

Submitted by: Assembly Member
Prepared by: Municipal Clerk's Office
and Assembly Counsel
For reading: Date

*** DRAFT ***

**ANCHORAGE, ALASKA
AO No. 2020-XXX**

**AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING
CHAPTER 10.80 OF THE ANCHORAGE MUNICIPAL CODE TO INCORPORATE
STATE REGULATIONS CHANGES, UPDATE AND CLARIFY MUNICIPAL
MARIJUANA LICENSING REGULATIONS; AMENDING THE MUNICIPAL FINE
SCHEDULE; AND RELATED MATTERS.**

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code title/chapter/section is hereby amended to read as follows (the remainder of the section is not affected and therefore not set out):

SECTION # IN BOLD SECTION TITLE IN BOLD

Body of section with new language inserted first and underlined [OLD LANGUAGE TO BE DELETED IS IN BRACKETS AND CAPITALIZED]. Always copy and paste current text from the Code or download in Word from online hosted site, don't retype it. **Never use automatic numbering** for subsections/subparagraphs.

Omitting some of the current text of a code section is indicated by asterisks:
* * * * * * * * *

Always include the history note at the end of the section as it currently reads:
(AO No. 57-75; AO No. 78-177; AO No. 87-126(S); AO No. 98-51(S), § 1, 5-4-99)

Section 1. Anchorage Municipal Code chapter 10.80 is hereby amended, to read as follows (*unaffected portions of the chapter are set out*):

10.80.005 License required. [NO CHANGE]

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. [NO CHANGE]

- 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 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

1 of a municipal marijuana establishment license that permanently
2 ceases to operate the business at the location for which it is issued
3 shall surrender the license to the municipal clerk within ten days.
4

- 5 F. A licensed marijuana retail establishment may not allow on-site
6 consumption unless it has a current and valid municipal on-site
7 consumption endorsement.
8

9 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 1, 4-25-17; AO
10 No. 2017-95(S) , § 1, 5-1-17; AO No. 2018-96(S) , § 1, 11-7-18; AO No.
11 2019-66 , § 1, 6-18-19)
12
13

14 **10.80.011 - License restrictions—~~Sup~~plemental standards. [NO**
15 **CHANGE]**

16
17 A. The municipality will not issue a marijuana establishment license if
18 the licensed premises do not meet the requirements of title 21.
19

20 B. The prohibitions of sections 10.80.310, 10.80.405C., 10.80.510, or
21 10.80.610B. apply to the premises identified in an application for a
22 municipal marijuana establishment license beginning from the time the
23 application is deemed completed under section 10.80.026. Violations are
24 subject to enforcement action, including denial of the application, or
25 suspension or revocation of the license if issued prior to final adjudication
26 of the violation.
27

28 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 2, 4-25-17)
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31 **10.80.015 - License conditions.**

Commented [AM1]: Effective Date: 2/12/19

32
33 A. The municipality will issue each marijuana establishment license to
34 a specific individual, to a partnership, including a limited partnership, to a
35 limited liability company, or to a corporation. A person other than a
36 licensee may not have a direct or indirect financial interest in the
37 business for which a marijuana establishment license is issued.
38

39 B. Except as allowed in AMC 10.80.036, the [THE] municipality will not
40 issue, renew, or transfer a marijuana establishment license to:

- 41
42 1. An individual or a sole proprietorship unless the individual or
43 proprietor is a resident of the state;
44
45 2. A partnership unless each partner is a resident of the state;
46
47 3. A limited liability company unless the limited liability company is
48 qualified to do business in the state and each member of the limited
49 liability company is a resident of the state; or
50

1 4. A corporation unless the corporation is incorporated or qualified
2 to do business in the state and each shareholder is a resident of the
3 state.
4

5 C. The municipality will issue each license for a specific location
6 identified on the license as the licensed premises. A marijuana
7 establishment must have a right to possession of its licensed premises at
8 all times, and may not lease its licensed premises to another person for
9 any reason. Modifications to the size of a license premises are allowed in
10 accordance with sections 10.80.705 and 21.03.105. A marijuana
11 establishment may not relocate its licensed premises to a different place
12 without obtaining a license for the new premises as required under
13 section 10.80.050.
14

15 D. The assembly may impose other conditions or restrictions on a
16 license or endorsement issued under this chapter when it finds that it is in
17 the interests of the public to do so. Commented [AM2]: Effective Date: 4/11/2019
18

19 E. In this section,
20

21 1. "Direct or indirect financial interest" means:
22

23 a. A legal or equitable interest in the operation of a business
24 licensed under this chapter;
25

26 b. Does not include a person's right to receive:
27

28 i. Rental charges on a graduated or percentage lease-
29 rent agreement for real estate leased to a licensee; or
30

31 ii. A consulting fee from a licensee for services that are
32 allowed under this chapter;
33

34 2. "Resident of the state" means a person who is eligible at the
35 time of application for the most recent [MEETS THE RESIDENCY
36 REQUIREMENT UNDER AS 43.23 FOR A] permanent fund
37 dividend under AS 43.23 [IN THE CALENDAR YEAR IN WHICH
38 THAT PERSON APPLIES FOR A MARIJUANA ESTABLISHMENT
39 LICENSE UNDER THIS CHAPTER].
40

41 (AO No. 2016-16(S), § 1, 2-9-16)
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43

44 **10.80.020 - Application for new, renewal or transfer of license—State**
45 **application forms incorporated. [NO CHANGE]**
46

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

1 office.

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

4
5
6 **10.80.021 - Application for new license—Supplemental municipal**
7 **marijuana establishment license application. [NO CHANGE]**
8

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

17
18 A. A sworn statement listing all criminal convictions, notwithstanding
19 the form of judgment and including withheld judgments, deferred
20 judgments, and bond forfeitures, against every owner and manager for
21 any offense other than traffic infractions for the five years preceding the
22 application date. The municipal clerk may require additional information,
23 including, but not limited to, the date, place, and nature of the crime that
24 resulted in the judgment.

25
26 B. A sworn statement that no licensee, as that term is used in 3 AAC
27 306.020(b)(2), owes past-due taxes, fees or fines to the municipality.

28
29 C. Information required by section 21.03.105 for a special land-use
30 permit for marijuana.

31
32 D. Information required by section 10.80.056.

33
34 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2019-66 , § 2, 6-18-19)

35
36
37 **10.80.026 - Municipal application procedure for new license or**
38 **endorsement.**

39
40 A. An applicant must initiate a new marijuana establishment license or
41 endorsement application only after submitting to the state alcohol and
42 marijuana control office a complete application for a related state
43 marijuana establishment license, to create a public notice form.

Commented [AM3]: Effective Date: 4/11/2019

Commented [AM4]: Effective Date: 3/25/2020

44
45 B. If an applicant for a new municipal marijuana retail store license or
46 the holder of a valid municipal marijuana retail store license is applying
47 for a municipal endorsement for on-site consumption, the application
48 shall contain the information required by section 10.80.306D.

49
50 C. The applicant must pay to the municipality the application and

1 license [LICENSING] fees set out in section 10.80.100. The notice
2 requirements in subsection D of this section must be given within the 90
3 days preceding the submittal of all application requirements listed in
4 10.80.020 and the application and license fee.

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5
6 D. New application: When an application for a new marijuana
7 establishment license and special land use permit is received, the
8 director of the planning department shall determine if the application is
9 complete. If the director determines the application is complete, the
10 director shall [AS SOON AS IS PRACTICABLE] give written notice to:

Commented [AM6]: Effective Date: 2/21/2019

- 11 1. The applicant.
- 12 2. Reserved.
- 13 3. The community council in which the proposed licensed
14 premises is located.
- 15 4. Reserved.

16
17 E. If an application for a marijuana establishment license is incomplete,
18 the director of the planning department shall notify the applicant by
19 electronic mail at the address provided by the applicant, and

- 20 1. Return an incomplete application in its entirety to the applicant;
21 or
- 22 2. Request the applicant to provide additional identified items
23 needed to complete the application.

24
25 F. When the director of the planning department informs an applicant
26 that its application is incomplete as provided in subsection E., the
27 applicant must complete the application not later than 90 days after the
28 date of the director's notice. If an applicant fails to complete its
29 application during the 90-day period after the director's notice, the
30 applicant must file a new application.

31
32 G. The director may, not less than 90 days after initiation of an
33 application, inform an applicant by electronic mail at the address provided
34 by the applicant that missing application requirements listed in 10.80.020
35 must be submitted within 90 days. If an applicant fails to submit all
36 missing application requirements during the 90-day period after the
37 director's notice, the applicant must file a new application and pay a new
38 application fee to obtain a marijuana establishment license.

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

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50 **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. 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 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. If mailed, the complete renewal application and fee must be postmarked by the deadline.

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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;]

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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 04, AS 17.38, or this chapter in the current and previous calendar years; and

- 1 c. If a current holder of a marijuana establishment license has
- 2 a change in ownership or transfer of a controlling interest, it
- 3 must submit a change report or an application for transfer at the
- 4 same time as the application for renewal is submitted, if such
- 5 report or application has not been submitted before the renewal
- 6 application; and
- 7
- 8 5. A declaration under penalty of unsworn falsification that:
- 9
- 10 a. The application is true, correct and complete;
- 11
- 12 b. The applicant has read and is familiar with AS 17.38 and
- 13 this chapter; and
- 14
- 15 c. The applicant will provide all information the municipal
- 16 clerk requires in support of the renewal application; and
- 17
- 18 6. Any other information required by the municipal clerk.
- 19
- 20 C. If the municipal clerk determines that the renewal application is complete,
- 21 the municipal clerk shall give notice of a renewal application to:
- 22
- 23 1. The applicant; and
- 24
- 25 2. Reserved;
- 26
- 27 3. The community council in which the licensed premises is
- 28 located;
- 29
- 30 4. Reserved.
- 31
- 32 D. If a marijuana establishment has received approval for its original
- 33 license and special land use permit by the assembly, but it is not effective
- 34 before July 1 of the current year because all conditions have not been
- 35 met, a renewal application is not required to be submitted.
- 36
- 37 E. On or before May 1 of each year, the municipal clerk shall notify
- 38 each community council of all the marijuana establishment licenses
- 39 located within its boundaries that are due to expire in August that
- 40 calendar year, and advise councils they may request a public hearing
- 41 before the assembly on any renewal within its boundaries. Requests for a
- 42 hearing made by a community council under this section shall be made
- 43 no later than June 15 of that same year, and shall be submitted to the
- 44 assembly as part of its packet before action is taken on those renewals.
- 45
- 46 F. On or before August 15 of each year, the municipal clerk shall
- 47 deliver a notice of expiration to each marijuana establishment required to
- 48 submit a renewal application under (a) of this section that has not filed a
- 49 complete application for renewal of a license, along with any applicable
- 50 affidavit unless the marijuana establishment has notified the municipal

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1 clerk that it does not intend to seek a renewal of its license. A marijuana
2 establishment is not excused from filing a license renewal application not
3 later than August 31 of each year even if the marijuana establishment
4 does not receive the notice of expiration described in this section.
5

6 G. Expiration. All marijuana establishment licenses and endorsements
7 expire at 12:00 midnight on August 31 of each year, unless a different
8 date is set in the assembly resolution approving the license or
9 endorsement.
10

11 1. If a marijuana establishment required to submit a renewal
12 application under (a) of this section fails to file a complete license
13 renewal application on or before August 31, the holder of that
14 expired license shall, within ten days of expiration, surrender the
15 license to the municipal clerk. Any holder of an expired license with
16 no renewal application pending that seeks authority to operate must
17 file a complete new application under sections 10.80.020 and
18 10.80.026, along with the required fee.
19

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20 2. If a marijuana establishment files a complete license renewal
21 application between May 1 and on or before August 31:
22

23 a. Filed on or before June 30. The marijuana establishment
24 may continue operating under the current license
25 notwithstanding the expiration date until the renewed license is
26 approved and effective, or until the assembly denies the
27 application for renewal, only if its renewal application was filed
28 on or before June 30.
29

30 b. Filed on or after July 1. The marijuana establishment shall
31 not operate after August 31 until the renewed license is
32 approved and effective, if the renewal application was filed on
33 or after July 1. Such an establishment may retain possession of
34 the marijuana or marijuana product that is otherwise compliant
35 with this chapter on its premises, during the period it is
36 prohibited from operations pending a decision on the renewal
37 application and, if approved, compliance with all conditions.
38

39 c. Notwithstanding subsection 21.03.105C.10.a., the special
40 land use permit for marijuana shall not expire unless the
41 renewal application is denied.
42

43 H. The municipal clerk may renew a license where a licensee is not
44 considered a resident of the state as defined at 3 AAC 306.015(e)(2), if, as
45 part of the renewal application, the licensee submits documentation to the
46 municipal clerk's satisfaction that

- 47 1. the licensee's primary residence is in the state; and
48 2. the licensee has good cause for not meeting the requirements to be
49 a resident of the state as defined at 3 AAC 306.015(e)(2); and
50 3. the cause of not meeting the requirements to be a resident of the

state as defined at 3 AAC 306.015(e)(2) is temporary.

Commented [AM12]: Effective Date: 2/21/19

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3 1. Nothing in this section supersedes any proceeding to suspend or
4 revoke a license.

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

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9
10 **10.80.045 - Application for license transfer; procedures for change in or**
11 **transfer of a controlling interest in a license issued to non-natural**
12 **persons, for a transfer of license, transfer of a license with an**
13 **endorsement, and for temporary operation following the death of an**
14 **individual.**

15
16 A. General provisions. Except as otherwise provided in this section, a
17 person may not receive or transfer a marijuana establishment license or
18 controlling interest in a marijuana establishment license issued to a
19 partnership, including a limited partnership, a limited liability company, or
20 a corporation, without applying for the transfer and receiving the written
21 consent of the assembly. Transfer of a controlling interest in a license
22 includes a sale of all or part of the interest of an individual owner, and
23 numerous separate transfers that in the aggregate amount to more than
24 50 percent of the ownership interest or the voting shares of a corporation.

25
26 B. Exceptions.

27
28 1. A transfer of a license with or without any associated
29 endorsement issued to an individual as a sole proprietor to a limited
30 liability company or a corporation with a single member or
31 shareholder whom is the same individual may be approved by the
32 municipal clerk. Any procedure in this section for a public hearing or
33 assembly consideration or action is not applicable.

34
35 2. Continued operations following death of a licensee, pending a
36 transfer. A person who is a personal representative appointed by
37 the superior court for the estate of a deceased licensee who is:

38
39 a. A sole proprietorship may operate the marijuana
40 establishment in accordance with section 10.80.920.

41
42 b. A partner holding a controlling interest in a partnership, a
43 member holding a controlling ownership interest in a limited
44 liability company, or an owner of a controlling interest in a
45 corporation's stock, may represent the deceased licensee's
46 interest in the entity for a period not to exceed 90 days, and
47 shall submit an application for a transfer of a controlling interest
48 under this section within that time. The municipal clerk may
49 extend the time allowed in this section for up to an additional 90
50 days upon written request of the personal representative. This

1 subsection does not authorize the transfer of a controlling
2 interest in a marijuana establishment license by the personal
3 representative, administrator or executor to the estate of a
4 decedent. If an application for transfer of a license is not
5 received within this time, the municipal clerk shall notify the
6 assembly.
7

8 C. Procedure. An application for transfer with or without any associated
9 endorsement must be filed in writing on a form the municipal clerk
10 prescribes within ten days of the effective date of an agreement or
11 contract for such a transfer, in compliance with the application procedure
12 set out in section 10.80.026. Regardless of any private agreement terms,
13 a transfer of the license or of a controlling interest in a license is not
14 effective until after approval. The application must name the current
15 holder(s) of the marijuana establishment license and the proposed
16 transferee(s), including all persons listed in 3 AAC 306.020 if a transferee
17 is a partnership, limited liability company, or a corporation. The
18 application must contain:
19

20 1. The same information about each transferee as is required of
21 an applicant for a new license under section 10.80.020, section
22 10.80.021 except for information regarding the previously approved
23 special land use permit as required by subsections 10.80.021C.,
24 and 3 AAC 306.020;
25

26 2. A statement, under oath, executed by the current holder of the
27 marijuana establishment license, listing all debts of the business, all
28 taxes the business owes, current contact information for each
29 creditor, and an affirmation that the current holder of the marijuana
30 establishment license has submitted a copy of the transfer
31 application to all creditors; and
32

33 3. Any other information required by the municipal clerk for the
34 type of marijuana establishment license sought to be transferred.
35

36 4. A municipal on-site consumption endorsement may only be
37 transferred to another person if the license for which the
38 endorsement was issued is also transferred to that person.
39

40 D. Action by the municipal clerk. When the municipal clerk receives a
41 complete application for a transfer of a license with or without any
42 associated endorsement to another person, the municipal clerk shall
43 immediately:
44

45 1. Reserved.

46 2. Reserved.

47 3. Send notice of the proposed transfer to the community council
48 in which the licensed premises is located; and
49
50

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, it must also submit an application for renewal.

F. When a transferee intends to continue to operate a marijuana license with the operating plan approved by the municipal clerk for the transferor, the transferee may submit a form approved by the municipal clerk certifying that the transferee is making no changes to the operating plan or licensed premises, instead of submitting information required by 10.80.020, 10.80.315, 10.80.420, 10.80.520, and 10.80.615.

Commented [AM13]: Effective Date: 2/21/2019

(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)

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, submit [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 submitted [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. The municipal clerk shall approve an ownership change application when any new owner is not disqualified under 10.80.010, 10.80.015, 10.80.300, 10.810.400, 10.80.500, or 10.80.605.

D. In this section, "ownership change" means:

1. If the licensee is a partnership, including a limited partnership,

1 any change in the identity of the partners, or in the ownership
2 percentages held by any partners;

3
4 2. If the licensee is a limited liability company, any change in the
5 identity of the members or managers, or in the ownership
6 percentage held by any member; or

7
8 3. If the licensee is a corporation, any change in its corporate
9 officers, any sale of corporate stock to a person not currently an
10 owner, or any change of the percentage ownership of an existing
11 shareholder.

12
13 E. Any applicant or affiliate reported under this section must have
14 complied with the state's fingerprint and fee requirements under 3 AAC
15 306.055 or AS 12.62.160 for criminal justice information.

16
17 F. If a new owner owes past-due taxes, fees, or fines to the
18 municipality, the owner shall have 30 days from the date the municipality
19 notifies the new owner to pay the past-due taxes, fees, or fines. In the
20 event such past-due taxes, fees, or fines are not paid within 30 days, the
21 municipal clerk shall notify the assembly of the past-due taxes, fees, or
22 fines.

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23
24 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 5, 4-25-17; AO
25 No. 2017-95(S) , § 4, 5-1-17; AO No. 2018-96(S) , § 1, 11-7-18)

26
27 **10.80.050 - Relocation of licensed premises not allowed. [NO CHANGE]**

28
29 A marijuana establishment license may not be relocated to any other
30 premises. A holder of a marijuana establishment license that wishes to operate
31 a marijuana establishment at a different location must submit a new application
32 for any new premises, and must surrender an existing license for any premises
33 where the marijuana establishment does not intend to continue its operation.
34
35

36
37 (AO No. 2016-16(S), § 1, 2-9-16)

38
39 **10.80.056 - Criminal justice information and records. [NO CHANGE]**

40
41 When filing an application for a new marijuana establishment license or a
42 transfer, or reporting an ownership change, the applicant must provide, and
43 agree in writing to prospectively provide, the municipal clerk with any
44 communication from the State Marijuana Control Board then in the applicant's
45 possession or subsequently received by the applicant, disclosing the
46 substance of information received by the State Marijuana Control Board as a
47 result of a criminal history record check conducted about the applicant.
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49
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(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. [NO
CHANGE]**

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. 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)

10.80.065 - Public participation. [NO CHANGE]

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. [NO CHANGE]

A. The assembly will hold a hearing to ascertain the reaction of the

1 public to a new application for a marijuana establishment. The hearing
2 will be consolidated with the hearing required by section 21.03.105 on the
3 applicant's associated application for a special land use permit.
4

5 B. The assembly may hold a hearing to ascertain the reaction of the
6 public to an application for a renewal of a license, transfer of a license, or
7 transfer of a controlling interest in a license.
8

9 C. The assembly will hold a hearing to ascertain the reaction of the
10 public to a new application for an on-site consumption endorsement. The
11 hearing may be consolidated with the hearing required for a new
12 application for a marijuana establishment license under subsection A. of
13 this section. The assembly may hold a hearing to ascertain the reaction
14 of the public to an application for renewal of an on-site consumption
15 endorsement.
16

17 D. If a hearing is held pursuant to this section, the municipality shall
18 send notice of a hearing to each community council within 1,000 feet of
19 the proposed premises.
20

21 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2018-96(S) , § 1, 11-7-18; AO
22 No. 2019-66 , § 9, 6-18-19)
23
24

25 **10.80.076 - Procedure for action on license or endorsement application;
26 commencement of operations. [NO CHANGE]**
27

28 A. The assembly will decide whether to grant or deny an application
29 after conducting a public hearing in accordance with section 10.80.071, if
30 such a hearing is held.
31

32 B. The assembly will consider any written objection, suggested
33 condition, or petition, and any testimony received at a public hearing held
34 under section 10.80.071 when it considers the application. The municipal
35 clerk will retain the written objection, suggested condition, or petition as
36 part of the record of the assembly's review of an application.
37

38 1. On an application for renewal of a license or endorsement, the
39 assembly may add, remove, or modify conditions of the license.
40

41 2. On an application for transfer of a license, with or without any
42 associated endorsement, or transfer of a controlling interest in a
43 license, the assembly may add, remove, or modify conditions of the
44 license, including conditioning its grant of the transfer on satisfaction
45 of any such conditions of the transfer or imposed on the transferees.
46

47 C. The assembly's decision on an application shall be made by
48 assembly resolution.
49

50 D. After the assembly approves a license application, the applicant

1 may not begin operating the marijuana establishment until the applicant
2 has received and posted the municipal marijuana license and special
3 land use permit certificate inside the licensed establishment in
4 accordance with section 10.80.705B. A marijuana establishment license
5 that has been "approved" but all conditions of approval have not been
6 met is not "effective" until the establishment is in compliance with this
7 subsection.
8

9 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 10, 4-25-17; AO
10 No. 2017-95(S) , § 5, 5-1-17; AO No. 2018-96(S) , § 1, 11-7-18; AO No.
11 2019-66 , § 10, 6-18-19)
12
13

14 **10.80.080 - Denial of application.**

15
16 A. After review of the application, including the applicant's proposed
17 operating plan and all relevant information, the assembly will deny an
18 application for a new license or endorsement if the assembly finds that:
19

20 1. The application is not complete as required under the
21 applicable standards sections 10.80.020—10.80.056, or contains
22 any false statement of material fact;
23

24 2. The license or endorsement would violate any restriction in
25 section 10.80.010 or 10.80.011 or 3 AAC 306;
26

27 3. The license or endorsement would violate any restriction
28 applicable to the particular license type authorized under this
29 chapter;
30

31 4. The license or endorsement is prohibited by municipal code;
32

33 5. [THE ASSEMBLY FINDS THAT THE] The applicant's actions
34 or the operating plan does not adequately demonstrate that the
35 applicant will comply with applicable standards of this chapter; [OR]
36

37 6. Issuance of the license or endorsement will adversely impact
38 the health, welfare or public safety of the neighborhood in which the
39 marijuana establishment is proposed to be located, or otherwise
40 would not be in the best interests of the public; or
41

42 7. a protest by the local governing body is not arbitrary, capricious,
43 and unreasonable.
44

45 B. After review of the application and all relevant information, the
46 assembly will deny an application for renewal of a marijuana
47 establishment license if the assembly finds:
48

49 1. Any cause listed in subsection A. of this section;
50

1 An applicant or marijuana establishment license or endorsement holder
2 aggrieved by a final decision of the assembly regarding an application for a
3 new license, a license renewal, or a transfer may appeal to the superior court.
4

5 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2018-96(S) , § 1, 11-7-18; AO
6 No. 2019-66 , § 12, 6-18-19)
7
8

9 **10.80.100 - Fees; refund.**

10 A. The non-refundable application fee for a new marijuana
11 establishment license or an application to transfer is \$0, provided the fee
12 shall only be due as authorized by AS 17.38.210 or another provision of
13 state law.
14

15 B. The non-refundable application fee for a license renewal application
16 is \$0, provided the fee shall only be due as authorized by AS 17.38.210
17 or another provision of state law; if a renewal application is delinquent as
18 provided under section 10.80.036, an additional non-fundable late-
19 renewal application fee is \$0, provided the fee shall only be due as
20 authorized by AS 17.38.210 or another provision of state law.
21
22

23 C. The non-refundable fee to request approval of a change in a
24 licensed marijuana establishment's business name, ownership, licensed
25 premises diagram, operating plan, or proposed new marijuana product is
26 \$0, provided the fee shall only be due as authorized by AS 17.38.210 or
27 another provision of state law. A change fee does not apply to an
28 application for transfer of a license or a transfer of controlling interest to
29 another person.
30

31 D. The annual license or endorsement [OPERATING] fee to be paid
32 with each application for a new marijuana establishment facility license or
33 endorsement and each license or endorsement renewal application is \$0,
34 except as further described in this subsection. If the state Marijuana
35 Control Board fails to issue a timely response to an application as
36 described in AS 17.38.210(f), and the municipality acts on the
37 application, the applicant must pay an annual license or endorsement
38 [OPERATING] fee to the municipality as follows:
39

- 40 1. For a new marijuana retailer license, and for a renewed retail
41 marijuana store license, \$0;
- 42 2. For an on-site consumption endorsement, \$0;
- 43 3. For a new marijuana cultivation facility license, and for a
44 renewed marijuana cultivation facility license, \$0;
- 45 4. Reserved;
- 46 5. For a new marijuana product manufacturing facility license, and
47
48
49
50

1 for a renewed marijuana product manufacturing facility license, \$0;
2

3 6. For a new marijuana testing facility license, and for a renewed
4 marijuana testing facility license, \$0.
5

6 7. For an onsite consumption endorsement to a retail marijuana
7 store license, \$0.
8

Commented [AM16]: Effective Date: 5/1/2019

9 E. Reserved.
10

11 F. If the assembly denies an application for a license or for renewal of a
12 license, the municipality will refund the annual license operating fee
13 received with the denied application for a license or renewal. The
14 municipality will not refund a license operating fee after the license has
15 been issued.
16

17 G. Fees charged by municipal departments for inspections or other
18 applicable requirements shall be paid by the applicant.
19

20 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 11, 4-25-17; AO
21 No. 2017-95(S) , § 6, 5-1-17; AO No. 2018-96(S) , § 1, 11-7-18; AO No.
22 2019-66 , § 13, 6-18-19)
23
24

25 ARTICLE 3. - RETAIL MARIJUANA STORES 26

27 **10.80.300 - Retail marijuana store license required. [NO CHANGE]** 28

29 A. Except as permitted under AS 17.38.020, a person may not sell,
30 give, distribute, deliver, or offer to sell, give, distribute, or deliver
31 marijuana or any marijuana product to a consumer unless the person has
32 obtained a retail marijuana store license from the municipality in
33 compliance with this chapter, or is an employee or agent acting for a
34 licensed retail marijuana store operating in compliance with this chapter.
35 A person seeking a retail marijuana store license must:
36
37

38 1. Submit an application for a retail marijuana store license
39 containing the information set out under sections 10.80.020,
40 10.80.0.21 and 10.80.315; and
41

42 2. Demonstrate, to the assembly's satisfaction, that the applicant
43 will operate in compliance with:
44

45 a. Each applicable provision of sections 10.80.300—
46 10.80.371 and sections 10.80.700—10.80.755; and
47

48 b. Each applicable land use, public health, fire, safety, and
49 tax law of the municipality.
50

1 B. A licensee of any retail marijuana store, or an employee or agent of
2 a retail marijuana store, may not have an ownership interest in, or a direct
3 or indirect financial interest in a licensed marijuana testing facility.
4

5 (AO No. 2016-16(S), § 1, 2-9-16)
6
7

8 **10.80.305 - Retail marijuana store privileges. [NO CHANGE]**
9

10 A. A licensed retail marijuana store is authorized to:

11 1. Sell marijuana purchased from a licensed marijuana cultivation
12 facility, packaged and labeled as required under section 10.80.345,
13 3 AAC 306.470, and 3 AAC 306.475, in an amount not exceeding
14 the limit set out in section 10.80.355, to an individual on the licensed
15 premises for consumption off the licensed premises;
16

17 2. Sell a marijuana product purchased from a licensed marijuana
18 product manufacturing facility, packaged and labeled as required
19 under section 10.80.345, 3 AAC 306.565 and 3 AAC 306.570, in a
20 quantity not exceeding the limit set out in section 10.80.355, to an
21 individual on the licensed premises for consumption off the licensed
22 premises;
23

24 3. Store marijuana and marijuana products on the licensed
25 premises in a manner consistent with sections 10.80.710—
26 10.80.720;
27

28 4. Apply for an on-site consumption endorsement under section
29 10.80.306.
30

31 B. This section does not prohibit a licensed marijuana retail store from
32 refusing to sell marijuana or a marijuana product to a consumer.
33

34 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2019-66 , § 14, 6-18-19)
35
36
37

38 **10.80.306 - On-site consumption endorsement for retail marijuana stores.**
39 **[NO CHANGE]**
40

41 A. Unless prohibited by local or state law, a freestanding licensed retail
42 marijuana store with an approved on-site consumption endorsement is
43 authorized to:
44

45 1. Sell marijuana and marijuana products, excluding marijuana
46 concentrates, to patrons for consumption on the licensed premises
47 at the time of purchase in compliance with this section and section
48 21.05.055 or 21.50.420, as applicable.
49

50 2. Sell for consumption on the premises:

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- 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.

1
2 C. A marijuana consumption area shall have the following
3 characteristics:

4
5 1. The consumption area shall be isolated from the other areas of
6 the retail marijuana store, separated by walls and a secure door,
7 and shall have access only from the retail marijuana store;

8
9 2. A smoke-free area for employees to monitor the marijuana
10 consumption area; and

11
12 3. If consumption by inhalation or smoking is to be permitted, a
13 ventilation system that directs air from the marijuana consumption
14 area to the outside of the building through a filtration system
15 sufficient to remove visible smoke, consistent with all applicable
16 building codes and ordinances, and adequate to eliminate odor at
17 the property line.
18

19 D. An applicant for an on-site consumption endorsement must file an
20 application on a form prescribed by the municipal clerk, including the
21 documents and endorsement fee set out in this section, which must
22 include:

23
24 1. The applicant's operating plan, in a format the planning
25 department prescribes, describing the retail marijuana store's plan
26 for:

27
28 a. Security, in addition to what is required for a retail
29 marijuana store, including:

30
31 i. Doors and locks;

32
33 ii. Windows;

34
35 iii. Measures to prevent diversion; and

36
37 iv. Measures to prohibit access to persons under the
38 age of 21;

39
40 b. Ventilation, if consumption by inhalation or smoking is to
41 be permitted, ventilation plans must be:

42
43 i. Signed and approved by a licensed mechanical
44 engineer;

45
46 ii. Designed so there is no visible smoke in the retail
47 area or at the lot line; and

48
49 iii. Consistent with all applicable building codes and
50 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 annually at the time of renewal of the underlying retail marijuana store license.

(AO No. 2019-66 , § 15, 6-18-19)

10.80.310 - Acts prohibited at retail marijuana store. [NO CHANGE]

A. A licensed retail marijuana store may not sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver, marijuana or any

1 marijuana product:

- 2
- 3 1. To a person under the age of 21 years of age;
- 4
- 5 2. To a person that is under the influence of an alcoholic
- 6 beverage, inhalant, or controlled substance;
- 7
- 8 3. That is not labeled and packaged as required in section
- 9 10.80.345, 3 AAC 306.470 and 3 AAC 306.475 or 3 AAC 306.565
- 10 and 3 AAC 306.570;
- 11
- 12 4. In a quantity exceeding the limit set out in section 10.80.355;
- 13
- 14 5. Over the internet; a licensed retail marijuana store may only
- 15 sell marijuana or a marijuana product to a consumer who is
- 16 physically present on the licensed premises; or
- 17
- 18 6. After the expiration date shown on the label of the marijuana or
- 19 marijuana product.
- 20

21 B. A licensed retail marijuana store may not:

- 22
- 23 1. Conduct business on or allow a consumer to access the retail
- 24 marijuana store's licensed premises during times prohibited by title
- 25 21;
- 26
- 27 2. Allow a person to consume marijuana or a marijuana product
- 28 on the retail marijuana store's licensed premises except as
- 29 authorized by a municipal endorsement;
- 30
- 31 3. Allow overconsumption of marijuana or marijuana product in an
- 32 authorized on-site consumption area;
- 33
- 34 4. Offer or deliver to a consumer, as a marketing promotion or for
- 35 any other reason,
- 36
- 37 a. Free marijuana or marijuana product, including a sample;
- 38 or
- 39
- 40 b. Alcoholic beverages, free or for compensation; or
- 41
- 42 5. Allow intoxicated or drunken persons to enter the licensed
- 43 premises.
- 44

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

46

47

48 **10.80.311 - Acts additionally prohibited at retail marijuana store. [NO**

49 **CHANGE]**

50

1 A. In addition to the restrictions of section 10.80.310, a licensed retail
2 marijuana store may not:

3
4 1. Offer any type of military discount for an individual in the status
5 of Active Duty, Guard, or Reserves in any branch of the United
6 States military. For purposes of this subsection, "military discount"
7 means any reduction in price or other special offer to encourage
8 sales based on the current Active Duty, Guard, or Reserve military
9 status of a potential customer.

10
11 a. The prohibition against offering a military discount for an
12 individual in the status of Active Duty, Guard, or Reserves in
13 any branch of the United States military does not extend to
14 offering discounts to veterans no longer in Active, Guard, or
15 Reserve status.

16
17 b. The prohibition against offering a military discount for an
18 individual in the status of Active Duty, Guard, or Reserves in
19 any branch of the United States military shall sunset without
20 further action by the Assembly upon the Department of Defense
21 or the United States Congress issuing guidance or changing
22 the law to allow service members to use cannabis and remain
23 in Active, Guard, and Reserve status without potential for
24 discipline or administrative separation.

25
26 (AO No. 2017-16 , § 1, 2-14-17)

27
28
29 **10.80.315 - Application for retail marijuana store license. [NO CHANGE]**

30
31 An applicant for a new retail marijuana store license must have submitted an
32 application to the State Marijuana Control Board for a state marijuana retail
33 store license deemed complete by the board, and must file with the municipal
34 clerk a copy of all materials the applicant submitted the Marijuana Control
35 Board in accordance with 3 AAC 306.315, and all information required by
36 section 10.80.021.

37
38 (AO No. 2016-16(S), § 1, 2-9-16)

39
40
41 **10.80.320 - Marijuana handler permit required.**

42
43 A. A retail marijuana store shall ensure that:

44
45 1. Each [LICENSEE, EMPLOYEE, OR] agent who is required or
46 permitted to be physically present on the licensed premises at any
47 time, each licensee, and each employee obtains a marijuana
48 handler permit as provided in 3 AAC 306.700 before being licensed
49 or employed at a retail marijuana store; and

50
Commented [AM17]: Effective Date: 2/21/2019

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

5
6 (AO No. 2016-16(S), § 1, 2-9-16)
7
8

9 **10.80.325 - Access restricted at marijuana retail store.**

10
11 A. A person under 21 years of age may not enter a retail marijuana
12 store.

13
14 B. Each public entry to a retail marijuana store must be posted with a
15 sign that says "No one under 21 years of age allowed." The sign must be
16 not less than 12 inches long and 12 inches wide, with letters at least one-
17 half inch in height in high contrast to the background of the sign.

18
19 C. An area of a retail marijuana store's licensed premises where
20 marijuana or any marijuana product is stocked for sale or dispensed for
21 sale is a restricted access area. The retail marijuana store must post
22 signs, require identification, and escort visitors in compliance with section
23 10.80.710.

24
25 D. If a retail marijuana store displays marijuana to a consumer for the
26 purpose of smelling the marijuana before purchase, the retail marijuana
27 store shall package the marijuana in a sample jar that is protected by a
28 plastic, metal, or other protective mesh screen, and the jar must remain in
29 the monitored custody of the retail marijuana store during consumer
30 inspection.

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31
32 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 12, 4-25-17)
33
34

35 **10.80.330 - Marijuana inventory tracking system. [NO CHANGE]**

36
37 A. A retail marijuana store shall use a marijuana inventory tracking
38 system as provided in section 10.80.730 to ensure all marijuana and
39 marijuana product in the retail marijuana store's possession is identified
40 and tracked from the time the retail marijuana store receives any batch of
41 marijuana or lot of marijuana product through the sale, transfer to another
42 licensed marijuana establishment, or disposal of the batch of marijuana
43 or lot of marijuana product.

44
45 B. When marijuana from a marijuana cultivation facility or marijuana
46 product from a marijuana product manufacturing facility is delivered or
47 transported to the licensed premises of a retail marijuana store, the retail
48 marijuana store shall immediately enter identification information for that
49 batch of marijuana or lot of marijuana product into the retail marijuana
50 store's marijuana inventory tracking system. A retail marijuana store may

1 not accept marijuana or a marijuana product that does not have a valid
2 transport manifest generated from the marijuana inventory tracking
3 system of the marijuana establishment that originated the delivery.
4

5 C. A retail marijuana store shall reconcile each transaction from the
6 retail marijuana store's point-of-sale system and current marijuana
7 inventory to its inventory tracking system at the close of business each
8 day.
9

10 D. A retail marijuana store shall account for any variance in the quantity
11 of marijuana or marijuana product the retail marijuana store received and
12 the quantity sold, transferred, or disposed of.
13

14 (AO No. 2016-16(S), § 1, 2-9-16)
15

16
17 **10.80.335 - Health and safety requirements. [NO CHANGE]**
18

19 A retail marijuana store must comply with each applicable health and safety
20 requirement of the Anchorage Municipal Code, including, without limitation,
21 those set out in section 10.80.735.
22

23 (AO No. 2016-16(S), § 1, 2-9-16)
24

25
26 **10.80.340 - Testing required for marijuana and marijuana products. [NO**
27 **CHANGE]**
28

29 A retail marijuana store may not sell, give, distribute, deliver, or offer to sell,
30 give, distribute, or deliver, marijuana or a marijuana product until all laboratory
31 testing required under 3 AAC 306.645 has been completed, and the label
32 required under 3 AAC 306.475 or 3 AAC 306.570 is affixed.
33

34 (AO No. 2016-16(S), § 1, 2-9-16)
35

36
37 **10.80.345 - Packaging and labeling. [NO CHANGE]**
38

39 A. A retail marijuana store shall assure that
40

41 1. Marijuana sold on its licensed premises is packaged and
42 labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475;
43

44 2. Any marijuana product sold on its licensed premises is
45 packaged and labeled in compliance with 3 AAC 306.565 and 3
46 AAC 306.570, except that section 3 AAC 306.565(b)(2) does not
47 apply to the packaging of wholesale marijuana products that are not
48 edible marijuana products; and
49

50 3. Marijuana or a marijuana product sold at a retail marijuana

1 store must be packaged in opaque, resealable, child-resistant
2 packaging when the purchaser leaves the retail section of the
3 licensed premises; the packaging must be designed or constructed
4 to be significantly difficult for children under five years of age to
5 open, but not normally difficult for adults to use properly.
6

7 B. In addition to labeling requirements provided in subsection A. of this
8 section, a retail marijuana store shall affix a label to each package of
9 marijuana or marijuana product that:

- 10
- 11 1. Identifies the retail marijuana store selling the marijuana
12 product by name or distinctive logo and marijuana establishment
13 license number;
 - 14
 - 15 2. States the total estimated amount of THC in the labeled
16 product; and
 - 17
 - 18 3. Contains each of the following statements:
 - 19 a. "Marijuana has intoxicating effects and may be habit
20 forming and addictive.";
 - 21
 - 22 b. "Marijuana impairs concentration, coordination, and
23 judgment. Do not operate a vehicle or machinery under its
24 influence.";
 - 25
 - 26 c. "There are health risks associated with consumption of
27 marijuana.";
 - 28
 - 29 d. "For use only by adults twenty-one and older. Keep out of
30 the reach of children."; and
 - 31
 - 32 e. "Marijuana should not be used by women who are
33 pregnant or breast feeding."
34
 - 35

36 (AO No. 2016-16(S), § 1, 2-9-16)
37
38

39 **10.80.350 - Identification requirement to prevent sale to person under 21.**
40 **[NO CHANGE]**
41

42 A. A retail marijuana store shall refuse to sell marijuana or a marijuana
43 product to a person who does not produce a form of valid photographic
44 identification showing that person is 21 years of age or older.
45

46 B. A valid form of photographic identification includes, but is not limited
47 to:

- 48 1. An unexpired, unaltered passport;
49
50

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.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.355 - Limit on quantity sold. [NO CHANGE]

- 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. [NO CHANGE]

- 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.

1
2 C. A retail marijuana store may not place an advertisement for
3 marijuana or a marijuana product, except as provided in subsection A. of
4 this section:

- 5
6 1. Within 1,000 feet of the perimeter of any child-centered facility,
7 including a school, a child care facility or other facility providing
8 services to children, a playground or recreation center, a public
9 park, a library, or a game arcade that is open to persons under 21
10 years of age;
11
12 2. On or in a public transit vehicle or public transit shelter;
13
14 3. On or in a publicly owned or operated property;
15
16 4. Within 1,000 feet of a substance abuse or treatment facility; or
17
18 5. On a campus for postsecondary education.

19
20 D. A retail marijuana store may not use giveaway coupons as
21 promotional materials, or conduct promotional activities such as games or
22 competitions to encourage sale of marijuana or marijuana products.

23
24 E. All advertising for marijuana or any marijuana product must contain
25 each of the following warnings:

- 26
27 1. "Marijuana has intoxicating effects and may be habit forming
28 and addictive.";
29
30 2. "Marijuana impairs concentration, coordination, and judgment.
31 Do not operate a vehicle or machinery under its influence.";
32
33 3. "There are health risks associated with consumption of
34 marijuana.";
35
36 4. "For use only by adults twenty-one and older. Keep out of the
37 reach of children."; and
38
39 5. "Marijuana should not be used by women who are pregnant or
40 breast feeding.".

41
42 (AO No. 2016-16(S), § 1, 2-9-16)
43
44

45 **10.80.361 - Restriction on advertising of marijuana and marijuana**
46 **products—Supplemental provisions. [NO CHANGE]**
47

48 In addition to the requirements of section 10.80.360, a retail marijuana store's
49 signs must comply with chapter 21.11 of the Anchorage Municipal Code. The
50 municipality may enforce the standards of section 10.80.360 on or off

1 premises. To the extent of any conflict between this chapter and the
2 requirements of chapter 21.11, the more restrictive requirements shall apply.

3
4 (AO No. 2016-16(S), § 1, 2-9-16)
5

6
7 **10.80.362 - Local restrictions on advertising of marijuana and marijuana**
8 **products. [NO CHANGE]**
9

10 A. In addition to the restrictions of section 10.80.360, an advertisement
11 for marijuana or a marijuana product may not contain a statement or
12 illustration that:
13

14 1. Advertises any type of military discount for an individual in the
15 status of Active Duty, Guard, or Reserves in any branch of the
16 United States military. For purposes of this section, "military
17 discount" means any reduction in price or other special offer to
18 encourage sales based on the current Active Duty, Guard, or
19 Reserve military status of a potential customer.
20

21 a. The prohibition against advertising a military discount for
22 an individual in the status of Active Duty, Guard, or Reserves in
23 any branch of the United States military shall sunset without
24 further action by the Assembly upon the Department of Defense
25 or the United States Congress issuing guidance or changing
26 the law to allow service members to use cannabis and remain
27 in Active, Guard, and Reserve status without potential for
28 discipline or administrative separation.
29

30 (AO No. 2017-16 , § 2, 2-14-17)
31

32 Editor's note— Ord. No. 2017-16 , § 2, effective February 14, 2017, set out
33 provisions intended for use as § 10.80.361. However, for purposes of clarity,
34 and at the editor's discretion, these provisions have been included as §
35 10.80.362.
36

37
38 **10.80.365 - Required consumer notices for retail marijuana stores. [NO**
39 **CHANGE]**
40

41 A. A marijuana retail store must post, in a conspicuous location visible
42 to customers, the following notices:
43

- 44 1. "Consumption of marijuana in public is prohibited by law."
45
46 2. "Transportation or carriage of marijuana or marijuana products
47 on Alaska waterways, including cruise ships, or by air carrier is
48 prohibited by federal law."
49
50 3. "Transportation or shipment of marijuana or marijuana products

1 outside of the State of Alaska is prohibited by federal law."
2

3 4. "Providing marijuana to persons under the age of 21 is
4 prohibited by law."
5

6 B. Notification signs required by this section must be at least 11 inches
7 by 14 inches in size. Lettering must be at least one-half inch in height and
8 in colors that contrast with the sign background color.
9

10 (AO No. 2017-17(S), § 13, 4-25-17)
11

12
13 **10.80.366 - Retail Marijuana Store Product Testing Program. [NO**
14 **CHANGE]**
15

16 A. Required sample submission. The municipality may require a retail
17 marijuana store to submit a sample of marijuana, marijuana concentrate
18 or marijuana product it possesses to the municipality or a licensed
19 marijuana testing facility at any time and without notice.
20

21 1. The municipality may require samples collected pursuant to this
22 rule to be tested for potency and contaminants which may include,
23 but are not limited to, herbicides, pesticides, fungicides, molds,
24 mildew, filth, metals, residual solvents, harmful chemicals and
25 adulterants.
26

27 2. Samples shall be submitted at no cost to the municipality or the
28 marijuana testing facility; the cost of the laboratory tests shall be
29 borne by the marijuana retail store.
30

31 3. The marijuana retail store may select the licensed marijuana
32 testing facility that will perform the analyses.
33

34 4. Chain of custody procedures in 3 AAC 306.650 must be
35 followed by the licensed marijuana testing facility conducting the
36 sampling and analyses.
37

38 5. The municipality may require the submission of additional
39 samples for analysis by a licensed marijuana testing facility of its
40 choosing to assess inter-laboratory variation. Required samples
41 shall be transported at no cost to the municipality; the costs of the
42 laboratory analyses are the responsibility of the municipality.
43

44 B. Methods for determining required testing.
45

46 1. Random testing. The municipality may require samples to be
47 submitted for testing through any one or more of the following
48 processes: random process, risk-based process or other internally
49 developed process.
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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
Fipronil	120068-37-3	0.4
Fonicamid	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:

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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

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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.

10

D. Failed materials, retests.

11

12

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:

13

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21

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;

22

23

24

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26

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.

27

28

29

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31

32

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.

1 3. If a retail marijuana store or the marijuana cultivation or
2 marijuana product manufacturing facility that produced the product
3 for the retail marijuana store petitions for a retest of marijuana or a
4 marijuana product that failed a required test, the municipality may
5 authorize a retest of the harvest batch or production lot to validate
6 the test results. The retail store, marijuana cultivation facility or a
7 marijuana product manufacturing facility that petitioned for a retest
8 must pay all costs of such retest.
9

10 4. The Director of the Anchorage Health Department shall review
11 the results of the retest and determine whether the marijuana
12 product is acceptable for sale.
13

14 E. Reporting; verification.
15

16 1. A marijuana testing facility must report the result of each
17 required laboratory test directly into its marijuana inventory control
18 system within 24 hours after the test is completed. A marijuana
19 testing facility must provide the final report:
20

- 21 a. To the facility that submitted the sample in a timely
22 manner; and
- 23 b. To the municipal clerk within 72 hours when results of
24 tested samples exceed allowable levels.
25

26 2. A marijuana testing facility shall establish procedures to ensure
27 that reported result are accurate, precise, and scientifically valid. To
28 ensure reported results are valid, a marijuana testing facility must
29 include in all final reports:
30

- 31 a. The name and location of the marijuana testing facility;
32
- 33 b. The unique sample identifier assigned by the testing
34 facility;
35
- 36 c. The marijuana establishment or other person that
37 submitted the testing sample;
38
- 39 d. The sample identifier provided by the person that
40 submitted the testing sample;
41
- 42 e. The date the facility received the sample;
43
- 44 f. The chain of custody identifier;
45
- 46 g. The date of report;
47
- 48 h. The type of product tested;
49
- 50

- 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. [NO CHANGE]

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. [NO CHANGE]

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

1 municipality in compliance with this chapter or is an employee or agent
2 acting for a licensed marijuana cultivation facility. The municipality will
3 license marijuana cultivation facilities with the privileges and subject to
4 the prohibitions set out in sections 10.80.405—10.80.410.

5
6 B. A person seeking a marijuana cultivation facility license as provided
7 in subsection A. of this section must:

8
9 1. Submit an application for the applicable marijuana cultivation
10 facility license on a form the municipal clerk prescribes, including
11 the information set out under sections 10.80.020, 10.80.021, and
12 10.80.420; and

13
14 2. Demonstrate to the assembly's satisfaction that the applicant
15 will operate in compliance with:

16
17 a. Each applicable provision of sections 10.80.400—
18 10.80.460 and sections 10.80.700—10.80.755; and

19
20 b. Each applicable land use, public health, fire safety and tax
21 law of the municipality.

22
23 C. A licensee of a marijuana cultivation facility, or an employee or
24 agent of a marijuana cultivation facility, may not have an ownership
25 interest in, or a direct or indirect financial interest in a licensed marijuana
26 testing facility.

27
28 (AO No. 2016-16(S), § 1, 2-9-16)
29

30
31 **10.80.405 - Marijuana cultivation facility: privileges and prohibited acts.**
32 **[NO CHANGE]**

33
34 A. A licensed marijuana cultivation facility is authorized to:

35
36 1. Propagate, cultivate, harvest, prepare, cure, package, store,
37 and label marijuana;

38
39 2. Sell marijuana only to a licensed retail marijuana store, to
40 another licensed marijuana cultivation facility, or to a licensed
41 marijuana product manufacturing facility;

42
43 3. Provide samples to a licensed marijuana testing facility for
44 testing;

45
46 4. Store inventory on the licensed premises; any stored inventory
47 must be secured in a restricted access area and accounted for in
48 the marijuana cultivation facility's marijuana inventory tracking
49 system as required under section 10.80.730;
50

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

5
6 (AO No. 2016-16(S), § 1, 2-9-16)
7
8

9 **10.80.425 - Marijuana handler permit required.**

10 A. A marijuana cultivation facility shall ensure that each [LICENSEE,
11 EMPLOYEE, OR] agent who is required or permitted to be physically
12 present on the licensed premises at any time, each licensee, and each
13 employee:
14

15
16 1. Obtains a marijuana handler permit as provided in 3 AAC
17 306.700 before being licensed [PRESENT] or employed at the
18 marijuana cultivation facility's licensed premises; and

19
20 2. Has that person's marijuana handler permit card in that
21 person's immediate possession, or a valid copy on file on the
22 premises, at all times while on the marijuana cultivation facility's
23 licensed premises.

Commented [AM19]: Effective Date: 2/21/2019

24
25 (AO No. 2016-16(S), § 1, 2-9-16)
26
27

28 **10.80.430 - Restricted access area. [NO CHANGE]**

29
30 A. A marijuana cultivation facility shall conduct any operation in a
31 restricted access area in compliance with section 10.80.710 and this
32 section.
33

34 B. A marijuana cultivation facility shall conduct any marijuana growing
35 operation within a fully enclosed secure indoor facility or greenhouse with
36 rigid walls, a roof, and doors.
37

38 C. A marijuana cultivation facility shall ensure that any marijuana at the
39 marijuana cultivation facility:

40
41 1. Cannot be observed by the public from outside the cultivation
42 facility; and

43
44 2. Does not emit an odor that is detectable by the public from
45 outside the marijuana cultivation facility, except as allowed by
46 special land use permit for marijuana.
47

48 D. A marijuana cultivation facility shall have full video surveillance of
49 the licensed premises as required under section 10.80.720, including any
50 area where marijuana is grown, processed, packaged, or stored, or

1 where marijuana waste is destroyed.

2
3 (AO No. 2016-16(S), § 1, 2-9-16)
4

5
6 **10.80.435 - Marijuana inventory tracking system.**
7

8 A. A marijuana cultivation facility shall use a marijuana inventory
9 tracking system in compliance with section 10.80.730 to ensure all
10 marijuana propagated, grown, or cultivated on the marijuana cultivation
11 facility's premises is identified and tracked from the time the marijuana is
12 propagated through transfer to another licensed marijuana establishment
13 or destruction. The marijuana cultivation facility shall assign a tracking
14 number to each plant over eight inches tall and each package of
15 marijuana to be transferred to another facility. A package of marijuana
16 may not exceed 10 pounds. The marijuana cultivation facility shall also
17 assign a plant batch name or number to each batch of clones or cuttings.
18 A batch may not consist of more than 50 clones or cuttings. [WHEN
19 HARVESTED, BUD AND FLOWERS, CLONES OR CUTTINGS, OR
20 LEAVES AND TRIM MAY BE COMBINED IN HARVEST BATCHES OF
21 DISTINCT STRAINS, NOT EXCEEDING FIVE POUNDS. EACH
22 HARVEST BATCH MUST BE GIVEN AN INVENTORY TRACKING
23 NUMBER. CLONES OR CUTTINGS MUST BE LIMITED TO 50 OR
24 FEWER PLANTS AND IDENTIFIED BY A BATCH TRACKING
25 NUMBER.]

26
27 B. A marijuana cultivation facility shall record each sale and transport
28 of any plants or seeds and each package [BATCH] in its marijuana
29 inventory tracking system, and shall generate a valid transport manifest
30 to accompany any transported plants and seeds and each transported
31 package [BATCH].

Commented [AM20]: Effective Date: 3/13/2020

32
33 C. A marijuana cultivation facility shall record in its marijuana inventory
34 tracking system all marijuana used to provide a sample authorized under
35 section 10.80.460 for the purpose of negotiating sales, including:

- 36
37 1. The amount of each sample;
38
39 2. The retail marijuana store or marijuana product manufacturing
40 facility that received the sample; and
41
42 3. The disposal of any expired or outdated promotional sample
43 returned to the marijuana cultivation facility.
44

45 (AO No. 2016-16(S), § 1, 2-9-16)
46

47
48 **10.80.440 - Health and safety requirements. [NO CHANGE]**
49

50 A. A marijuana cultivation facility shall comply with all applicable health

1 and safety requirements set out in section 10.80.735 and the additional
2 requirements set out in this section.

3
4 B. A marijuana cultivation facility shall ensure that any licensee,
5 employee, or agent who is present at the marijuana cultivation facility and
6 in contact with any marijuana:

- 7
8 1. Wears clean clothing appropriate for the duties that person
9 performs;
- 10
11 2. Wears protective apparel, such as head, face, hand, and arm
12 coverings, as necessary to protect marijuana from contamination;
13 and
14
15 3. Practices good sanitation and health habits.

16
17 (AO No. 2016-16(S), § 1, 2-9-16)

18
19
20 **10.80.450 - Production of marijuana concentrate prohibited. [NO**
21 **CHANGE]**

22
23 A. A marijuana cultivation facility may not produce or possess
24 marijuana concentrate that was extracted using any process described in
25 3 AAC 306.555 on the marijuana cultivation facility's licensed premises.
26 An abutting marijuana product manufacturing facility with a manufacturing
27 facility license must be in a separate room that:

- 28
29 1. Is physically separated by a secure door from any cultivation
30 area; and
31
32 2. Has a sign that clearly identifies the room as a marijuana
33 concentrate production area, and warns unauthorized persons to
34 stay out; and
35
36 3. Comply with all applicable standards of sections 10.80.500—
37 10.80.570.

38
39 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 14, 4-25-17)

40
41
42 **10.80.460 - Samples.**

43
44 A. A marijuana cultivation facility may provide a free sample of
45 marijuana to a retail marijuana store if packaged in a sample jar
46 containing not more than three and one-half grams of marijuana and
47 protected by a plastic or metal mesh screen to allow the retail marijuana
48 store [CUSTOMERS] to smell the product before purchase.

Commented [AM21]: Effective Date: 5/9/2019

49
50 B. A marijuana cultivation facility may provide a free sample of

1 marijuana to a retail marijuana store or marijuana product manufacturing
2 facility as follows:

3
4 1. A sample provided for the purpose of negotiating a sale may be
5 not more than one ounce;

6
7 2. A marijuana cultivation facility may not provide any one
8 licensed retail marijuana store or marijuana product manufacturing
9 facility with more than one ounce of marijuana per month free-of-
10 charge for the purpose of negotiating a sale.

11
12 C. A retail marijuana store that receives a marijuana sample may not
13 sell the marijuana sample to a customer, and shall either:

14
15 1. Return the marijuana sample to the marijuana cultivation facility
16 that provided the sample, or

17
18 2. Destroy anything that remains of the marijuana sample after
19 use and document the use and destruction in the marijuana store's
20 marijuana inventory control system.

21
22 (AO No. 2016-16(S), § 1, 2-9-16)
23
24

25 **ARTICLE 5. - MARIJUANA PRODUCT MANUFACTURING FACILITIES**

26
27 **10.80.500 - Marijuana product manufacturing facility license required.**
28 **[NO CHANGE]**
29

30
31 A. A person may not extract marijuana concentrate for sale or
32 formulate or manufacture any marijuana product for sale unless that
33 person has obtained a marijuana product manufacturing facility license
34 from the municipality in compliance with this chapter, or is an employee
35 or agent acting for a licensed marijuana product manufacturing facility.
36

37 B. A person seeking a marijuana product manufacturing facility license
38 must:

39
40 1. Submit an application for a marijuana product manufacturing
41 facility license on a form the municipal clerk prescribes, including
42 the information set out under section 10.80.020, section 10.80.021,
43 and section 10.80.520; and

44
45 2. Demonstrate to the assembly's satisfaction that the applicant
46 will operate in compliance with:

47
48 a. Each applicable provision of sections 10.80.500—
49 10.80.545 and sections 10.80.700—10.80.755; and
50

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. [NO CHANGE]

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

1 manufacturing facility's own use.

2
3 (AO No. 2016-16(S), § 1, 2-9-16)
4
5

6 **10.80.510 - Acts prohibited at marijuana product manufacturing facility.**
7 **[NO CHANGE]**
8

9 A. A licensed marijuana product manufacturing facility, including a
10 licensed marijuana concentrate manufacturing facility, may not:

11 1. Sell, deliver, distribute, or transfer marijuana, marijuana
12 concentrate, or a marijuana product directly to a consumer, with or
13 without compensation;
14

15 2. Sell marijuana, marijuana concentrate, or a marijuana product
16 that is not manufactured, packaged, and labeled in compliance with
17 3 AAC 306.500—3 AAC 306.570;
18

19 3. Allow any person, including a licensee, employee, or agent, to
20 consume marijuana, marijuana concentrate, or a marijuana product
21 on the licensed premises; and
22

23 4. Manufacture or sell any product that:
24

25 a. Is an adulterated food or drink;
26

27 b. Closely resembles a familiar food or drink item including
28 candy; or
29

30 c. Is packaged to look like candy, or in bright colors or with
31 cartoon characters or other pictures or images that would
32 appeal to children.
33

34 B. A licensed marijuana product manufacturing facility may not accept
35 or its packaging has a shape, color, markings, or decorative patterns that
36 are familiar to the public from a widely distributed branded food product,
37 so that the marijuana product could reasonably be mistaken for that
38 branded product, especially by children.

39 1. All marijuana in the shipment is properly identified with a label
40 generated in the marijuana inventory tracking system of the facility
41 that provided the marijuana; and
42

43 2. A valid transport manifest showing the source and destination
44 of the marijuana is attached to the shipment.
45

46 C. In this section, "closely resemble" or "look like" means the product
47 or its packaging has a shape, color, markings, or decorative patterns that
48 are familiar to the public from a widely distributed branded food product,
49 so that the marijuana product could reasonably be mistaken for that
50 branded product, especially by children.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.520 - Application for marijuana product manufacturing facility license. [NO CHANGE]

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, each licensee, and each employee:

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. [NO CHANGE]

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:

Commented [AM22]: Effective Date: 2/21/2019

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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. [NO CHANGE]

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

1 shall reconcile each transaction to the marijuana product manufacturing
2 facility's marijuana inventory tracking system at the close of business
3 each day.
4

5 D. A marijuana product manufacturing facility shall account for any
6 variance in the quantity of marijuana or marijuana product the facility
7 received, and the quantity the facility sold, transferred, or disposed of.
8

9 (AO No. 2016-16(S), § 1, 2-9-16)
10

11 **10.80.545 - Health and safety standards. [NO CHANGE]**
12

13
14 A. A marijuana product manufacturing facility shall comply with the
15 health and safety standards set out in section 10.80.735 and at chapter
16 16.60 (Anchorage Food Code), if applicable.
17

18 B. A marijuana product manufacturing facility is subject to inspection by
19 the municipal clerk, Anchorage Police Department, Municipal Code
20 Enforcement, Municipal Health Department or any other local agency
21 with health and safety responsibilities.
22

23 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 15, 4-25-17)
24

25
26 **10.80.546 - Prevention of Clostridium botulinum in marijuana**
27 **concentrates. [NO CHANGE]**
28

29 A. All marijuana concentrates intended for non-smoking oral
30 consumption must be maintained at a temperature of 41 degrees F or
31 lower after extraction process is completed.
32

33 B. Marijuana product manufacturing facilities may not sell marijuana
34 concentrates intended for oral consumption to other marijuana facilities if
35 there is reason to believe that the product has not been consistently
36 maintained at a temperature of 41 degrees or lower since the extraction
37 process was completed at the manufacturing facility.
38

39 C. The Director of the Anchorage Health Department may waive the
40 requirements in subsections A. and/or B. of this section upon review of
41 written procedures and scientific evidence submitted by the manufacturer
42 that demonstrates that the procedures used to produce the marijuana
43 concentrate results in a product that does not require refrigeration.
44

45 (AO No. 2017-71(S) , § 16, 4-25-17; AO No. 2018-118 , § 2, 1-1-19)
46
47

48 **ARTICLE 6. - MARIJUANA TESTING FACILITIES**
49
50

1 **10.80.600 - Applicability. [NO CHANGE]**
2

3 A. The standards of sections 10.80.600—10.80.675 apply to a person
4 offering a service testing, analyzing, or certifying potency, moisture
5 content, pesticide or solvent residue, mold, mildew, bacteria, or other
6 contaminants in marijuana or a marijuana product to another person
7 including a marijuana establishment or a member of the public, whether
8 for compensation or not, as an independent or third-party testing facility.
9

10 B. The standards of sections 10.80.600—10.80.675 do not apply to a
11 licensed marijuana establishment that controls marijuana testing
12 equipment used solely for its own in-house testing of its own cultivated
13 crop, of products produced or manufactured at its own facility, or of retail
14 products placed or offered for sale in its retail marijuana retail store.
15

16 (AO No. 2016-16(S), § 1, 2-9-16)
17

18 **10.80.605 - Marijuana testing facility license required. [NO CHANGE]**
19

20
21 A. A person may not offer or provide a marijuana testing service or test
22 results unless the person has obtained a marijuana testing facility license
23 from the municipality in compliance with this chapter, or is an employee
24 or agent acting for a licensed marijuana testing facility.
25

26 B. A person seeking a marijuana testing facility license must:
27

28 1. Submit an application for a marijuana testing facility license on
29 a form the municipal clerk prescribes, including the information set
30 out under section 10.80.020, section 10.80.021, and section
31 10.80.615; and
32

33 2. Demonstrate to the assembly's satisfaction that the applicant:
34

35 a. Will operate in compliance with each applicable provision
36 of sections 10.80.600—10.80.675, and sections 10.80.700-3—
37 10.80.755; and
38

39 b. Will operate in compliance with each applicable public
40 health, fire, safety, and tax code and ordinance of the state and
41 the Municipality of Anchorage.
42

43 c. Does not hold a marijuana establishment license in Alaska
44 other than a marijuana testing facility license, or have a
45 financial interest in common with a person who is a licensee of
46 a marijuana establishment in Alaska other than a marijuana
47 testing facility license; and
48

49 d. Meets the assembly's standards for approval as set out in
50 sections 10.80.600—10.80.675.

1
2 C. A licensee of a marijuana testing facility, or an employee or agent of
3 a licensed marijuana testing facility, may not have an ownership interest
4 in or a direct or indirect financial interest in another type of licensed
5 marijuana establishment, other than a marijuana testing facility.
6

7 (AO No. 2016-16(S), § 1, 2-9-16)
8
9

10 **10.80.610 - Marijuana testing facilities: privileges and prohibitions. [NO**
11 **CHANGE]**
12

13 A. A licensed marijuana testing facility may have any amount of
14 marijuana and marijuana products on its premises at any given time if the
15 marijuana testing facility's marijuana inventory tracking system and other
16 records document that all marijuana and marijuana products are on the
17 premises only for the testing purposes described in sections 10.80.600—
18 10.80.675 or 3 AAC 306.600—3 AAC 306.675.
19

20 B. A licensed marijuana testing facility may not:

- 21
- 22 1. Have a licensee, employee, or agent who holds a type of
23 marijuana establishment license other than a marijuana testing
24 facility license issued under this chapter;
 - 25 2. Sell, deliver, distribute, or transfer marijuana or a marijuana
26 product to a consumer, with or without compensation; or
 - 27 3. Allow a person to consume marijuana or a marijuana product
28 on its licensed premises.
29
- 30

31 (AO No. 2016-16(S), § 1, 2-9-16)
32
33

34 **10.80.615 - Application for marijuana testing facility license.**
35

36 An applicant for a new marijuana testing facility license must file an application
37 on a form the municipal clerk prescribes, including:
38

39 A. The information required under section 10.80.020; and
40

41 B. The proposed marijuana testing facility's operating plan, including, in
42 addition to the information required under section 10.80.020 and section
43 10.80.021:
44

- 45 1. Each test the marijuana testing facility will offer;
- 46 2. The marijuana testing facility's standard operating procedure
47 for each test the marijuana testing facility will offer; and
48
49
50

3. The acceptable range of results for each test the marijuana testing facility will offer.

C. The Municipality of Anchorage will approve a marijuana testing facility license if, after the Municipality of Anchorage of the Municipality's contractor has examined the qualifications and procedures of the marijuana testing facility license applicant and documented the conclusion of the examination in a written report, the board find them generally in compliance with good laboratory practices and that the application meets the requirements of this section. Nothing in this chapter constitutes a Municipality quarantine that a licensed marijuana testing facility can or will protect the public from all potential hazards of marijuana including microbials, poisons or toxins, residual solvents, pesticides, or other contaminants.

Commented [AM23]: Effective Date: 3/25/2020

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.622 – Marijuana handler permit required.

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

- obtains a marijuana handler permit as provided in 10.80.700 before being licensed or employed at the marijuana testing facility's licensed premises; and
- has the marijuana handler permit card in the person's immediate possession, or a valid copy on file on the premises, at all times while on the marijuana testing facility's licensed premises.

Commented [AM24]: Effective Date: 2/21/2019

10.80.655 - Marijuana inventory tracking system. [NO CHANGE]

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. [NO CHANGE]

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:

- 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. [NO CHANGE]

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. [NO CHANGE]

A. A marijuana testing facility shall report the result of each required laboratory test directly into its marijuana inventory tracking system not

1 later than 24 hours after the test is completed. A marijuana testing facility
2 shall provide the final report:

- 3
4 1. In a timely manner to the marijuana establishment that
5 submitted the sample; and
6
7 2. To the municipal clerk not later than 72 hours after the
8 marijuana testing facility determines that results of tested samples
9 exceed allowable levels.

10
11 B. A marijuana testing facility shall establish procedures to ensure that
12 reported result are accurate, precise, and scientifically valid. To ensure
13 reported results are valid, a marijuana testing facility shall include in a
14 final report:

- 15
16 1. The name and location of the marijuana testing facility;
17
18 2. The unique sample identifier assigned by the marijuana testing
19 facility;
20
21 3. The marijuana establishment or other person that submitted
22 the testing sample;
23
24 4. The sample identifier provided by the marijuana establishment
25 or other person that submitted the testing sample;
26
27 5. The date the facility received the sample;
28
29 6. The chain of custody identifier;
30
31 7. The date of the report;
32
33 8. The type of marijuana or marijuana product tested;
34
35 9. The test results;
36
37 10. The units of measure; and
38
39 11. Any other information or qualifiers needed for interpretation of
40 the test method and the results being reported, including any
41 identified and documented discrepancy.

42
43 C. A marijuana testing facility may amend a final report for clerical
44 purposes except that test results may not be amended.

45
46 (AO No. 2016-16(S), § 1, 2-9-16)
47
48

49 **10.80.675 - Records retention. [NO CHANGE]**
50

1 A. A marijuana testing facility shall maintain the business records
2 required under section 10.80.755 for the period of time specified in that
3 section. The books and records required under section 10.80.755A.1.
4 include:

- 5 1. Test results;
- 6 2. Quality control and quality assurance records;
- 7 3. Standard operating procedures;
- 8 4. Chain-of-custody records;
- 9 5. Proficiency testing records;
- 10 6. Analytical data to include printouts generated by the
11 instrumentation;
- 12 7. Accession numbers;
- 13 8. Specimen type;
- 14 9. Raw data of calibration standards and curves, controls, and
15 subject results;
- 16 10. Final and amended reports;
- 17 11. Acceptable reference range parameters;
- 18 12. The identity of the analyst; and
- 19 13. The date of the analysis.

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34 (AO No. 2016-16(S), § 1, 2-9-16)

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36
37 **ARTICLE 7. - OPERATING REQUIREMENTS**

38
39
40 **10.80.700 - Marijuana handler permit.**

41
42 A. Each [ANY MARIJUANA ESTABLISHMENT AND EACH
43 LICENSEE, EMPLOYEE, OR] agent of the marijuana establishment who
44 sells, cultivates, manufactures, tests or transports marijuana or a
45 marijuana product, or who checks the identification of a consumer or
46 visitor, and each licensee and employee must obtain a marijuana handler
47 permit pursuant to State of Alaska regulation 3 AAC 306.700 before
48 being licensed or beginning employment at a marijuana establishment.

Commented [AM25]: Effective Date: 2/21/2019

49
50 B. A licensee, employee, or agent of a marijuana establishment must

1 keep the marijuana handler permit card issued pursuant to 3 AAC
2 306.700(c) in that person's immediate possession or a valid copy on file
3 on the premises at all times when on the licensed premises of the
4 marijuana establishment.

5
6 (AO No. 2016-16(S), § 1, 2-9-16)
7

8 **10.80.703 – Operations.**
9

10 A licensed marijuana establishment shall operate in accordance with
11 the operating plan approved by the board. The licensee may request an
12 operating plan change in accordance with 10.80.100(c).
13

14 (AUTHORITY?)

Commented [AM26]: Effective Date: 5/9/2019

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16
17 **10.80.705 - Licensed premises alteration. [NO CHANGE]**
18

19 A. A marijuana establishment license will be issued for specific
20 licensed premises. A specific licensed premises must constitute a place
21 clearly designated in a license application and described by a line
22 drawing submitted with the license application. The licensed premises
23 must:

- 24
25 1. Have adequate space for its approved operations, including
26 growing, manufacturing, processing, packaging, or storing
27 marijuana or marijuana products; and
28
29 2. Be located and constructed to facilitate cleaning, maintenance,
30 and proper operation.
31

32 B. A marijuana establishment's municipal license must be posted in a
33 conspicuous place within the licensed premises.
34

35 C. A holder of a marijuana establishment license may alter the
36 functional floor plan or reduce or expand the area of the licensed
37 premises in accordance with section 21.03.105.
38

39 (AO No. 2016-16(S), § 1, 2-9-16)
40
41

42 **10.80.711 - No overlapping licenses. [NO CHANGE]**
43

44 The municipality will issue only one marijuana establishment license for a
45 single premises.
46

47 (AO No. 2016-16(S), § 1, 2-9-16)
48
49

50 **10.80.710 - Restricted access areas. [NO CHANGE]**

1
2 A. A marijuana establishment shall restrict access to any part of the
3 licensed premises where marijuana or a marijuana product is grown,
4 processed, tested, stored, or stocked.
5

6 B. Except as provided in section 10.80.325 for a retail marijuana store,
7 each entrance to a restricted access area must be marked by a sign that
8 says, "Restricted access area. Visitors must be escorted." A marijuana
9 establishment shall limit the number of visitors to not more than five
10 visitors for each licensee, employee, or agent of the licensee who is
11 actively engaged in supervising those visitors.
12

13 C. In a restricted access area, a licensee, employee, or agent of the
14 marijuana establishment shall wear a current identification badge bearing
15 the person's photograph. A person under 21 years of age may not enter a
16 restricted access area. Any visitor to the restricted access area must:
17

- 18 1. Show identification as required in section 10.80.350 to prove
19 that person is 21 years of age or older;
- 20 2. Obtain a visitor identification badge before entering the
21 restricted access area; and
- 22 3. Be escorted at all times by a licensee, employee or agent of
23 the marijuana establishment.
24

25
26
27 (AO No. 2016-16(S), § 1, 2-9-16)
28
29

30 **10.80.715 - Security alarm systems and lock standards. [NO CHANGE]**
31

32 A. Each license employee, or agent of a marijuana establishment shall
33 display an identification badge issued by the marijuana establishment at
34 all times when on the marijuana establishment's licensed premises.
35

36 B. The licensed premises of a marijuana establishment must have:
37

- 38 1. Exterior lighting to facilitate surveillance;
- 39 2. A security alarm system on all exterior doors and windows; and
- 40 3. Continuous video monitoring as provided in section 10.80.720.
41

42 C. A marijuana establishment shall have policies and procedures that:
43

- 44 1. Are designed to prevent diversion of marijuana or marijuana
45 product;
- 46 2. Prevent loitering;
47
48
49
50

1 3. Describe the use of any additional security device, such as a
2 motion detector, pressure switch, and duress, panic, or hold-up
3 alarm to enhance security of the licensed premises; and
4

5 4. Describe the actions to be taken by a licensee, employee, or
6 agent of the marijuana establishment when any automatic or
7 electronic notification system alerts a local law enforcement agency
8 of an unauthorized breach of security.
9

10 D. A marijuana establishment shall use commercial grade, non-
11 residential door locks on all exterior entry points to the licensed premises.
12

13 (AO No. 2016-16(S), § 1, 2-9-16)
14

15
16 **10.80.720 - Video surveillance. [NO CHANGE]**
17

18 A. A marijuana establishment shall install and video system must
19 cover:
20

21 1. Each restricted access area and each entrance to a restricted
22 access area within the licensed premises;
23

24 2. Each entrance to the exterior of the licensed premises; and
25

26 3. Each point-of-sale (POS) area.
27

28 B. At a marijuana establishment, a required video camera must be
29 placed in a way that produces a clear view adequate to identify any
30 individual inside the licensed premises, or within 20 feet of each entrance
31 to the licensed premises. Both the interior and the exterior of each
32 entrance to the facility must be recorded by a video camera.
33

34 C. Any area where marijuana is grown, cured, or manufactured, or
35 where marijuana waste is destroyed, must have a camera placement in
36 the room facing the primary entry door, and in adequate fixed positions,
37 at a height that will provide a clear, unobstructed view of the regular
38 activity without a sight blockage from lighting hoods, fixtures, or other
39 equipment, in order to allow for the clear and certain identification of any
40 person and activity in the area at all times.
41

42 D. Surveillance recording equipment and video surveillance records
43 must be housed in a locked and secure area or in a lock box, cabinet,
44 closet or other secure area that is accessible only to a marijuana
45 establishment licensee or authorized employee, and to law enforcement
46 personnel. A marijuana establishment may use an offsite monitoring
47 service and offsite storage of video surveillance records if security
48 requirements at the offsite facility are at least as strict as onsite security
49 requirements as described in this section.
50

1 E. Each surveillance recording must be preserved for a minimum of 40
2 days, in a format that can be easily accessed for viewing. All recorded
3 images must clearly and accurately display the time and date, and must
4 be archived in a format that does not permit alteration of the recorded
5 image, so that the images can readily be authenticated. After 40 days, a
6 marijuana establishment may erase video recordings, unless the licensee
7 knows or should know of any pending criminal, civil, or administrative
8 investigation for which the video recording may contain relevant
9 information.

10 (AO No. 2016-16(S), § 1, 2-9-16)

11
12
13
14 **10.80.725 - Inspection of licensed premises. [NO CHANGE]**

15
16 A. A marijuana establishment or an applicant for a marijuana
17 establishment license under this chapter shall, upon request, make the
18 licensed premises or the proposed licensed premises, including any
19 place for storage, immediately available for inspection by an official
20 charged with the enforcement of this chapter, the Anchorage Police
21 Department, the Anchorage Fire Department, the Municipal Code
22 Enforcement Department, the Municipal Health Department or any other
23 local official with health and safety responsibilities.

24
25 B. Inspection under this section includes inspection of the premises,
26 facilities, qualifications of personnel, methods of operation, business and
27 financial records, marijuana inventory tracking system, policies, and
28 purposes of any marijuana establishment and of any applicant for a
29 marijuana establishment license.

30 (AO No. 2016-16(S), § 1, 2-9-16)

31
32
33
34 **10.80.730 - Marijuana inventory tracking system. [NO CHANGE]**

35
36 A. A marijuana establishment shall use a marijuana inventory tracking
37 system capable of sharing information with the system implemented by
38 the State Marijuana Control Board in accordance with 3 AAC 306.730.

39
40 B. Marijuana delivered to a marijuana establishment must be weighed
41 on a scale in compliance with section 10.80.745.

42 (AO No. 2016-16(S), § 1, 2-9-16)

43
44
45
46 **10.80.735 - Health and safety standards. [NO CHANGE]**

47
48 A. A marijuana establishment is subject to inspection by the Anchorage
49 Fire Department, a Municipal building inspector, or code enforcement
50 officer to confirm that no health or safety concerns are present and the

1 establishment is in compliance with all municipal codes.
2

3 **B. A marijuana establishment shall take all reasonable measures and
4 precautions to ensure that:**

5
6 1. Any person who has an illness, an open sore or infected
7 wound, or other potential source of infection does not come in
8 contact with marijuana or a marijuana product while the illness or
9 source of infection persists;

10
11 2. The licensed premises have:

12
13 a. Adequate and readily accessible toilet facilities that are
14 maintained in good repair and sanitary condition; and

15
16 b. Convenient handwashing facilities with running water at a
17 suitable temperature; the marijuana establishment shall require
18 employees to wash or sanitize their hands, and shall provide
19 effective hand-cleaning, sanitizing preparations, and drying
20 devices;

21
22 3. Each person working in direct contact with marijuana or a
23 marijuana product conforms to good hygienic practices while on
24 duty, including:

25
26 a. Maintaining adequate personal cleanliness; and

27
28 b. Washing hands thoroughly in an adequate hand washing
29 area before starting work, after using toilet facilities, and at any
30 other time when the person's hands may have become soiled
31 or contaminated;

32
33 4. Litter, waste, and rubbish are properly removed; the waste
34 disposal equipment must be maintained and adequate to:

35
36 a. Avoid contaminating any area where marijuana or any
37 marijuana product is stored, displayed, or sold; and

38
39 b. Prevent causing odors or attracting pests;

40
41 5. Floors, walls, and ceilings are constructed to allow adequate
42 cleaning, and are kept clean and in good repair;

43
44 6. Adequate lighting is installed in any area where marijuana or a
45 marijuana product is stored, displayed, or sold, and where any
46 equipment or utensil is cleaned;

47
48 7. Screening or other protection adequately protects against the
49 entry of pests;
50

1 8. Each building, fixture, and other facility is maintained in
2 sanitary condition;

3
4 9. Each toxic cleaning compound, sanitizing agent, and pesticide
5 chemical is identified and stored in a safe manner to protect against
6 contamination of marijuana or a marijuana product and in
7 compliance with any applicable local, state, or federal law;

8
9 10. Adequate sanitation principles are used in receiving,
10 inspecting, transporting, and storing marijuana or a marijuana
11 product; and

12
13 11. Marijuana or a marijuana product is held in a manner that
14 prevents the growth of bacteria, microbes, or other undesirable
15 microorganisms.

16
17 C. A marijuana establishment shall ensure that any marijuana or
18 marijuana product that has been stored beyond its usable life, or was
19 stored improperly, is not salvaged and returned to the marketplace. In
20 this subsection, "stored improperly" means being exposed to extremes in
21 temperature, humidity, smoke, fumes, pressure, or radiation due to a
22 natural disaster, fire, accident, or equipment failure.

23
24 D. If a marijuana establishment does not have reliable information
25 about the age or storage conditions of marijuana or a marijuana product
26 in its possession, the marijuana establishment may salvage the
27 marijuana only if:

28 1. A licensed marijuana testing facility determines from quality
29 assurance testing that the marijuana or marijuana product meets all
30 applicable standards of moisture, potency, and contaminants;

31 2. Inspection of the premises where a disaster or accident
32 occurred shows that the marijuana or marijuana product stored
33 there was not adversely affected by the disaster or accident; and

34 3. The marijuana establishment maintains a record of the
35 salvaged marijuana or marijuana product in its marijuana inventory
36 tracking system, including the name, lot number, and final
37 disposition.

38
39
40
41
42 (AO No. 2016-16(S), § 1, 2-9-16)

43
44
45 **10.80.740 - Waste disposal. [NO CHANGE]**

46 A. A marijuana establishment shall store, manage, and dispose of any
47 solid or liquid waste, including wastewater generated during marijuana
48 cultivation production, processing, testing, or retail sales, in compliance
49 with applicable federal, state, and local code, ordinances and regulations.
50

1
2 B. Marijuana waste must be rendered unusable for any purpose for
3 which it was grown or produced before it leaves a marijuana
4 establishment. Marijuana waste includes:

- 5
6 1. Marijuana plant waste, including stalks, leaves, and stems that
7 have not been processed with solvent, but excluding roots;
8
9 2. Solid marijuana sample plant waste in the possession of a
10 marijuana testing facility;
11
12 3. Marijuana or a marijuana product that has been found by the
13 licensee unfit for sale or consumption;
14
15 4. Expired marijuana products; and
16
17 5. Other waste as determined by the municipality.

18 C. A marijuana establishment shall:

- 19
20 1. Reserved; and
21
22 2. Record the waste in the marijuana inventory tracking system
23 required under section 10.80.730; and
24
25 3. Keep a record through the marijuana inventory tracking system
26 of the final destination of marijuana waste made unusable.
27
28

29 D. Marijuana plant waste must be made unusable by grinding the
30 marijuana plant waste and mixing it with at least an equal amount of other
31 compostable or non-compostable materials. A marijuana establishment
32 may use another method to make marijuana waste unusable if the State
33 Marijuana Control Board approves the method in advance. Material that
34 may be mixed with the marijuana waste includes:

- 35
36 1. Compostable materials including food waste, yard waste, or
37 vegetable based grease or oils, when the mixed material can be
38 used as compost feedstock or in another organic waste method
39 such as an anaerobic digester; or
40
41 2. Non-compostable materials including paper waste, cardboard
42 waste, plastic waste, or oil, when the mixed material may be
43 delivered to a permitted solid waste facility or incinerator.
44

45 E. If marijuana or a marijuana product is found by, or surrendered to, a
46 law enforcement officer including a peace officer or an airport security
47 officer, the officer may dispose of the marijuana or marijuana product as
48 provided in this section or by any method that is allowed under municipal
49 code, including title 7.
50

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

10.80.745 - Standardized scales. [NO CHANGE]

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. [NO CHANGE]

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

1 to deliver or pick up marijuana or a marijuana product at another licensed
2 marijuana establishment.

3
4 E. When a marijuana establishment receives marijuana or a marijuana
5 product transported in compliance with this section, the recipient of the
6 shipment shall use the marijuana inventory tracking system to report the
7 type, amount, and weight of marijuana or marijuana product received.
8 The recipient shall refuse to accept any shipment of marijuana or
9 marijuana product that is not accompanied by the transport manifest.

10
11 F. A marijuana establishment shall keep records of all marijuana or
12 marijuana products shipped from or received at that marijuana
13 establishment as required under section 10.80.755.

14
15 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-150 , § 1, 10-11-17)

16
17
18 **10.80.755 - Business records. [NO CHANGE]**

19
20 A. A marijuana establishment shall maintain in a format that is readily
21 understood by a reasonably prudent business person the following
22 information:

- 23
24 1. All books and records necessary to fully account for each
25 business transaction conducted under its license for the current
26 year and three preceding calendar years; records for the last six
27 months must be maintained on the marijuana establishment's
28 licensed premises. Older records may be archived on or off
29 premises;
- 30
31 2. A current employee list setting out the full name and marijuana
32 handler permit number of each licensee, employee, and agent who
33 works at the marijuana establishment;
- 34
35 3. The business contact information for vendors that maintain
36 video surveillance systems and security alarm systems for the
37 licensed premises;
- 38
39 4. Records related to advertising and marketing;
- 40
41 5. A current diagram of the licensed premises including each
42 restricted access area;
- 43
44 6. A log recording the name, and date and time of entry of each
45 visitor permitted in a restricted access area;
- 46
47 7. All records normally retained for tax purposes;
- 48
49 8. Accurate and comprehensive inventory tracking records that
50 account for all marijuana inventory activity from seed or immature

1 plant stage until the retail marijuana or retail marijuana product is
2 sold to a consumer, to another marijuana establishment, or
3 destroyed; and
4

5 9. Transportation records for marijuana and marijuana products
6 as required under section 10.80.750F.
7

8 B. A marijuana establishment shall provide any record required to be
9 kept on the licensed premises to the municipal clerk or designee upon
10 request. Any record kept off premises must be provided to the municipal
11 clerk or designee not later than three business days after a request for
12 the record.
13

14 C. A marijuana establishment shall exercise due diligence in preserving
15 and maintaining all required records. Loss of records and data, including
16 electronically maintained records, does not excuse a violation of this
17 section. Failure to retain records required under this section may be
18 interpreted by the municipality as a license violation affecting public
19 safety.
20

21 (AO No. 2016-16(S), § 1, 2-9-16)
22
23

24 **ARTICLE 8. - ENFORCEMENT, CIVIL PENALTIES**
25

26
27 **10.80.800 - Inspection and investigation. [NO CHANGE]**
28

29 A. The municipal clerk, a sworn Peace Officer, a Code Enforcement
30 Officer, a Health Department Officer, or a designee of the municipal clerk,
31 may:
32

33 1. Inspect the licensed premises of a marijuana establishment,
34 including any marijuana and marijuana product on the premises,
35 equipment used in cultivating, processing, testing, or storing
36 marijuana, the marijuana establishment's marijuana inventory
37 tracking system, business records, and computers, at any
38 reasonable time and in a reasonable manner;
39

40 2. Issue a report or notice as provided in section 10.80.805; and
41

42 3. Exercise peace officer powers and take any other action the
43 municipality determines is necessary.
44

45 B. A marijuana establishment, and any licensee, employee, or agent in
46 charge shall cooperate with the municipal clerk, a sworn Peace Officer, a
47 Code Enforcement Officer, a Health Department Officer, or a designee of
48 the municipal clerk, to enforce the laws related to marijuana, including:
49

50 1. Permitting entry upon and inspection of the licensed premises;

1 and
2

3 2. Providing access to business records at reasonable times
4 when requested by the municipal clerk, a sworn Peace Officer, a
5 Code Enforcement Officer, or a Health Department Officer.
6

7 (AO No. 2016-16(S), § 1, 2-9-16)
8
9

10 **10.80.805 - Report or notice of violation. [NO CHANGE]**
11

12 A. The municipal clerk, a sworn Peace Officer, a Code Enforcement
13 Officer, or a Health Department Officer may issue an inspection report,
14 an advisory report, or a notice of violation before taking action to initiate
15 suspension or revocation of a marijuana establishment license or
16 endorsement.
17

18 B. An inspection report documents an investigator's inspection of
19 licensed premises.
20

21 C. The municipal clerk, a sworn Peace Officer, a Code Enforcement
22 Officer, or a Health Department Officer may issue an advisory notice
23 when an incident occurs or a defect is noted that could result in a
24 violation of the Anchorage Municipal Code. An advisory notice may result
25 from an inspection report, but is not a basis for administrative action
26 unless the incident or defect continues or is not corrected.
27

28 D. The municipal clerk, a sworn Peace Officer, a Code Enforcement
29 Officer, or a Health Department Officer may issue a notice of violation if
30 an inspection report or other credible information shows a marijuana
31 establishment is in violation of AS 17.38, this chapter, or other provision
32 of the Anchorage Municipal Code. The notice of violation must be
33 delivered to the marijuana establishment at its licensed premises. The
34 notice must describe any violation, and cite applicable standards of law or
35 conditions of approval. A marijuana establishment that receives a notice
36 of violation may respond to the notice orally or in writing, and may, not
37 later than ten days after receiving the notice, request an opportunity to
38 appear before the Administrative Hearing Officer. A notice of violation
39 may be the basis of a proceeding to suspend or revoke a marijuana
40 establishment's license as provided under section 10.80.810.
41

42 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 19, 4-25-17; AO
43 No. 2019-66 , § 18, 6-18-19)
44

45
46 **10.80.810 - Suspension or revocation of license or endorsement, certain**
47 **civil fines. [NO CHANGE]**
48

49 A. The municipal clerk will suspend or revoke a marijuana
50 establishment license or endorsement issued under this chapter if any

1 licensee is convicted of violating any provision of law listed in section
2 10.80.010D.2., or if the municipal clerk becomes aware that a licensee
3 did not disclose a previous such conviction.
4

5 B. The assembly may, in addition to other provisions of this chapter
6 setting forth grounds for such action, suspend, revoke, or otherwise
7 restrict a license or endorsement issued under this chapter for the
8 reasons set forth in this section. Except where summary suspension or
9 revocation is provided for in this chapter, no decision of the assembly to
10 suspend, revoke, or otherwise limit or restrict a license granted under this
11 chapter shall be effective until the person holding that license is first given
12 an opportunity to be heard before the decision is made. The assembly
13 may impose a civil fine contemporaneously with a suspension, revocation
14 or license restriction proceeding. The assembly may hold hearings or
15 refer hearings to the Administrative Hearings Officer to conduct as the
16 assembly's designee. If referred to an administrative hearings officer, the
17 hearing officer shall conduct the hearing and prepare recommended
18 findings, conclusions, and civil fines, if any. The administrative hearings
19 officer shall forward the record of proceedings and the recommendations
20 to the assembly for adoption, rejection or modification, and issuance of a
21 final order or decision by the assembly. If the assembly modifies the
22 hearing officer's recommended order or decision, the reasons shall be
23 stated in the record before issuance of the final order or decision. The
24 grounds for suspension, revocation or restriction of a marijuana
25 establishment license include, but are not limited to, when the assembly
26 finds a licensee.

27
28 1. Misrepresented a material fact on an application for a
29 marijuana establishment license, or an affidavit, report, or signed
30 statement under AS 17.38 or this chapter; or
31

32 2. Is following any practice or procedure that is contrary to the
33 best interests of the public, including:
34

35 a. Using any process not approved by the State Marijuana
36 Control Board for extracting or manufacturing marijuana
37 concentrate or products; or
38

39 b. Selling or distributing any marijuana concentrate or product
40 that has not been approved by the State Marijuana Control
41 Board;
42

43 3. Failed, within a reasonable time after receiving a notice of
44 violation, to correct any defect that is the subject of the notice of
45 violation of:
46

47 a. AS 17.38 or this chapter;
48

49 b. A condition or restriction imposed by the assembly,
50 including a condition on a special land use permit for marijuana;

1 or

2
3 c. Other applicable law;

4
5 4. Knowingly allowed an employee or agent to violate AS 17.38,
6 this chapter, or a condition or restriction imposed by the assembly,
7 including a condition on a special land use permit for marijuana;

8
9 5. Failed to comply with any applicable land use, public health,
10 fire, safety, or tax law or regulation in the municipality; or

11
12 6. Used the licensed premises for an illegal purpose including
13 gambling, possession or use of narcotics other than marijuana,
14 prostitution, or sex trafficking.

15
16 C. If the municipality obtains evidence that a marijuana establishment
17 has violated a provision of AS 17.38, this chapter, or a condition the
18 assembly has imposed on the marijuana establishment, including a
19 condition on a special land use permit for marijuana, it shall so notify the
20 State Marijuana Control Board.

21
22 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 20, 4-25-17; AO
23 No. 2019-66 , § 19, 6-18-19)

24
25
26 **10.80.815 - Suspension or revocation based on act of employee. [NO**
27 **CHANGE]**

28
29 A. If, in a proceeding to suspend or revoke a marijuana establishment
30 license under sections 10.80.810 and 10.80.820, or an endorsement,
31 evidence shows that an employee or agent of a licensed marijuana
32 establishment was responsible for an act that would justify suspension or
33 revocation of the marijuana establishment's license if committed by a
34 licensee, the Administrative Hearings Officer may find that licensee
35 knowingly allowed the act if:

36
37 1. The licensee:

38
39 a. Was physically present when the violation occurred; and

40
41 b. Knew or should have known the violation was occurring;
42 and

43
44 c. Took no action to stop the violation;

45
46 2. The licensee failed to adequately supervise the agent or
47 employee;

48
49 3. The licensee failed to adequately train the agent or employee
50 in the requirements of AS 17.38 and this chapter relating to

1 marijuana; or
2

3 4. The licensee was reckless or careless in hiring the agent or
4 employee.
5

6 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2019-66 , § 20, 6-18-19)
7
8

9 **10.80.821 - Procedure for action on license or endorsement suspension
10 or revocation. [NO CHANGE]**
11

12 Except for the municipal clerk's action set forth in subsection 10.80.810A. or
13 section 10.80.825, a proceeding to suspend or revoke a license or
14 endorsement must be initiated by service of an accusation on the marijuana
15 establishment in compliance with section 3.60.025 and conducted in
16 accordance with chapter 3.60 of the Anchorage Municipal Code.
17

18 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 21, 4-25-17; AO
19 No. 2019-66 , § 21, 6-18-19)
20
21

22 **10.80.825 - Summary suspension to protect public health, safety, or
23 welfare. [NO CHANGE]**
24

25 A. If the municipal clerk finds that a person holding a marijuana
26 establishment license or endorsement has acted and appears to be
27 continuing to act in a way that constitutes an immediate threat to the
28 public health, safety or welfare, the municipal clerk may issue an order
29 immediately suspending the license of that person, and ordering an
30 immediate stop to the activity that constitutes the threat to the public
31 health, safety, or welfare.
32

33 B. When the municipal clerk issues a summary suspension under this
34 section, the municipal clerk shall immediately give the marijuana
35 establishment subject to the summary suspension order notice of the
36 reasons for the summary suspension, and of the time and place for an
37 expedited hearing before the Administrative Hearings Officer. Unless the
38 marijuana establishment subject to the summary suspension order
39 requests a delay, the hearing will be held not later than five days after the
40 municipal clerk gives notice of the reasons for the summary suspension
41 and the scheduled hearing.
42

43 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2019-66 , § 22, 6-18-19)
44
45

46 **10.80.830 - Seizure of marijuana or marijuana product. [NO CHANGE]**
47

48 A. The municipal clerk, a sworn Peace Officer, a Code Enforcement
49 Officer, or a Health Department Officer may seize marijuana or any
50 marijuana product from a licensed marijuana establishment if the

1 marijuana establishment has:

- 2
- 3 1. Any marijuana or marijuana product not properly logged into
- 4 the marijuana establishment's marijuana inventory tracking system;
- 5
- 6 2. Any adulterated marijuana food or drink product prohibited
- 7 under section 10.80.510A.;
- 8
- 9 3. Any marijuana or marijuana product that is not properly
- 10 packaged and labeled as provided in:
- 11
- 12 a. 3 AAC 306.470 and 3 AAC 306.475; or
- 13
- 14 b. 3 AAC 306.565 and 3 AAC 306.570; or
- 15
- 16 4. Not renewed its license as required under section 10.80.036,
- 17 except when a renewal application was filed on or before August 31
- 18 and a decision on the application is pending; or
- 19
- 20 5. Operated in violation of this chapter.
- 21

22 B. If the municipal clerk, a sworn Peace Officer, a Code Enforcement

23 Officer, or a Health Department Officer seizes marijuana or a marijuana

24 product under this section, the municipal clerk, a sworn Peace Officer, a

25 Code Enforcement Officer, or a Health Department Officer shall so notify

26 the director of the State Marijuana Control Board and ensure that the

27 seized items are stored in a reasonable manner, as set forth below. The

28 agent seizing the marijuana or marijuana product shall immediately give

29 the marijuana establishment from which the marijuana or marijuana

30 product was seized notice of the reasons for the seizure and the time and

31 place of a hearing before the Administrative Hearings Officer. Unless the

32 marijuana establishment from which the marijuana or marijuana product

33 was seized requests a delay, the hearing will be held not later than ten

34 days after the municipal clerk, sworn Peace Officer, Code Enforcement

35 Officer, or Health Department Officer gives notice of the reasons for

36 seizure and the scheduled hearing. If the seizure occurs in connection

37 with a summary suspension under section 10.80.825, the hearing will be

38 combined with a hearing on the summary suspension.

39

40 C. If the marijuana establishment from which the marijuana or

41 marijuana product was seized does not request or participate in a hearing

42 under this section, or if after a hearing the Administrative Hearings Officer

43 finds that seizure of the marijuana or marijuana product was justified, the

44 marijuana or marijuana product will be destroyed by burning, crushing, or

45 mixing with other material to make the marijuana or marijuana product

46 unusable as provided in section 10.80.740, or chapter 7.25.

47

48 D. Seized marijuana and marijuana product, including marijuana

49 plants, shall be inventoried by the licensee and the official authorized to

50 seize, and shall then be either removed by the official authorized to seize,

1 or secured on the licensed premises pending the hearing. The seizure
2 order may direct a marijuana cultivation facility to continue care of
3 marijuana plants until the hearing. No marijuana or marijuana product,
4 once seized and secured, shall be transferred, sold, or involved in any
5 other commercial activity.
6

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

10
11 **10.80.835 - Hearing. [NO CHANGE]**
12

13 A. Except as provided in section 10.80.825 or section 10.80.830, a
14 person aggrieved by an action of the municipal clerk, sworn Peace
15 Officer, Code Enforcement Officer, or Health Department Officer may
16 request a hearing in accordance with chapter 3.60 of the Anchorage
17 Municipal Code.
18

19 B. The Office of Administrative Hearings will conduct the hearing in
20 accordance with chapter 3.60 of the Anchorage Municipal Code.
21

22 (AO No. 2016-16(S), § 1, 2-9-16)
23
24

25 **10.80.840 - Civil fines. [NO CHANGE]**
26

27 A. The Administrative Hearings Officer may, in addition to any other
28 penalties imposed under this title, impose a civil fine on a marijuana
29 establishment, licensee, or person that the Administrative Hearings
30 Officer determines to have violated a provision of AS 17.38 or this
31 chapter.
32

33 B. A civil fine imposed by the Administrative Hearings Officer may not
34 to exceed the amount listed on the fine schedule set out in section
35 14.60.030.
36

37 (AO No. 2016-16(S), § 1, 2-9-16)
38
39

40 **10.80.846 - Appeal. [NO CHANGE]**
41

42 A person aggrieved by a final decision of the Assembly suspending, revoking,
43 or restricting a license or endorsement under this chapter, or imposing a civil
44 fine, may appeal to the superior court.
45

46 (AO No. 2016-16(S), § 1, 2-9-16 ; AO No. 2017-71(S) , § 23, 4-25-17; AO
47 No. 2019-66 , § 23, 6-18-19)
48

49 **10.80.850 - Surrender or destruction of license or endorsement. [NO**
50

CHANGE]

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 and security system configurations; 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. [NO CHANGE]

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. [NO CHANGE]

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

Commented [GDT27]: To reflect our practice of not disclosing security camera location diagram

1 different person.

2
3 (AO No. 2016-16(S), § 1, 2-9-16)
4

5
6 **10.80.920 - Death of licensee. [NO CHANGE]**
7

8 A. If an individual who is the sole licensee of a marijuana establishment
9 dies, the marijuana establishment shall cease operation. A personal
10 representative appointed by the superior court for the estate of the
11 deceased licensee may submit to the municipal clerk a written request to
12 reopen the business, along with a copy of the court order appointing the
13 personal representative. If the licensed marijuana establishment is in
14 good standing, and the personal representative is not a person prohibited
15 from holding a marijuana establishment license by AS 17.38.200(i) or
16 section 10.80.011, the municipal clerk shall grant permission to the
17 personal representative to operate the business on the licensed premises
18 subject to subsection B of this section. In this section, a marijuana
19 establishment is in "good standing" if the marijuana establishment:
20

- 21 1. Has a valid current license;
22
23 2. Has paid all fees due under this chapter and all local taxes due;
24 and
25
26 3. Has no unresolved suspension or revocation proceedings
27 against it.
28

29 B. A personal representative authorized to operate a marijuana
30 establishment under subsection A of this section must submit an
31 application for a transfer of ownership to another person in compliance
32 with section 10.80.045 not later than 90 days after obtaining the
33 municipal clerk's approval to operate. The municipal clerk may extend the
34 time allowed in this section for another 90 days if the personal
35 representative requests the additional time.
36

37 C. This section does not authorize the transfer of a marijuana
38 establishment license unless the assembly approves the personal
39 representative's application for transfer of license to another person.
40

41 (AO No. 2016-16(S), § 1, 2-9-16)
42

43
44 **10.80.931 - Designation of Local Regulatory Authority. [NO CHANGE]**
45

46 Pursuant to AS 17.38.210(c), the municipal clerk is designated as the local
47 regulatory authority for the municipality.
48

49 (AO No. 2016-16(S), § 1, 2-9-16)
50

1
2 **10.80.990 - Definitions.**
3

4 A. In this chapter:
5

6 "Affiliate" means a person that directly or indirectly through one or more
7 intermediaries controls, or is controlled by, or is under common control with, a
8 partnership, limited liability company, or corporation subject to this chapter;
9

10 "Assisting" does not include:
11

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

14 b. Possessing, growing, processing, or transporting
15 marijuana plants in excess of the number allowed in AS
16 17.38.020;

17 c. Growing marijuana plants for another person in a place
18 other than:
19

20 i. That other person's primary residence; or
21

22 ii. A garage, shed, or similar place under the other
23 person's control;
24

25 "Delivering":
26

27 a. Means handing to a person who purchases the product on
28 licensed premises only;
29

30 b. Does not include transferring or transporting to a consumer
31 off licensed premises;
32

33 "Flowering" means a marijuana plant that has visible crystals, buds, or flowers,
34 or for which the exposure to light is scheduled with the intent to produce
35 crystals, buds, or flowers;
36

37 "Immature" means a marijuana plant with no visible crystals, buds, or flowers,
38 and in which the exposure to light is scheduled with the intent to prevent
39 formation of crystals, buds, or flowers;
40

41 "In public":
42

43 a. Means in a place to which the public or a substantial group
44 of people has access; and
45

46 b. Includes highways, transportation facilities, schools, laces
47 of amusement or business, parks, playgrounds, prisons, and
48 hallways, lobbies and other portions of apartment houses and
49 hotels not constituting rooms or apartments designed for actual
50

1 residence;

2
3 "Municipal Clerk" means the Municipal Clerk or the Clerk's designate.

4
5 "Personal cultivation" does not include:

- 6
7 a. Using, displaying, purchasing, or transporting marijuana in
8 excess of the amount allowed in AS 17.38.020;
- 9
10 b. Possessing, growing, processing, or transporting
11 marijuana plants in excess of the number allowed in AS
12 17.38.020;
- 13
14 c. Growing marijuana plants for another person in a place
15 other than:
- 16
17 i. That other person's primary residence; or
- 18
19 ii. A garage, shed, or similar place under the other
20 person's control;

21
22 "Possess" means having physical possession or control over property;

23
24 "Registration" means licensure or license;

25
26 B. In this chapter, unless the context requires otherwise:

27
28 "Adulterated food or drink product":

- 29
30 a. Means a product that is intended to be consumed orally
31 and that existed without marijuana in a form ready for
32 consumption before marijuana was added by any process;
- 33
34 b. Does not include raw ingredients that are combined with
35 marijuana in a manufacturing process;

36
37 "Agent":

- 38
39 a. Means a representative who is authorized to act for a
40 licensee, the assembly, or the municipal clerk, as context
41 requires;
- 42
43 b. Includes a contractor or subcontractor;

44
45 "Batch" or "harvest batch" means a specifically identified quantity of bud and
46 flower, plant trim, leaf, and other usable product from marijuana plants that are
47 uniform in strain, cultivated in one place and under the same conditions, using
48 the same medium and agricultural chemicals including pesticides and
49 fungicides, and harvested at the same time;

50
Commented [AM28]: Effective Date: 3/13/2020

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

3
4 "Business day" means a day other than a Saturday, Sunday, or a state
5 holiday;

6
7 "CBD" means cannabidiol;

8
9 "CBDA" means CBD Acid;

10
11 "CBN" means cannabinol;

12
13 "Clones" or "cuttings" means small starter plants:

- 14 a. Shorter than eight inches tall; and
15
16 b. Used to propagate marijuana plants;

17
18
19 "Compensation":

- 20
21 a. Means money, bartered objects or services, or anything
22 else of value, whether given as payment or voluntarily as a
23 donation, when accepted by a person who gives, distributes, or
24 delivers marijuana to another;
25
26 b. Includes a cover charge, a delivery charge, and a
27 packaging charge;

28
29 "Concentrate" or "marijuana concentrate" means resin, oil, wax, or any other
30 substance produced by extracting or isolating cannabinoids, THC, or other
31 components from a marijuana plant or from materials harvested from a
32 marijuana plant;

33
34 "Consumer":

- 35
36 a. Means an individual who purchases and uses marijuana or
37 a marijuana product; and
38
39 b. Does not include a marijuana establishment that resells
40 marijuana or incorporates marijuana into a manufactured
41 product;

42
43 "Consumption" has the meaning given in AS 17.38.900(3);

44
45 "Contaminant" means one or more of the following:

- 46
47 a. Harmful microbials, including Escherichia coli (E. coli), or
48 Salmonella species;
49
50 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;

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"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;

1
2 "Marijuana plant" means a living organism of the genus Cannabis capable of
3 absorbing water and inorganic substances through its roots, and synthesizing
4 nutrients in its leaves by photosynthesis;

5
6 "Marijuana product" has the meaning given in AS 17.38.900;

7
8 "Marijuana product manufacturing facility" has the meaning given in AS
9 17.38.900;

10
11 "Overconsumption" means, in relation to consumption of marijuana or
12 marijuana product, (1) more than the amount allowed for on-site consumption
13 under section 10.80.306A.2., or (2) consumption of an amount that results in
14 the person being affected by marijuana or marijuana products to the point
15 where the person's physical or mental conduct is substantially impaired;

16
17 "Peace officer" has the meaning given in AS 01.10.060;

18
19 "Person" has the meaning given in AS 01.10.060;

20
21 "Process" or "processing" means harvesting, curing, drying, or trimming of a
22 marijuana plant;

23
24 "Propagate" means to cause a marijuana plant to grow by planting clones or
25 cuttings, and nurturing them into viable plants up to eight inches in height;

26
27 "Recreation or youth center" means a building, structure, athletic playing field,
28 or playground:

29
30 a. Run or created by a local government or the state to
31 provide athletic, recreational, or leisure activities for persons
32 under 21 years of age; or

33
34 b. Operated by a public or private organization licensed to
35 provide shelter, training, or guidance for minors;

36
37 "Retail marijuana store" has the meaning given in AS 17.38.900;

38
39 "Retail marijuana store premises" means an area encompassing both the retail
40 marijuana store and any marijuana consumption area;

41
42 "Square feet under cultivation":

43
44 a. Means an area of the licensed premises of a marijuana
45 cultivation facility that is used for growing marijuana, measured
46 from the perimeter of the floor or growing space for marijuana;

47
48 b. Does not include a processing or storage area, an
49 equipment storage area, an office, a hallway, or another area, if
50 that area is not used for growing marijuana;

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"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)

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

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2020.

Chair

ATTEST:

Municipal Clerk

