed-loop system, and other equipment and facilities used in the extraction process are approved for their use by the local fire code official and meet any applicable fire, safety, and building code requirements.
- (d) A marijuana product manufacturing facility may use heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create
- (1) kief;
 - (2) hashish;
 - (3) bubble hash;
 - (4) infused dairy butter, oils, or fats derived from natural sources; or
 - (5) other extracts.
- (e) A marijuana product manufacturing facility may use food-grade glycerin, ethanol, and propylene glycol solvents to create extracts. All ethanol must be removed from the extract in a manner to recapture the solvent and ensure that it is not vented into the atmosphere. (Eff. 2/21/2016, Register 217; am 4/16/2023, Register 246)

3 AAC 306.557. Quality control sampling.

A marijuana product manufacturing facility may provide a sample of marijuana concentrate or other marijuana product manufactured at that facility to an employee of the facility, who is in possession of a valid marijuana handler card for the purpose of quality control only if

- (1) samples provided to employees for quality control do not exceed a cumulative total set out in 3 AAC 306.355 in a 30-day period;

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- (2) each sample is registered and tracked using the marijuana inventory tracking system in accordance with 3 AAC 306.730;
- (3) consumption of marijuana does not occur on the licensed premises;
- (4) no sample provided under this section is sold or given to another licensee or consumer;
- (5) each employee who receives a marijuana sample for the purpose of quality control completes a quality control form approved by the board for each sample;
- (6) the licensee maintains copies of completed forms required under (5) of this subsection in accordance with 3 AAC 306.755; and
- (7) samples that leave the licensed premises are packaged in opaque, resealable, child-resistant packaging and clearly marked or labeled “For Quality Control” and the packaging is designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly.
- (8) each sample is tested under 3 AAC 306.445 and 3 AAC 306.550 before being provided to an employee under this section. (Eff. 5/25/2018, Register 226; am 12/25/2020, Register 236)

3 AAC 306.560. Potency limits per serving and transaction for edible marijuana products.

A marijuana product manufacturing facility may not prepare a marijuana product with potency levels exceeding the following, as tested in compliance with 3 AAC 306.645:

- (1) for a single serving of a marijuana product, not more than 10 milligrams of active tetrahydrocannabinol (THC) or Delta 9;
- (2) in a single packaged unit of a marijuana product to be eaten or swallowed, not more than 10 servings or 100 milligrams of active THC or Delta 9; the THC content must be homogenous, or evenly distributed throughout the marijuana-infused product. (Eff. 2/21/2016, Register 217; am 9/1/2021, Register 239)

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

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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) A licensed marijuana product manufacturing facility may transfer marijuana concentrates in wholesale packages not to exceed 10 pounds to another licensed marijuana product manufacturing facility or a licensed retail marijuana store except that infused dairy butter, oils, or fats may not be transferred in wholesale to a retail marijuana store by any marijuana product manufacturing facility.
- (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
 - (3) generating a transport manifest from the marijuana product manufacturing facility's marijuana inventory tracking system; the transport manifest must remain with the marijuana products at all times while being transported, and a copy must be given to the licensed marijuana establishment that receives the shipment.
- (f) A marijuana product manufacturing facility may create a variety pack with one or more products. The single packaged unit requirement under 3 AAC 306.560(2) applies to each product inside the variety pack. All required labels under 3 AAC 306.570 must be affixed to each product inside the variety pack as well as the exterior of the variety pack. The total amount of THC inside the variety pack may not exceed the limits set out under 3 AAC 306.355. (Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229; am 03/13/2020, Register 233; am 4/16/2023, Register 246; am 12/31/2023, Register 248)

3 AAC 306.570. Labeling of marijuana products.

- (a) With each production lot of marijuana product sold, a marijuana product manufacturing facility shall disclose in writing the name of the licensed marijuana testing facility that performed any required test and the results of each required test.

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- (b) A marijuana product may not be labeled as organic.
- (c) To each package of marijuana product sold to a retail marijuana store for resale to a consumer, a marijuana product manufacturing facility shall affix a label setting out
 - (1) the name and license number of the marijuana product manufacturing facility where the marijuana product was prepared;
 - (2) the production lot number assigned to the product in the package;
 - (3) the net weight of the product in the package,
 - (A) not including weight of packaging; and
 - (B) using a standard of measure compatible with the marijuana product manufacturing facility's marijuana inventory tracking system; and
 - (4) each of the following statements:
 - (A) "Marijuana has intoxicating effects and may be habit forming and addictive";
 - (B) "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence";
 - (C) "There are health risks associated with consumption of marijuana";
 - (D) "For use only by adults twenty-one and older. Keep out of the reach of children.";
 - (E) "Marijuana should not be used by women who are pregnant or breast feeding.".
- (d) A marijuana product manufacturing facility transporting a marijuana product to a retail marijuana store shall affix a label to the shipping container showing that a licensed marijuana testing facility has tested each lot of marijuana product in the shipment and giving the test results, including
 - (1) a cannabinoid potency profile expressed as a range of percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that production lot from the same marijuana product manufacturing facility within the last three months;
 - (2) a statement listing the results of microbial testing required under 3 AAC 306.645(b)(2);
 - (3) a statement listing the results of residual solvent testing required under 3 AAC 306.645(b)(3), if applicable; and
 - (4) a statement listing any contaminants for which the product was tested in addition to contaminants for which 3 AAC 306.645(b) requires testing; any additional tested contaminants include

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- (A) molds, mildew, and filth;
 - (B) herbicides, pesticides, and fungicides; and
 - (C) harmful chemicals.
- (e) If a marijuana product manufacturing facility ships wholesale marijuana product from a production lot of marijuana product that has not been tested for each contaminant listed in (d)(4) of this section, the label for that lot must include a statement identifying each contaminant listed in (d)(4) of this section for which that lot has not been tested. (Eff. 2/21/2016, Register 217)

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.
- (c) To obtain a marijuana handler permit, a person who has completed the marijuana handler permit education course described in 3 AAC 306.701 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 an understanding of the course subjects.
- (d) A licensee, employee, or agent of a marijuana establishment shall keep the marijuana handler permit card described in (c) of this section 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 marijuana establishment.

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- (e) Repealed 8/21/2019.
- (f) The board will not issue a marijuana handler permit to a person who
 - (1) has been convicted of a felony in the state and either
 - (A) less than five years have elapsed from the time of the person's conviction; or
 - (B) the person is currently on probation or parole for that felony,
 - (2) has within the two year period immediately preceding submission of an application, been convicted of a class A misdemeanor in the state involving a controlled substance other than a Schedule VIA controlled substance, under AS 11.71.190,
 - (3) has within the two year period immediately preceding submission of an application, been convicted of a class A misdemeanor in the state relating to selling, furnishing, or distributing marijuana; or,
 - (4) is currently under indictment for an offense listed in this section. (Eff. 2/21/2016, Register 217; am 5/23/2018, Register 226; am 9/7/2018, Register 227; am 2/21/2019, Register 229; am 8/21/2019, Register 231)

3 AAC 306.701. Marijuana handler permit education course.

- (a) The board shall approve all marijuana handler permit education courses before a course provider may issue a marijuana handler permit.
- (b) The topics that an approved marijuana handler permit education course covers must include
 - (1) 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 photographic 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) An approved course provider shall update the course with any applicable change to AS 17.38 and this chapter not later than 10 days after the effective date of the change. The

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course provider shall notify the board of a change to an approved course not later than three days after the change.

- (d) The board will review an approved marijuana handler permit education course at least once every three years, and may rescind approval of the course if the board finds that the education course contents are insufficient or inaccurate.
- (e) An approved course provider shall provide continuous access to the course to the board and the director for the purpose of reviewing course materials at any time.
- (f) The fee for a new marijuana handler permit education course and for a three-year review of a marijuana handler permit education course is \$500.
- (g) In addition to the topics set out under (b) of this section, a marijuana handler permit education course may advertise that the course provides specialized education that is employee-focused and is for employees of a retail marijuana store (AS 17.38.070(a); 3 AAC 306.300 – 3 AAC 306.380), marijuana cultivation facility (AS 17.38.070(b); 3 AAC 305.400 – 3 AAC 306.480), marijuana product manufacturing facility (AS 17.38.070(c); 3 AAC 306.500 – 3 AAC 306.580), or marijuana concentrate manufacturing facility (3 AAC 306.515), if the marijuana handler permit education course includes not less than 20 questions on its final examination that are specific to the applicable license type's employees and employment conditions. (Eff. 8/21/2019, Register 231; am 9/24/2021, Register 239; am 4/20/2025, Register 254)

3 AAC 306.703. Operations.

A licensed marijuana establishment shall operate in accordance with the operating plan approved by the board. The licensee may request an operating plan change in accordance with 3 AAC 306.100(c). (Eff. 5/9/2019, Register 230)

3 AAC 306.705. Licensed premises; alteration.

- (a) A marijuana establishment license will be issued for specific licensed premises. Unlicensed areas may not separate portions of licensed premises, except that the board may approve adjacent portions of the licensed premises that are not restricted access area as permitted under 3 AAC 306.710. Specific licensed premises must constitute a place clearly designated in a license application and described by a line drawing submitted with the license application. The licensed premises must
 - (1) have adequate space for its approved operations, including growing, manufacturing, processing, packaging, or storing marijuana or marijuana products; and

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- (2) be located and constructed to facilitate cleaning, maintenance, and proper operation.
- (b) A marijuana establishment's license and, if applicable, an endorsement issued under 3 AAC 306.110, including 3 AAC 306.370, must be posted in a conspicuous place within the licensed premises.
- (c) A holder of a marijuana establishment license may not alter the functional floor plan or reduce or expand the area of the licensed premises without first obtaining the director's written approval. A marijuana establishment license holder seeking to change or modify the licensed premises must submit a request for approval of the change on a form prescribed by the board, along with
 - (1) the fee prescribed in 3 AAC 306.100;
 - (2) a drawing showing the proposed change;
 - (3) evidence that the proposed change conforms to any local restrictions; and
 - (4) evidence that the licensee has obtained any applicable local building permit.
- (d) The board may approve two or more licenses for overlapping premises that are owned by the same person or same group of persons and within the same building or with abutting premises to use in common for an office, employee breakroom, bathroom, non-marijuana storage area, or a combination of those uses. The overlapping premises may not be restricted access areas, unless approved by the board under 3 AAC 306.710. (Eff. 2/21/2016, Register 217; am 12/10/2020, Register 236; am 1/5/2024, Register 249)

3 AAC 306.710. Restricted access areas.

- (a) A marijuana establishment shall restrict access to any part of the licensed premises where marijuana or a marijuana product is grown, processed, tested, stored, or stocked.
- (b) Except as provided in 3 AAC 306.325 for a retail marijuana store, each entrance to a restricted access area must be marked by a sign that says "Restricted access area. Visitors must be escorted." A marijuana establishment shall limit the number of visitors to not more than five visitors for each licensee, employee, or agent of the licensee who is actively engaged in supervising those visitors.
- (c) In a restricted access area, a licensee, employee, or agent of the marijuana establishment shall have on display, either on the person or in a readily accessible location on the licensed premises, a current identification badge bearing the person's photograph. A person under 21 years of age may not enter a restricted access area. Any visitor to the restricted access area must

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- (1) show identification as required in 3 AAC 306.350 to prove that person is 21 years of age or older;
 - (2) obtain a visitor identification badge before entering the restricted access area; and
 - (3) be escorted at all times by a licensee, employee, or agent of the marijuana establishment.
- (d) The board may approve two or more licenses for overlapping premises owned by the same person or same group of persons and within the same building to use in common as a restricted access area if
- (1) the marijuana or marijuana product is properly accounted for in the marijuana establishment's inventory tracking system required under 3 AAC 306.730;
 - (2) the marijuana or marijuana product is expressly identified as inventory of the appropriate marijuana establishment to which the marijuana or marijuana product belongs; and
 - (3) the area is in compliance with this section and any other provision of this chapter that applies to restricted access areas, including video surveillance as required under 3 AAC 306.720 and restricted access area provisions specific to the license type to which the marijuana or marijuana product belongs.
- (e) Failure to comply with (d) of this section is grounds for issuance of a notice of violation under 3 AAC 306.805(a) or other enforcement action under 3 AAC 306.800 - 3 AAC 306.850. (Eff. 2/21/2016, Register 217; am 12/10/2020, Register 236; am 1/19/2022, Register 241; am 1/5/2024, Register 249; am 8/16/2024, Register 251)

3 AAC 306.712. Breastfeeding on licensed premises.

- (a) A licensee or employee of a licensee may bring a child up to 18 months of age, who is the child of the licensee or employee, onto the licensed premises for the purpose of breastfeeding.
- (b) A licensee may designate an area for breastfeeding or for the expression of breast milk. An area designated for breastfeeding must not expose the child in any way to marijuana or any marijuana product, including marijuana pollen. A designated area may not include an onsite consumption area described under 3 AAC 306.370.
- (c) This section may not be construed to supersede or change the requirements of 29 U.S.C. 207 (Section 7 of the Fair Labor Standards Act of 1938) or any other law applicable to breastfeeding in the workplace (Eff. 1/1/2021, Register 237; am 10/11/2023, Register 248)

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3 AAC 306.715. Security alarm systems and lock standards.

- (a) Each licensee, employee, or agent of a marijuana establishment shall have on display, either on the person or in a readily accessible location on the licensed premises, an identification badge issued by the marijuana establishment at all times when on the marijuana establishment's licensed premises.
- (b) The licensed premises of a marijuana establishment must have
 - (1) exterior lighting to facilitate surveillance;
 - (2) a security alarm system on all exterior doors and windows; and
 - (3) continuous video monitoring as provided in 3 AAC 306.720.
- (c) A marijuana establishment shall have policies and procedures that
 - (1) are designed to prevent diversion of marijuana or marijuana product;
 - (2) prevent loitering;
 - (3) describe the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of licensed premises; and
 - (4) describe the actions to be taken by a licensee, employee, or agent of the marijuana establishment when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security.
- (d) A marijuana establishment shall use commercial grade, non- residential door locks on all exterior entry points to the licensed premises.
- (e) A marijuana establishment shall notify the Department of Commerce, Community, and Economic Development, Alcohol and Marijuana Control Office as soon as reasonably practical and in any case not more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises. (Eff. 2/21/2016, Register 217; am 5/25/2018, Register 226; am 1/19/2022, Register 241)

3 AAC 306.720. Video surveillance.

- (a) A marijuana establishment shall install and maintain a video surveillance and camera recording system as provided in this section. The video system must cover

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- (1) each restricted access area and each entrance to a restricted access area within the licensed premises;
 - (2) each entrance to the exterior of the licensed premises; and
 - (3) each point-of-sale area.
- (b) At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.
- (c) Any area where marijuana is grown, cured, or manufactured, or where marijuana waste is destroyed, must have a camera placement in the room facing the primary entry door, and in adequate fixed positions, at a height that will provide a clear, unobstructed view of the regular activity without a sight blockage from lighting hoods, fixtures, or other equipment, in order to allow for the clear and certain identification of any person and activity in the area at all times.
- (d) Surveillance recording equipment and video surveillance records must be housed in a locked and secure area or in a lock box, cabinet, closet or other secure area that is accessible only to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including a peace officer or an agent of the board. A marijuana establishment may house surveillance recording equipment and video surveillance records in an area approved by the board under 3 AAC 306.705(d) and 3 AAC 306.710(d) if the area meets the security requirements under this subsection.
- (e) A marijuana establishment may use an offsite monitoring service and offsite storage of video surveillance records if security requirements at the offsite facility are at least as strict as onsite security requirements as described in (d) of this section.
- (f) Each surveillance recording must be preserved for a minimum of 40 days, in a format that can be easily accessed for viewing. All recorded images must clearly and accurately display the time and date, and must be archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated. After 40 days, a marijuana establishment may erase video recordings, unless the licensee knows or should know of any pending criminal, civil, or administrative investigation for which the video recording may contain relevant information. (Eff. 2/21/2016, Register 217; am 12/10/2020, Register 236)

3 AAC 306.725. Inspection of licensed premises.

- (a) A marijuana establishment or an applicant for a marijuana establishment license under this chapter shall, upon request, make the licensed premises or the proposed licensed premises, including any place for storage and overlapping premises described under 3

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AAC 306.705(d) and 3 AAC 306.710(d), available for inspection by the director, an employee or agent of the board, or an officer charged with the enforcement of this chapter. The board or the director may also request a local fire protection agency or any other state agency with health and safety responsibilities to inspect licensed premises or proposed licensed premises.

- (b) Inspection under this section includes inspection of the premises, facilities, qualifications of personnel, methods of operation, business and financial records, marijuana inventory tracking system, policies, and purposes of any marijuana establishment and of any applicant for a marijuana establishment license. (Eff. 2/21/2016, Register 217; am 12/10/2020, Register 236)

3 AAC 306.730. Marijuana inventory tracking system.

- (a) A marijuana establishment shall use a marijuana inventory tracking system capable of sharing information with the system the board implements to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is a seed or cutting to a completed sale of marijuana or a marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.
- (b) Marijuana delivered to a marijuana establishment must be weighed on a scale registered in compliance with 3 AAC 306.745. (Eff. 2/21/2016, Register 217; am 10/20/2018, Register 228)

3 AAC 306.735. Health and safety standards.

- (a) A marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present.
- (b) A marijuana establishment shall take all reasonable measures and precautions to ensure that
 - (1) any person who has an illness, an open sore or infected wound, or other potential source of infection does not come in contact with marijuana or a marijuana product while the illness or source of infection persists;
 - (2) the licensed premises have
 - (A) adequate and readily accessible toilet facilities that are maintained in good repair and sanitary condition; and

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- (B) convenient handwashing facilities with running water at a suitable temperature; the marijuana establishment shall require employees to wash or sanitize their hands, and shall provide effective hand-cleaning, sanitizing preparations, and drying devices;
 - (3) each person working in direct contact with marijuana or a marijuana product conforms to good hygienic practices while on duty, including
 - (A) maintaining adequate personal cleanliness; and
 - (B) washing hands thoroughly in an adequate hand-washing area before starting work, after using toilet facilities, and at any other time when the person's hands may have become soiled or contaminated;
 - (4) litter, waste, and rubbish are properly removed; the waste disposal equipment must be maintained and adequate to
 - (A) avoid contaminating any area where marijuana or any marijuana product is stored, displayed, or sold;
 - (B) prevent causing odors or attracting pests;
 - (5) floors, walls, and ceilings are constructed to allow adequate cleaning, and are kept clean and in good repair;
 - (6) adequate lighting is installed in any area where marijuana or a marijuana product is stored, displayed, or sold, and where any equipment or utensil is cleaned;
 - (7) screening or other protection adequately protects against the entry of pests;
 - (8) each building, fixture, and other facility is maintained in sanitary condition;
 - (9) each toxic cleaning compound, sanitizing agent, and pesticide chemical is identified and stored in a safe manner to protect against contamination of marijuana or a marijuana product and in compliance with any applicable local, state, or federal law;
 - (10) adequate sanitation principles are used in receiving, inspecting, transporting, and storing marijuana or a marijuana product; and
 - (11) marijuana or a marijuana product is held in a manner that prevents the growth of bacteria, microbes, or other undesirable microorganisms.
- (c) A marijuana establishment shall ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace. In this subsection, "stored improperly" means being exposed to extremes in temperature, humidity, smoke, fumes, pressure, or radiation due to a natural disaster, fire, accident, or equipment failure.

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- (d) If a marijuana establishment does not have reliable information about the age or storage conditions of marijuana or a marijuana product in its possession, the marijuana establishment may salvage the marijuana only if
- (1) a licensed marijuana testing facility determines from quality assurance testing that the marijuana or marijuana product meets all applicable standards of moisture, potency, and contaminants;
 - (2) inspection of the premises where a disaster or accident occurred shows that the marijuana or marijuana product stored there was not adversely affected by the disaster or accident; and
 - (3) the marijuana establishment maintains a record of the salvaged marijuana or marijuana product in its marijuana inventory tracking system, including the name, lot number, and final disposition. (Eff. 2/21/2016, Register 217)

3 AAC 306.740. Waste disposal.

- (a) A marijuana establishment shall store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation production, processing, testing, or retail sales, in compliance with applicable federal, state, and local statutes, ordinances, regulations, and other law.
- (b) Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves a marijuana establishment. Marijuana waste includes
- (1) marijuana plant waste, including stalks, leaves, and stems that have not been processed with solvent;
 - (2) solid marijuana sample plant waste in the possession of a marijuana testing facility;
 - (3) marijuana or a marijuana product that has been found by the licensee unfit for sale or consumption;
 - (4) expired marijuana products; and
 - (5) other waste as determined by the board.
- (c) A marijuana establishment shall
- (1) is repealed 10/16/2022;
 - (2) record the waste in the marijuana inventory tracking system required under 3 AAC 306.730; and
 - (3) keep a record through the marijuana inventory tracking system of the final destination of marijuana waste made unusable.

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- (d) Marijuana plant waste must be made unusable by grinding the marijuana plant waste and mixing it with at least an equal amount of other compostable or non-compostable materials. A marijuana establishment may use another method to make marijuana waste unusable if the board approves the method in advance. Material that may be mixed with the marijuana waste includes
 - (1) compostable materials including food waste, yard waste, vegetable based grease or oils, or other wastes approved by the board when the mixed material can be used as compost feedstock or in another organic waste method such as an anaerobic digester with approval of any applicable local government entity; or
 - (2) non-compostable materials including paper waste, cardboard waste, plastic waste, oil, or other wastes approved by the board when the mixed material may be delivered to a permitted solid waste facility, incinerator, or other facility with approval of any applicable local government entity.
- (e) If marijuana or a marijuana product is found by, or surrendered to, a law enforcement officer including a peace officer or an airport security officer, the officer may dispose of the marijuana or marijuana product as provided in this section or by any method that is allowed under any applicable local ordinance. (Eff. 2/21/2016, Register 217; am 10/20/2018, Register 228; am 10/16/2022, Register 244)

3 AAC 306.745. Standardized scales.

A marijuana establishment shall use registered scales in compliance with AS 45.75.080 (Weights and Measures Act). A marijuana establishment shall

- (1) maintain registration and inspection reports of scales registered under AS 45.75.080 and 17 AAC 90.920 - 17 AAC 90.935; and
- (2) upon request by the board or the director, provide a copy of the registration and inspection reports of the registered scales to the board or the director for review. (Eff. 2/21/2016, Register 217)

3 AAC 306.750. Transportation.

- (a) Marijuana or a marijuana product may only be transported to a licensed marijuana establishment by a licensee or an agent or employee of a licensee.
- (b) A marijuana establishment from which a shipment of marijuana or marijuana product originates is responsible for preparing, packaging, and securing the marijuana or marijuana product during shipment, for recording the transfer in the marijuana inventory

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tracking system, and for preparing the transport manifest. An individual transporting marijuana in compliance with this section shall have a marijuana handler permit required under 3 AAC 306.700.

- (c) When marijuana or a marijuana product is transported, the marijuana establishment that originates the transport shall use the marijuana inventory tracking system to record the type, amount and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle. A complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times.
- (d) During transport, the marijuana or marijuana product must be in a sealed package or container and in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product. While the secure storage compartment may be opened to access or rearrange its contents, the sealed package containing the marijuana or marijuana product may not be opened during transport. A vehicle transporting marijuana or a marijuana product must travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and may not make unnecessary stops in between except to deliver or pick up marijuana or a marijuana product at another licensed marijuana establishment. For the purposes of this subsection, “unnecessary stops” do not include stops for the safe delivery of marijuana or marijuana products, including
 - (1) transport vehicle refueling;
 - (2) basic transport vehicle maintenance;
 - (3) necessary rest and food breaks for a person transporting marijuana or marijuana product;
 - (4) delivery or deposit of monetary receipts at a financial institution or payment of state excise taxes if the delivery, deposit, or payment location is not significantly off the transport route.
- (e) When a marijuana establishment receives marijuana or a marijuana product transported in compliance with this section, the recipient of the shipment shall use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received. The recipient shall refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.
- (f) A marijuana establishment shall keep records of all marijuana or marijuana products shipped from or received at that marijuana establishment as required under 3 AAC 306.755.
- (g) A marijuana establishment may transport marijuana or a marijuana product to and from a trade show or similar industry event in accordance with 3 AAC 306.760 and this section.

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- (h) Expired 8/14/2020
- (i) A marijuana establishment shall keep records of all marijuana or marijuana products relocated to the new licensed premises in the case of transfer of a marijuana establishment license to another location approved by the board. (Eff. 2/21/2016, Register 217; am 10/11/2017, Register 224; am 8/11/2018, Register 227; em am 4/17/2020 – 8/14/2020, Register 234; em am 5/7/2020 – 8/14/2020, Register, 234; am 1/22/2023, Register 245; am 1/5/2024, Register 249)

3 AAC 306.755. Business records.

- (a) A marijuana establishment shall maintain in a format that is readily understood by a reasonably prudent business person
 - (1) all books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months must be maintained on the marijuana establishment's licensed premises or in overlapping premises approved by the board under 3 AAC 306.705(d); older records may be archived on or off premises;
 - (2) a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;
 - (3) the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises;
 - (4) records related to advertising and marketing;
 - (5) a current diagram of the licensed premises including each restricted access area and all overlapping premises approved by the board under 3 AAC 306.705(d) and 3 AAC 306.710(d);
 - (6) a log recording the name, and date and time of entry of each visitor permitted in a restricted access area;
 - (7) all records normally retained for tax purposes;
 - (8) accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed; and
 - (9) transportation records for marijuana and marijuana products as required under 3 AAC 306.750(f); and

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- (10) transportation records for marijuana or marijuana products being relocated in the case of a transfer of a marijuana establishment license to another location approved by the board.
- (b) A marijuana establishment shall provide any record required to be kept on the licensed premises to an employee of the board upon request. Any record kept off premises must be provided to the board's employees not later than three business days after a request for the record.
- (c) A marijuana establishment shall exercise due diligence in preserving and maintaining all required records. Loss of records and data, including electronically maintained records, does not excuse a violation of this section. The board may determine a failure to retain records required under this section to be a license violation affecting public safety. (Eff. 2/21/2016, Register 217; am 12/10/2020, Register 236; am 1/22/2023, Register 245)

3 AAC 306.760. Trade shows.

- (a) Licensed marijuana establishments must comply with this section when participating in trade shows and similar industry events.
- (b) A licensed cultivation facility may bring one plant to the trade show or event for display. The removal from and return of the plant to the licensed premises must be tracked in the inventory tracking system. Any marijuana removed from the plant at the event must be retained by the licensee and returned to the licensed premises.
- (c) A licensed cultivation facility and a licensed retail facility may bring up to one ounce of each strain of marijuana to the trade show or event for display. The removal from and return of the marijuana to the licensed premises must be tracked in the marijuana inventory tracking system. The marijuana shall be contained so that the marijuana may not be removed from the display's immediate vicinity by a member of the public.
- (d) A licensed product manufacturing facility and a licensed retail facility may bring one sample package of each marijuana product made or sold by the facility to the event for display. The removal from and return of the marijuana product to the licensed premises must be tracked in the marijuana inventory tracking system. The marijuana product must remain packaged in the approved packaging throughout the duration of the event.
- (e) A licensed testing facility may not perform required tests on samples from a licensed facility at any trade show or similar event.
- (f) No marijuana or marijuana product may be sold or distributed by a licensee at the event.
- (g) Marijuana and marijuana product displayed at an event by a licensee must be handled only by a licensee, or employee or agent of a licensee, who holds a valid marijuana handler permit.

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- (h) Advertising or promotions displayed or distributed at the event by a licensee shall comply with the requirements of this chapter. (Eff. 8/11/2018, Register 227; am 3/5/2023, Register 245)

3 AAC 306.770. Signs, merchandise, advertisements, and promotions.

- (a) Business cards and merchandise, including t-shirts, hats, and stickers, that are distributed by a licensed marijuana establishment and contain only the business name and logo, license name, and location and contact information, are not advertising or promotions.
- (b) A licensed marijuana establishment operating within the boundary of a local government shall comply with the local government's laws regarding the size, number, and placement of any sign displayed at the licensed premises. In areas without a local government, a licensed marijuana establishment sign may not violate AS 19.25.075 – 19.25.160. A sign meeting these requirements is not advertising or promotions.
- (c) An advertisement for a licensed marijuana establishment and for marijuana or a marijuana product must include the business name and license number.
- (d) An advertisement for a licensed marijuana establishment is exempt from providing the warning statement in (g) of this section if
 - (1) the advertisement contains only the business name, logo, business type, contact information, location, and hours of operation; and
 - (2) the advertisement does not contain any written information about marijuana or a marijuana product or any photographic or illustrative depictions of marijuana or a marijuana product, other than depictions contained within the established business name font and logo.
- (e) A logo or an advertisement for a licensed marijuana establishment and for marijuana or a marijuana product may not contain a statement or illustration that
 - (1) is false or misleading;
 - (2) promotes excessive consumption;
 - (3) represents that the use of marijuana has curative or therapeutic effects;
 - (4) depicts a person under 21 years of age consuming marijuana; or
 - (5) includes any object or character, including a toy, a cartoon character, or any other depiction that appeals to a person under 21 years of age.
- (f) An advertisement for a licensed marijuana establishment and for marijuana or a marijuana product may not be placed

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- (1) within 1,000 feet of the perimeter of any child-centered facility, including a school, a child care facility or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under 21 years of age, except when included in an established publication intended for general readership;
 - (2) on or in a publicly owned or operated property; or
 - (3) within 1,000 feet of a substance abuse or treatment facility.
- (g) Each of the following warnings must appear in an advertisement for marijuana or any marijuana product with visual contrast for print advertisements and intelligible audio for audio advertisements:
- (1) “Marijuana has intoxicating effects and may be habit forming and addictive.”;
 - (2) “Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence.”;
 - (3) “There are health risks associated with consumption of marijuana.”;
 - (4) “For use only by adults twenty-one and older. Keep out of the reach of children.”;
 - (5) “Marijuana should not be used by women who are pregnant or breast feeding.”
- (h) A licensed marijuana establishment that advertises by means of a web page must utilize appropriate measures to ensure that individuals visiting the web page are 21 years of age or older.
- (i) A licensed marijuana establishment may not engage in advertising by means of marketing directed towards location-based devices, including cellular phones, unless the marketing is a mobile device application installed on the device by the owner of the device who is 21 years of age or older and the application includes a permanent and easy opt-out feature.
- (j) As long as no more than 30 percent of the event’s participants and audience is reasonably expected to be under 21 years of age, a licensed marijuana establishment may sponsor
- (1) an industry trade show;
 - (2) a charitable event;
 - (3) a sports event or competition;
 - (4) a concert; or
 - (5) any other even approved in advance by the board.
- (k) A licensed marijuana establishment may not encourage the sale of marijuana or a marijuana product

Attachment B – State statutes and regulations.

- (1) by conducting games or competitions related to the consumption of marijuana or a marijuana product; or
- (2) by providing promotional materials or activities of a manner or type that would be especially appealing to children. (Eff. 10/17/2018, Register 228; am 10/8/2023, Register 248)

Article 8. Enforcement; Civil Penalties.

3 AAC 306.801 and 3 AAC 306.830

3 AAC 306.801. Powers and duties.

- (a) The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity may
 - (1) inspect, at a reasonable time and in a reasonable manner, the licensed premises of a marijuana establishment, including
 - (A) overlapping premises approved by the board under 3 AAC 306.705(d) and 3 AAC 306.710(d);
 - (B) marijuana and marijuana products;
 - (C) equipment used in cultivating, processing, testing, or storing marijuana, and
 - (D) the marijuana establishment's marijuana inventory tracking system, business records, and computers;
 - (2) issue a verbal warning, an inspection report, an advisory notice, or a notice of violation as set out under 3 AAC 306.806;
 - (3) seize or place an administrative hold on marijuana or any marijuana product as set out under 3 AAC 306.830;
 - (4) execute a search warrant;
 - (5) exercise peace officer powers as authorized under AS 17.28.131;
 - (6) file an accusation for suspension, revocation, or other disciplinary action on a license, permit, or endorsement; and

Attachment B – State statutes and regulations.

- (7) take any other action the director considers necessary to ensure the enforcement of AS 17.38 and this chapter.
- (b) A marijuana establishment, licensee, employee, or agent in charge shall cooperate with the director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity to enforce AS 17.38 or this chapter including to
 - (1) permit entry to and inspection of the licensed premises; and
 - (2) provide access to business records not later than 10 business days after a request by the director, an enforcement agent, an employee of the board, or a peace officer. (Eff. 7/23/2023, Register 247)

3 AAC 306.830. Seizure of or administrative hold on marijuana or marijuana products.

- (a) The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity may seize or place an administrative hold on marijuana or any marijuana product from a licensed or previously licensed marijuana establishment
 - (1) if the marijuana establishment has any marijuana or marijuana product not properly logged into the marijuana establishment's marijuana inventory tracking system;
 - (2) if the marijuana establishment has any adulterated marijuana food or drink product prohibited under 3 AAC 306.510(a)(4);
 - (3) if the marijuana establishment has any marijuana or marijuana product that is not properly packaged and labeled as provided in
 - (A) 3 AAC 306.470 and 3 AAC 306.475; or
 - (B) 3 AAC 306.565 and 3 AAC 306.570;
 - (4) if the marijuana establishment has not renewed its license as required under 3 AAC 306.035 or if the board has denied renewal of the marijuana establishment's license under 3 AAC 306.080(b);
 - (5) upon the development of reasonable grounds to believe that any marijuana or marijuana product
 - (A) constitutes evidence of a violation of a state statute or regulation; or
 - (B) poses an immediate threat to worker or public health, safety, or welfare; or
 - (6) if the marijuana establishment has engaged or attempted to engage in
 - (A) the diversion of marijuana or a marijuana product; or

Attachment B – State statutes and regulations.

- (B) a crime on the establishment's licensed premises; in this subparagraph, "crime" has the meaning given in AS 11.81.900(b).
- (b) The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity may choose, for a reason set out in (a) of this section, whether to place an administrative hold on marijuana or a marijuana product or seize the marijuana or marijuana product. The director may change an administrative hold to a seizure. The director shall update the marijuana inventory control tracking system to reflect the administrative hold or seizure or a change from an administrative hold to a seizure.
- (c) If marijuana or a marijuana product is placed on an administrative hold, the marijuana establishment shall
 - (1) physically separate the marijuana or marijuana product from the public and store it in a secured and restricted-access area of the establishment's licensed premises; and
 - (2) receive the express written consent of the director to sell, move, transfer, or engage in any other commercial activity relating to the marijuana or marijuana product,
 - (A) after the conclusion of the investigation of the reason for the administrative hold, the payment of any civil fine, the lifting of any suspension, and the conclusion of any informal conference, any formal hearing, and any hearing under AS 44.62.330 - 44.62.630 (Administrative Procedure Act) and, if applicable, 2 AAC 64.100 - 2 AAC 64.990;
 - (B) if seizure of the marijuana or marijuana product has not been ordered under (d) of this section; and
 - (C) if destruction of the marijuana or marijuana product has not been ordered under (j) of this section.
- (d) If the director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity seizes marijuana or a marijuana product under this section, the director shall ensure that the items physically removed from the establishment's licensed premises are stored in a reasonable manner.
- (e) The director shall immediately give the marijuana establishment at which the marijuana or marijuana product was placed on administrative hold or from which the item was seized notice of whether the action is an administrative hold or seizure and the reasons for the administrative hold or seizure. In the notice, the director shall state that the marijuana establishment may request, not later than 15 days after receiving the notice,
 - (1) an informal conference, before either the director or the board, if the establishment is aggrieved by an administrative hold; the director shall also state in the notice that selection of an informal conference does not affect the establishment's right to request a formal hearing from the administrative hold; or

Attachment B – State statutes and regulations.

- (2) a formal hearing before the board from an administrative hold or seizure; in the notice, the director shall schedule a date and time for a formal hearing that is not later than 15 days after the establishment receives the notice, unless the establishment requests a delay.
- (f) If the marijuana establishment aggrieved by an administrative hold elects an informal conference
 - (1) with the director, the informal conference must be held at a time and place convenient to the establishment and the director, but not later than 15 days after the establishment receives notice of the administrative hold, unless the establishment elects a later time for the conference; an informal conference with the director may be conducted telephonically; or
 - (2) with the board, the informal conference must be held at a time and place convenient to the establishment and the board, but not later than the next scheduled meeting of the board; an informal conference with the board may be conducted telephonically.
- (g) If the informal conference does not resolve the matter of an administrative hold to the satisfaction of the marijuana establishment, the establishment, not later than 15 days after the last day of the informal conference, may request a formal hearing. The hearing will be held not later than 15 days after the director's receipt of the request for a formal hearing.
- (h) If a marijuana establishment's request for a formal hearing is from an informal conference regarding an administrative hold, the director shall send the establishment a notice with the date and time of the formal hearing, scheduled as described in (g) of this section, unless the establishment has requested a delay. If the request for formal hearing is from an administrative hold or seizure, and the establishment did not request an informal conference, the formal hearing will be held on the date and time scheduled in the notice sent under (e)(2) of this section, unless the establishment has requested a delay. If the administrative hold or seizure occurs in connection with a summary suspension under 3 AAC 306.825, the hearing will be combined with a hearing on the summary suspension.
- (i) If an administrative hold is on marijuana plants in a licensed standard or limited marijuana cultivation facility, the order setting the administrative hold must
 - (1) direct the facility to continue care of the plants until the conclusion of any informal conference, any formal hearing, and any hearing under AS 44.62.330 - 44.62.630 (Administrative Procedure Act) and, if applicable, 2 AAC 64.100 - 2 AAC 64.990; and
 - (2) prohibit any transfer, sale, or commercial activity related to the plants, until the conclusion of any informal conference, any formal hearing, and any hearing

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under AS 44.62.330 - 44.62.630 (Administrative Procedure Act) and, if applicable, 2 AAC 64.100 - 2 AAC 64.990.

- (j) If after a formal hearing the administrative hold or seizure is upheld as justified, the marijuana establishment at or from which the marijuana or marijuana product was placed on administrative hold or seized may request a hearing under AS 44.62.330 – 44.62.630 and, if applicable, 2 AAC 64.100 – 2 AAC 64.990
- (k) If a marijuana establishment from which marijuana or marijuana product was placed on administrative hold or seized does not contest the seizure or hold, or if after any informal conference and any final hearing the administrative hold on or seizure of the marijuana or marijuana product is upheld as justified, the board may order the destruction of the marijuana or marijuana product, in addition to or in place of any fines or civil remedies. The marijuana or marijuana product must be destroyed by burning, crushing, or mixing with other material to make the marijuana or marijuana product unusable as provided in 3 AAC 306.740.
- (l) The board will not consider marijuana or marijuana product placed on administrative hold or seized to be part of a marijuana establishment’s physical inventory until the administrative hold is lifted or the marijuana or marijuana product is removed from seizure. The director shall notify, for information purposes, local governments and taxing authorities with jurisdiction over a marijuana establishment subject to the administrative hold and seizure not later than 30 days after the administrative hold or seizure is put in place or lifted. (Eff. 2/21/2016, Register 217; am 12/6/2020, Register 236; am 7/23/2023, Register 247)

Article 9. General Provisions.

Excluding: 3 AAC 306.930, 3 AAC 306.935

3 AAC 306.905. Public records.

Marijuana establishment applications are public records. The board may, at the request of any applicant, designate materials confidential if they

- (1) contain proprietary information including trade secrets; or
- (2) are required to be kept confidential by any federal or state law. (Eff. 2/21/2016, Register 217)

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3 AAC 306.910. Refusal to sell marijuana.

Nothing in this chapter prohibits a licensee from refusing to sell marijuana or marijuana products to any person unless that refusal is a violation of AS 18.80.210. (Eff. 2/21/2016, Register 217)

3 AAC 306.915. Exercise of authority.

Until a marijuana establishment surrenders its license to the board, and so long as business is conducted under the license on the licensed premises, the person holding the license, whether an individual, a partnership, a limited liability company, a corporation, or a local government, is responsible and liable for the conduct of the business. Any individual exercising actual authority over the conduct of business on the licensed premises must be the holder of the marijuana establishment license, or an agent or employee of that person unless the board has approved a transfer of the license to a different person. (Eff. 2/21/2016, Register 217)

3 AAC 306.920. Death of licensee.

- (a) If an individual who is the sole licensee of a marijuana establishment dies, the marijuana establishment shall cease operation. A personal representative appointed by the superior court for the estate of the deceased licensee may submit to the director a written request to reopen the business, along with a copy of the court order appointing the personal representative. If the licensed marijuana establishment is in good standing, and the personal representative is not a person prohibited from holding a marijuana establishment license under AS 17.38.200(i), the director shall grant permission to the personal representative to operate the business on the licensed premises subject to (b) of this section. In this section, a marijuana establishment is in good standing if the marijuana establishment
- (1) has a valid current license;
 - (2) has paid all fees due under this chapter and all local taxes due; and
 - (3) has no unresolved suspension or revocation proceedings against it.
- (b) A personal representative authorized to operate a marijuana establishment under (a) of this section must submit an application for a transfer of ownership to another person in compliance with 3 AAC 306.045 not later than 90 days after obtaining the director's approval to operate. The board may extend the time allowed in this section for another 90 days if the personal representative requests the additional time.

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- (c) This section does not authorize the transfer of a marijuana establishment license unless the board approves the personal representative's application for transfer of license to another person. (Eff. 2/21/2016, Register 217)

3 AAC 306.925. Submissions to the board.

Except as otherwise specifically provided in this chapter, applications and communications of a formal nature must be submitted in writing, upon prescribed forms as appropriate, to the board at its main office, and are not considered timely filed until received there. (Eff. 12/28/2016, Register 220)

3 AAC 306.990. Definitions.

- (a) In AS 17.38 and this chapter,
 - (1) "assisting" does not include
 - (A) using, displaying, purchasing, or transporting marijuana in excess of the amount allowed in AS 17.38.020;
 - (B) possessing, growing, processing, or transporting marijuana plants in excess of the number allowed in AS 17.38.020;
 - (C) growing marijuana plants for another person in a place other than
 - (i) that other person's primary residence; or
 - (ii) a garage, shed, or similar place under the other person's control;
 - (2) "delivering"
 - (A) means handing to a person who purchases the product on licensed premises only;
 - (B) does not include transferring or transporting to a consumer off licensed premises;
 - (3) "flowering" means a marijuana plant that has visible crystals, buds, or flowers, or for which the exposure to light is scheduled with the intent to produce crystals, buds, or flowers;
 - (4) "immature" means a marijuana plant 18 inches or less in height with no visible crystals, buds, or flowers, and in which the exposure to light is scheduled with the intent to prevent formation of crystals, buds, or flowers;

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- (5) "in public"
 - (A) means in a place to which the public or a substantial group of people has access;
 - (B) except as provided in (C) of this paragraph, includes highways, transportation facilities, schools, places of amusement or business, parks, playgrounds, prisons, and hallways, lobbies and other portions of apartment houses and hotels not constituting rooms or apartments designed for actual residence;
 - (C) does not include an area on the premises of a licensed retail marijuana store designated for onsite consumption under 3 AAC 306.305;
- (6) "mature" means a marijuana plant over 18 inches in height;
- (7) "personal cultivation" does not include
 - (A) using, displaying, purchasing, or transporting marijuana in excess of the amount allowed in AS 17.38.020;
 - (B) possessing, growing, processing, or transporting marijuana plants in excess of the number allowed in AS 17.38.020;
 - (C) growing marijuana plants for another person in a place other than
 - (i) that other person's primary residence; or
 - (ii) a garage, shed, or similar place under the other person's control;
- (8) "possess" means having physical possession or control over property;
- (9) "registration" means licensure or license.
- (b) In this chapter, unless the context requires otherwise,
 - (1) "adulterated food or drink product"
 - (A) means a product that is intended to be consumed orally and that existed without marijuana in a form ready for consumption before marijuana was added by any process;
 - (B) does not include raw ingredients that are combined with marijuana in a manufacturing process;
 - (2) "agent"
 - (A) means a representative who is authorized to act for a licensee, the board, or the director;
 - (B) includes a contractor or subcontractor;

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- (3) "batch" or "harvest batch" means a specifically identified quantity of bud and flower, plant trim, leaf, and other usable product from marijuana plants that are uniform in strain, cultivated in one place and under the same conditions, using the same medium and agricultural chemicals including pesticides and fungicides, and harvested at the same time;
- (4) "bud and flower" means the hairy, sticky, or crystal-covered parts of mature female marijuana plants generally harvested for their high potency content;
- (5) "business day" means a day other than a Saturday, Sunday, or a state holiday;
- (6) "CBD" means cannabidiol;
- (7) "CBDA" means CBD Acid;
- (8) "CBN" means cannabinol;
- (9) "clones" or "cuttings" means small starter plants
 - (A) shorter than eight inches tall; and
 - (B) used to propagate marijuana plants;
- (10) "compensation"
 - (A) means money, bartered objects or services, or anything else of value, whether given as payment or voluntarily as a donation, when accepted by a person who gives, distributes, or delivers marijuana to another;
 - (B) includes a cover charge, a delivery charge, and a packaging charge;
- (11) "concentrate" or "marijuana concentrate" means resin, oil, wax, or any other substance produced by extracting or isolating cannabinoids, THC, or other components from a marijuana plant or from materials harvested from a marijuana plant;
- (12) "consumer"
 - (A) means an individual who purchases and uses marijuana or a marijuana product; and
 - (B) does not include a marijuana establishment that resells marijuana or incorporates marijuana into a manufactured product;
- (13) "contaminant" means one or more of the following:
 - (A) harmful microbials, including *Escherichia coli* (*E. coli*) or *Salmonella* species;
 - (B) residual solvents;
 - (C) poisons or toxins;

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- (D) harmful chemicals, including pesticides;
- (E) dangerous molds, mildew, or filth;
- (14) "controlling interest" means ownership or control of
 - (A) 50 percent or more of the ownership interest or voting shares of a corporation; or
 - (B) less than 50 percent if a person and family members jointly exert actual control as demonstrated by
 - (i) making decisions for the corporation without independent participation of other owners;
 - (ii) exercising day-to-day control over the corporation's affairs;
 - (iii) disregarding formal legal requirements;
 - (iv) using corporation funds for personal expenses or investments, or intermingling corporation finances with personal finances; or
 - (v) taking other actions that indicate the corporation is a mere instrumentality of the individual;
- (15) "distribute" means spread out or pass out among several or many members of a group;
- (16) "edible" and "edible marijuana product"
 - (A) means a marijuana product that is intended to be consumed orally, whether as food or drink;
 - (B) does not include an adulterated food or drink product;
- (17) "extraction" or "marijuana extraction" means production of marijuana concentrate by any water-based, food-based, or solvent-based method;
- (18) "homogenous" means a component or quality, such as THC, is spread evenly throughout the product, or can be found in equal amounts in each part of a multi-serving unit;
- (19) "individual" means a natural person;
- (20) "in-house testing"
 - (A) means laboratory testing as provided in 3 AAC 306.635 and that does not meet the requirements of 3 AAC 306.645;
 - (B) does not include consumption of any marijuana or marijuana product on the licensed premises;
- (21) "licensed"

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- (A) means holding a current and valid license that the board has issued under this chapter;
- (B) does not include holding a formerly valid license that has expired or that the board has suspended or revoked;
- (22) "licensee" means each individual identified in 3 AAC 306.020 who must be listed in an application for a marijuana establishment license under this chapter;
- (23) "licensed premises" means any or all designated portions of a building or structure, or rooms or enclosures in the building or structure, including overlapping premises approved by the board under 3 AAC 306.705(d) and 3 AAC 306.710(d) or designated outdoor areas, at the specific location for which a marijuana establishment license is issued, and used, controlled, or operated by the marijuana establishment to carry out the business for which it is licensed;
- (24) "lot" or "production lot" means a group of marijuana products that were prepared at the same time from the same batch of marijuana, using the same recipe or process;
- (25) "marijuana" has the meaning given in AS 17.38.900;
- (26) "marijuana cultivation facility" has the meaning given in AS 17.38.900;
- (27) "marijuana infused product"
 - (A) means a product that contains marijuana or marijuana concentrate and is intended for human use;
 - (B) does not include bud and flower marijuana;
- (28) "marijuana plant" means a living organism of the genus Cannabis capable of absorbing water and inorganic substances through its roots, and synthesizing nutrients in its leaves by photosynthesis;
- (29) "marijuana product" has the meaning given in AS 17.38.900;
- (30) "marijuana product manufacturing facility" has the meaning given in AS 17.38.900;
- (31) "peace officer" has the meaning given in AS 01.10.060;
- (32) "person" has the meaning given in AS 01.10.060;
- (33) "process" or "processing" means harvesting, curing, drying, or trimming of a marijuana plant;
- (34) "propagate" means to cause a marijuana plant to grow by planting clones or cuttings, and nurturing them into viable plants up to eight inches in height;
- (35) "recreation or youth center" means a building, structure, athletic playing field, or playground

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- (A) run or created by a local government or the state to provide athletic, recreational, or leisure activities for persons under 21 years of age; or
 - (B) operated by a public or private organization licensed to provide shelter, training, or guidance for persons under 21 years of age;
- (36) “retail marijuana store” has the meaning given in AS 17.38.900;
- (37) “square feet under cultivation”
- (A) means an area of the licensed premises of a standard or limited marijuana cultivation facility that is used for growing marijuana, measured from the perimeter of the floor or growing space for marijuana;
 - (B) does not include a processing or storage area, an equipment storage area, an office, a hallway, or another area, if that area is not used for growing marijuana;
- (38) “THC” means tetrahydrocannabinol, the main psychoactive substance found in marijuana;
- (39) “THCA” means THC Acid;
- (40) “transaction” means one single occurrence in which marijuana or a marijuana product not exceeding the limits set out in 3 AAC 306.355 is passed from a licensed marijuana establishment to another person.
- (41) “drunken person” has the meaning given in AS 04.21.080(b)(9);
- (42) “freestanding”
- (A) has the meaning given in AS 18.35.301(i)(1);
 - (B) does not include a building that contains a tenant other than one or more licensed marijuana establishments owned by the same business, individual, or group of individuals that seeks an onsite consumption endorsement;
- (43) “intoxicated” has the meaning given in AS 11.81.900(b)(34);
- (44) “marijuana consumption area” means a designated area within the licensed premises of a retail marijuana store that holds a valid onsite consumption endorsement, where marijuana and marijuana products may be consumed, excluding marijuana concentrates other than those consumed by vaping under 3 AAC 306.370(b)(3);
- (45) “retail marijuana store premises” means an area encompassing both the retail marijuana store and any marijuana consumption area.
- (46) “sight-obscuring wall or fence” means a wall or fence, including any gates constructed of solid material and a minimum of six feet in height.

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- (47) “total CBD” means the sum of CBD and $(0.877) \times (\text{CBDA})$;
- (48) “total THC” means the sum of THC and $(0.877) \times (\text{THCA})$.
- (49) “smoking” has the meaning given in AS 18.35.399;
- (50) “vaping” means the action or practice of inhaling the aerosol produced by an electronic device that heats up and vaporizes a liquid or solid.
- (51) “office” means the Alcohol and Marijuana Control Office;
- (52) “filth” has the meaning given “contaminated with filth” in AS 17.20.370 (Alaska Food, Drug, and Cosmetic Act; definitions);
- (53) “plant batch” means a specifically identified quantity of immature plants that are propagated at the same time and from the seeds, clones, or cuttings of a marijuana plant or marijuana plants that are uniform in strain, cultivated in one place and under the same conditions, and using the same medium and agricultural chemicals including pesticides and fungicides. (Eff. 2/24/2015, Register 213; am 2/21/2016, Register 217; am 10/11/2017, Register 224; am 8/11/2018, Register 227; am 10/20/2018, Register 228; am 4/11/2019, Register 230; am 5/9/2019, Register 230; am 03/13/2020, Register 233; am 12/6/2020, Register 236; am 12/10/2020, Register 236; am 8/7/2021, Register 239; am 7/23/2023, Register 247; am 4/19/2025, Register 254; am 4/25/2025, Register 254)

3 AAC 306.995. Internet and phone orders; exterior window or curbside pickup. Repealed.

(Eff. 4/17/2020, Register 234; am 8/23/20, Register 235; am 11/24/2020, Register 236; repealed 8/13/2023, Register 247)



MUNICIPALITY OF ANCHORAGE
Assembly Information Memorandum

No. AIM 49-2026

Meeting Date: April 14, 2026

1 **From: CHAIR**
2

3 **Subject: AO NO. 2026-42, AN ORDINANCE OF THE ANCHORAGE**
4 **MUNICIPAL ASSEMBLY REPEALING AND REENACTING ANCHORAGE**
5 **MUNICIPAL CODE CHAPTER 10.80, LICENSING AND REGULATION OF**
6 **MARIJUANA ESTABLISHMENTS, TO INCORPORATE CERTAIN PROVISIONS**
7 **OF APPLICABLE STATE LAW AND FUTURE AMENDMENTS TO THEM FOR**
8 **OPERATION REQUIREMENTS AND RESTRICTIONS, UPDATE AND CLARIFY**
9 **MUNICIPAL MARIJUANA LICENSING REGULATIONS, AMENDING AMC**
10 **SECTION 10.10.015 REGARDING RECORDS RELATED TO MUNICIPAL**
11 **LICENSE APPLICATIONS, AND AMENDING AMC SECTION 14.60.030, FINE**
12 **SCHEDULE, ACCORDINGLY, AND RELATED MATTERS.**
13

14
15 Attached for your review are public comments regarding AO 2026-42.
16
17

18
19 Prepared by: Mandy Honest, Business License Official
20 Approved by: Jamie Heinz, Municipal Clerk
21 Respectfully submitted: Christopher Constant, Chair
22

From: [Leah Levinton](#)
To: [Honest, Miranda L.](#)
Cc: [Evan Levinton](#); [Kyle Monti](#); [Jane Stinson](#); [Jana Weltzin](#)
Subject: Letter of Support – AMC 10.80 Revisions Allowing Overlapping Premises
Date: Wednesday, April 8, 2026 2:58:36 PM
Attachments: [Outlook-hofm1fp1.png](#)
[Letter in Support of AMC 10.80 Revision of Overlapping Premises.pdf](#)

[EXTERNAL EMAIL]

Hi Miranda,

I hope you're doing well!

I'm reaching out to share a letter of support from our team regarding the proposed revisions to AMC 10.80 allowing overlapping premises. We really appreciate the work that's gone into this ordinance and wanted to provide our perspective as local operators.

Would you be willing to distribute this letter to the Assembly members on our behalf?

I've attached the letter here. Please let me know if there's anything else needed or if there's a different process we should follow to ensure it's included appropriately.

Thanks so much for your help, we appreciate it.

Best,
Leah

Leah Levinton
Chief Administrative Officer/Owner
Enlighten Alaska, Enlighten Extracts, Enlighten Gardens
907-717-9889



Letter in Support of AMC 10.80 Revisions Allowing Overlapping Premises

To: Anchorage Assembly Members

From: Enlighten Extracts / Enlighten Gardens

Date: 3/26/26

Re: Support for Proposed Updates to AMC 10.80 (Overlapping Premises)

Dear Members of the Assembly,

We're writing as local business owners who have been operating in Anchorage's cannabis industry since 2017. We've built our company from the ground up here, and we care deeply about doing things the right way—operating compliantly, creating jobs, and contributing positively to our community.

We want to express our strong support for the proposed updates to AMC 10.80, specifically the change that would allow overlapping premises between licenses.

This is a change we've been hoping to see for a long time.

Why this matters to us (and businesses like ours)

Right now, our facility layout and workflows are shaped by restrictions on overlapping premises rather than what would be most efficient or practical for operations. As a result, we've had to create separation between spaces and processes—duplicating rooms, building infrastructure, and adding steps into our workflow—not because it improves safety or compliance, but because the current rules require it.

For example, we currently must move product between physically separated spaces that could safely exist within a shared, controlled environment. Instead of utilizing a single, well-managed production room where team members can work on different product lines simultaneously—such as pre-rolls and concentrates—we are required to duplicate spaces and separate these functions. This leads to underutilized rooms, fragmented staffing, and unnecessary operational complexity.

Another important reason we support this ordinance is that we are actively working to expand our manufacturing operations within our existing facility. Under our current operating plan, the most logical and compliant path for that expansion involves shared space that connects through our cultivation license.

Without the ability to utilize overlapping premises, this expansion becomes significantly more complex. It would likely require us to pursue an entirely separate manufacturing license or undertake major infrastructure changes to create additional compliant space.

Both options would introduce substantial cost, extended timelines, and added operational inefficiencies—without improving safety or compliance outcomes.

Because state regulations already allow for overlapping premises, operators in other parts of Alaska can design their facilities around natural production flow. As a result, we are operating at a structural disadvantage in Anchorage, despite maintaining the same compliance standards.

Allowing overlapping premises would enable us to reduce unnecessary friction in our day-to-day operations, move forward with our planned expansion in a practical and compliant way, and focus more on quality, consistency, and team execution.

Alignment & Clarity

One of the biggest benefits of this ordinance is that it brings Anchorage into alignment with state law. From our perspective, this matters a lot.

When state and local rules don't fully align, it creates confusion—not just for operators, but for regulators as well. Aligning the two makes expectations clearer, reduces the risk of misinterpretation, and ultimately leads to stronger, more consistent compliance across the board.

Efficiency without cutting corners

We want to be very clear about something: this isn't about loosening standards.

We've invested heavily in compliance—our systems, our SOPs, our tracking, and our team training. That commitment does not change with overlapping premises.

If anything, this change allows us to build systems that are more streamlined and easier to execute consistently, which strengthens compliance rather than weakening it.

The reality of operating in this industry

Operating a cannabis business in Alaska is not easy. Margins are tight, costs are high, and the regulatory environment is complex.

Changes like this simply remove operational inefficiencies that don't contribute to public safety or effective oversight.

Instead, they allow businesses like ours to operate more efficiently, remain viable, continue employing local teams, and keep investing back into Anchorage. Today, we employ nearly 50 Alaskans and have been proud to operate here for the past 9 years.

Closing

We genuinely appreciate the work that has gone into this ordinance. It reflects a thoughtful understanding of how the industry actually operates today.

We strongly encourage you to move this forward as written. It's a meaningful step toward a more practical, aligned, and sustainable regulatory framework for Anchorage.

Thank you for your time and consideration—and for the continued work you do to support both our community and local businesses.

Sincerely,

Evan Levinton
CEO/Owner
Enlighten Extracts & Enlighten Gardens



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April 8, 2026

Anchorage Municipal Assembly
Municipality of Anchorage

Via Clerk of Assembly

RE: Support for AO 2026-XX – Marijuana Licensing Code Modernization

Dear Chair and Members of the Assembly:

I write in strong support of AO 2026-XX, which repeals and reenacts Anchorage Municipal Code Chapter 10.80 to modernize and streamline the Municipality’s marijuana licensing framework.

JDW Counsel represents marijuana establishments, landlords, and industry stakeholders across Alaska, including in Anchorage. Based on our direct experience navigating both state and municipal licensing systems, we support this ordinance as a necessary and practical improvement to Anchorage’s regulatory structure. The ordinance appropriately incorporates AS 17.38 and 3 AAC Chapter 306 by reference. This eliminates duplicative and often inconsistent parallel regulation, which has created confusion and unnecessary compliance risk for licensees.

By aligning municipal code with state law—and allowing future state changes to flow through automatically—the ordinance ensures consistency while reducing the need for repeated local code updates. Importantly, the ordinance does not reduce the Assembly’s authority. The Municipality retains full control over licensing decisions, including the ability to approve, deny, condition, or protest licenses.

This structure strikes the right balance: maintaining local oversight while eliminating unnecessary redundancy.

The ordinance includes several meaningful operational improvements that reflect how this industry actually functions, including:

- Allowing transfers of license location;
- Recognizing operational efficiencies such as overlapping premises; and
- Streamlining enforcement and fine structures.

Allowing overlapping premises is a particularly important and practical improvement. In a highly regulated industry with significant capital investment in security, infrastructure, and buildout, requiring strictly segregated spaces can create unnecessary inefficiencies and increased costs

without corresponding public benefit. By permitting overlapping premises consistent with state law, the ordinance enables licensed operators to make more efficient use of existing facilities, streamline operations, and reduce redundant infrastructure. This flexibility supports business sustainability, especially for small and locally owned operators, while maintaining all applicable security, tracking, and compliance requirements. In short, it allows businesses to operate more efficiently without compromising regulatory oversight or public safety.

These changes improve business continuity, reduce transaction risk, and support a more stable and functional regulated market. Clearer and more consistent licensing procedures—particularly for renewals, transfers, and approvals—will improve predictability for businesses, lenders, and property owners. This is critical in a highly regulated industry where uncertainty can delay transactions, increase financing risk, and discourage local investment.

The ordinance also benefits the Municipality by reducing duplication in code, minimizing the need for ongoing legislative updates, and clarifying enforcement authority. This allows municipal resources to be focused where they are most effective—on licensing decisions, compliance, and public safety.

AO 2026-XX reflects the maturity of Anchorage’s cannabis industry and modernizes the regulatory framework accordingly. It reduces unnecessary burden, improves clarity, and supports both effective regulation and economic stability.

For these reasons, I respectfully urge the Assembly to adopt AO 2026-XX.

Truly and Sincerely Yours,

Jana D. Weltzin, Esq.