

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

*** DRAFT Aug 2020 ***

**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.**

Proposer Key: State reg = yellow; Assembly Members/CEDC = blue; Industry = green

THE ANCHORAGE ASSEMBLY ORDAINS:

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

**Chapter 10.80 - LICENSING AND REGULATION OF MARIJUANA
ESTABLISHMENTS**

ARTICLE 1. - LICENSING ADMINISTRATION

10.80.015 - License conditions.

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

B. Except as allowed in AMC 10.80.036, t[F]hethe [THE] municipality will not issue, renew, or trasnfer transfer a marijuana establishment license to:

1. An individual or a sole proprietorship unless the individual or proprietor is a resident of the state;
2. A partnership unless each partner is a resident of the state;
3. A limited liability company unless the limited liability company is qualified to do business in the state and each member of the limited liability company is a resident of the state; or
4. A corporation unless the corporation is incorporated or qualified

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

Commented [HML2]: Effective Date: 2/12/19

to do business in the state and each corporate officer, director, and shareholder is a resident of the state.

Commented [HML3]: Effective Date: 10/18/20

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

D. The assembly may impose other conditions or restrictions on a license or endorsement issued under this chapter when it finds that it is in the interests of the public to do so.

Commented [HML4]: Effective Date: 4/11/19

Commented [AM5]: Effective Date: 4/11/2019

E. In this section,

1. "Direct or indirect financial interest" means:

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

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

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

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

2. "Resident of the state" means a person who is eligible at the time of application for the most recent~~meets the residency requirement under~~ [MEETS THE RESIDENCY REQUIREMENT UNDER AS 43.23 for a FOR A] permanent fund dividend under AS 43.23~~in the calendar year in which that person applies for a marijuana establishment license under this chapter~~. [IN THE CALENDAR YEAR IN WHICH THAT PERSON APPLIES FOR A MARIJUANA ESTABLISHMENT LICENSE UNDER THIS CHAPTER].

Commented [HML6]: Effective Date: 10/18/20

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.026 - Municipal application procedure for new license or endorsement.

A. An applicant must initiate a new marijuana establishment license or endorsement application only after submitting to the state alcohol and

Commented [HML7]: Effective Date: 4/11/19

Commented [AM8]: Effective Date: 4/11/2019

marijuana control office a complete application for a related state marijuana establishment license, to create a public notice form.

Commented [HML9]: Effective Date: 3/25/20

Commented [AM10]: Effective Date: 3/25/2020

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

C. The applicant must pay to the municipality the application and license ing [LICENSING] fees set out in section 10.80.100. The notice requirements in subsection D of this section must be given within the 90 days preceding the submittal of all application requirements listed in 10.80.020 and the application and license fee.

Commented [HML11]: Operating fee? See 10.80.100

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

Commented [HML12]: It doesn't make sense to me that the Director would send notice of a complete application to the applicant/cc "preceding the submittal of all application requirements listed..."

Commented [HML13]: Effective Date: 3/21/19

Commented [AM14]: Effective Date: 3/21/2019

Commented [HML15]: Effective Date: 2/21/19

Commented [AM16]: Effective Date: 2/21/2019

1. The applicant.

2. Reserved.

3. The community council in which the proposed licensed premises is located.

4. Reserved.

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

1. Return an incomplete application in its entirety to the applicant; or

2. Request the applicant to provide additional identified items needed to complete the application.

F. When the director of the planning department informs an applicant that its application is incomplete as provided in subsection E., the applicant must complete the application not later than 90 days after the date of the director's notice. If an applicant fails to complete its application during the 90-day period after the director's notice, the applicant must file a new application and pay a new application fee to obtain a marijuana establishment license or endorsement.

Commented [HML17]: Operating/permit fee?

G. The director may, not less than 90 days after initiation of an application, inform an applicant by electronic mail at the address provided by the applicant that missing application requirements listed in 10.80.020

must be submitted within 90 days. If an applicant fails to submit all missing application requirements during the 90-day period after the director's notice, the applicant must file a new application and pay a new application fee to obtain a marijuana establishment license.

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

Commented [HML18]: Permit fee??

Commented [HML19]: Effective Date: 4/11/19

Commented [AM20]: Effective Date: 2/21/2019

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.

Commented [HML21]: Effective Date: 3/25/20

Commented [AM22]: Effective Date: 3/25/2020

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 306.020(b)(1)-(9) 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; [1]

Commented [HML23]: Repealed Effective Date:
2/21/19

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

4. A report, for each licensee:

a. Any criminal charge on which that licensee has been convicted in the current and previous two calendar years; and

b. Any civil violation of AS 04, AS 17.38, or this chapter in the current and previous two calendar years; and

Commented [HML25]: Effective Date: 2/21/19

c. If a current holder of a marijuana establishment license has a change in ownership or transfer of a controlling interest, it must submit a change report or an application for transfer at the same time as the application for renewal is submitted, if such report or application has not been submitted before the renewal application; and

5. A declaration under penalty of unsworn falsification that:

a. The application is true, correct and complete;

b. The applicant has read and is familiar with AS 17.38 and this chapter; and

c. The applicant will provide all information the municipal clerk requires in support of the renewal application; and

6. Any other information required by the municipal clerk.

C. If the municipal clerk determines that the renewal application is complete, the municipal clerk shall give notice of a renewal application to:

1. The applicant; and

2. Reserved;

3. The community council in which the licensed premises is located;

4. Reserved.

Commented [HML26]: [insert from CK:
Marijuana Renewal Applications Assembly Review Policy

Certain conditions should be identified as grounds for asking that the Assembly remand a Marijuana License Renewal application to the CEDC for further review before it comes before the Assembly for approval. This would allow for consistent and reasonable rationale for pulling that particular license for review.

Those grounds/ criteria are:
License or SLU permit violations (A minimum number?)
Complaints/ request from the local community council
Municipal taxes delinquency
Record of APD or AFD responses/ concerns
Changes in state or local regulations or code that could impact the current operation of the license
Owner/Operator requested

B. If the municipal clerk finds any of the following circumstances exist for a licensee who submitted a renewal application, the renewal application shall be referred to the Assembly chair and the chair of the Assembly's community and economic development committee or other appropriate committee, or to a panel of members of the assembly, for review and to make a recommendation before the assembly decides:

1. License or SLU permit violations (A minimum number?)

2. Complaints/ request from the local community council

3. Municipal taxes delinquency
4. Record of APD or AFD responses/ concerns
5. Changes in state or local regulations or code that could impact the current operation of the license Owner/Operator requested.

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

Commented [AM27]: Effective Date: 2/21/2019

Commented [AM28]: Effective Date: 2/21/2019

approved and effective, or until the assembly denies the application for renewal, only if its renewal application was filed on or before June 30.

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

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

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

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

Commented [AM29]: Effective Date: 2/21/19

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

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

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

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

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

B. Exceptions.

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

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

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

b. A partner holding a controlling interest in a partnership, a member holding a controlling ownership interest in a limited liability company, or an owner of a controlling interest in a corporation's stock, may represent the deceased licensee's interest in the entity for a period not to exceed 90 days, and shall submit an application for a transfer of a controlling interest under this section within that time. The municipal clerk may extend the time allowed in this section for up to an additional 90 days upon written request of the personal representative. This subsection does not authorize the transfer of a controlling interest in a marijuana establishment license by the personal representative, administrator or executor to the estate of a decedent. If an application for transfer of a license is not received within this time, the municipal clerk shall notify the assembly.

C. Procedure. An application for transfer with or without any associated endorsement must be filed in writing on a form the municipal clerk prescribes within ten days of the effective date of an agreement or contract for such a transfer, in compliance with the application procedure set out in section 10.80.026. Regardless of any private agreement terms, a transfer of the license or of a controlling interest in a license is not effective until after approval. The application must name the current holder(s) of the marijuana establishment license and the proposed

transferee(s), including all persons listed in 3 AAC 306.020 if a transferee is a partnership, limited liability company, or a corporation. The application must contain:

1. The same information about each transferee as is required of an applicant for a new license under section 10.80.020, section 10.80.021 except for information regarding the previously approved special land use permit as required by subsections 10.80.021C., and 3 AAC 306.020;
2. A statement, under oath, executed by the current holder of the marijuana establishment license, listing all debts of the business, all taxes the business owes, current contact information for each creditor, and an affirmation that the current holder of the marijuana establishment license has submitted a copy of the transfer application to all creditors; and
3. Any other information required by the municipal clerk for the type of marijuana establishment license sought to be transferred.
4. A municipal on-site consumption endorsement may only be transferred to another person if the license for which the endorsement was issued is also transferred to that person.

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

1. Reserved.
2. Reserved.
3. Send notice of the proposed transfer to the community council in which the licensed premises is located; and
4. Schedule the application for transfer to be considered by resolution by the assembly as soon as practicable.

E. Renewal application may be required. If a licensed marijuana establishment submits an application for transfer after April 30 and before July 1, 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 assembly 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 [HML30]: Same as unsworn falsification?

Commented [HML31]: Effective Date: 2/21/19

Commented [AM32]: 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~~ **[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~~ **[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. An individual identified in this section shall be a resident of the state as required
under 3 AAC 306.400(c), 3 AAC 306.500(c) or 3 AAC 306.605(c); and**

**D. 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, 10.80.400, 10.80.500, or 10.80.605.**

**1. Is not disqualified under 3 AAC 306.010(d), 3 AAC 306.015(b), 3 AAC
306.300(b), 3 AAC 306.400(c), 3 AAC 306.500(c), or 3 AAC 306.605(c); and**

2. Is a resident of the state.

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

**1. If the licensee is a partnership, including a limited partnership,
any change in the identity of the partners, or in the ownership
percentages held by any partners;**

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

Commented [HML33]: Effective Date: 2/21/19

Commented [HML34]: Effective Date: 10/18/20

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

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

~~EFF~~. If a new owner owes past-due taxes, fees, or fines to the municipality, the owner shall have 30 days from the date the municipality notifies the new owner to pay the past-due taxes, fees, or fines. In the event such past-due taxes, fees, or fines are not paid within 30 days, the municipal clerk shall notify the assembly of the past-due taxes, fees, or fines.

Commented [AM35]: Effective Date: 2/21/2019

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

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

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

Commented [HML36]: Currently scheduling transfers of license/controlling interest for PH. Continue or stop?

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

assembly may hold a hearing to ascertain the reaction of the public to an application for renewal of an on-site consumption endorsement.

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

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

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

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

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

10.80.080 - Denial of application.

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

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

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

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

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

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

Commented [HML37]: Effective Date: 8/21/19

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

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

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

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

2. [THAT THE LICENSE HAS BEEN REVOKED FOR ANY CAUSE;

Commented [HML38]: Repealed

3.] That the license has been operated in violation of a condition or restriction the assembly previously imposed; [OR]

3[4]. That the applicant is delinquent in the payment of taxes due in whole or in part from operation of the licensed business.

4[5]. That a protest by the local governing body is not arbitrary, capricious, and unreasonable; or

5. That the applicant has lost right to possession of the applicant's licensed premises.

C. After review of the application and all relevant information, the assembly may deny an application for transfer of a license or transfer of a controlling interest in a license if the assembly finds:

1. Any cause listed in subsection A. of this section;
2. That the transferor has not paid all debts or taxes arising from the operation of the business licensed under this chapter unless the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority;
3. That transfer of the license or of a controlling interest in the license would result in violation of the standards of this chapter relating to identity of licensees and financing of licensees; or
4. That a prospective transferee does not have the qualifications of an original applicant required under this chapter.
5. That a protest by the local governing body is not arbitrary, capricious, and unreasonable.

D. If the assembly denies an application for a new license, renewal of a license, transfer of a license, transfer of a controlling interest in a license, or a new or renewal of an endorsement, the municipal clerk will, not later than 15 days after the meeting at which the application was denied, furnish a written statement of issues to the applicant, explaining the reason for the denial in clear and concise language, and identifying any statute or regulation on which the denial is based. The notice of denial will inform the applicant of the right to appeal under section 10.80.095.

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

10.80.095 - Appeals. [NO CHANGE]

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

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

10.80.100 - Fees; refund.

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

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

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

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

1. For a new marijuana retailer license, and for a renewed retail marijuana store license, \$0;

2. For an on-site consumption endorsement, \$0;

3. For a new marijuana cultivation facility license, and for a renewed marijuana cultivation facility license, \$0;

4. Reserved;

5. For a new marijuana product manufacturing facility license, and for a renewed marijuana product manufacturing facility license, \$0;

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

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

E. Reserved.

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

Commented [HML39]: Effective Date: 5/1/19

Commented [AM40]: Effective Date: 5/1/2019

Commented [HML41]: State has "annual license or endorsement fee". I can't remember where the operating fee came from? We thought about charging an operating fee because we are not allowed to charge a license fee?

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

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

ARTICLE 3. - RETAIL MARIJUANA STORES

10.80.305 - Retail marijuana store privileges.

A. A licensed retail marijuana store is authorized to:

1. Sell marijuana purchased from a licensed marijuana cultivation facility, packaged and labeled as required under section 10.80.345, 3 AAC 306.470, and 3 AAC 306.475, in an amount not exceeding the limit set out in section 10.80.355, to an individual on the licensed premises or as permitted under 3 AAC 306.995 for consumption off the licensed premises;
2. Sell a marijuana product purchased from a licensed marijuana product manufacturing facility, packaged and labeled as required under section 10.80.345, 3 AAC 306.565 and 3 AAC 306.570, in a quantity not exceeding the limit set out in section 10.80.355, to an individual on the licensed premises or as permitted under 3 AAC 306.995 for consumption off the licensed premises;
3. Store marijuana and marijuana products on the licensed premises in a manner consistent with sections 10.80.710—10.80.720;
4. Apply for an on-site consumption endorsement under section 10.80.306.

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

C. A licensee of a retail marijuana store may also apply for a marijuana cultivation facility license, marijuana product manufacturing facility license, or both. A licensee of a retail marijuana store who obtains a marijuana cultivation facility license, marijuana product manufacturing facility license, or both shall:

1. Conduct any marijuana cultivation operation in a room separate from any other operation and the retail marijuana store, and shall conduct any marijuana product manufacturing operation in a room separate from any other operation and the retail marijuana store; if the rooms are connected and co-located, a secure door must separate the rooms from each other; a secure door must separate any room connected to and co-located with

Commented [HML42]: EO It took effect on November 24, 2020, and it will expire on March 23, 2021, unless made permanent.

The other part to this is that this regulation is open for public comment to make the regulations permanent.

the retail marijuana store; and

2. Comply with each provision of this chapter that applies to any other type of marijuana establishment license that the licensee of a retail marijuana store obtains.

Commented [HML43]: Effective Date: 12/10/20

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

*** **

10.80.307 - Internet and phone orders; exterior window or curbside pickup.

A. Notwithstanding 3 AAC 306.305(a) and 3 AAC 306.310(a)(5), a retail marijuana store licensed under 3 AAC 306.300 may accept internet or telephonic orders of marijuana or marijuana products from consumers if consumers intend to be physically present at the time of purchase on the licensed premises or at the location designated for exterior window or curbside pickup before November 15, 2020.

B. A retail marijuana store licensed under 3 AAC 306.300 may provide exterior window or curbside pickup of marijuana and marijuana products sold at retail before November 15, 2020, only if:

1. the marijuana or marijuana product offered for sale does not exceed the amounts set out under 3 AAC 306.355 and is packaged as required under 3 AAC 306.345;
2. a holder of a marijuana handler permit completing the sale verifies the requirements of 3 AAC 306.350 are satisfied and that the purchaser is not under the influence as described under 3 AAC 306.310(a)(2);
3. the licensee extends the video surveillance requirements of 3 AAC 306.720 to include the area designated for exterior window or curbside pickup;
4. the licensee submits, as applicable, a request for an operating plan change in accordance with 3 AAC 306.703 or a request for licensed premises alteration in accordance with 3 AAC 306.705, for which fees shall be waived, and the director provides written approval of that change or alteration; and
5. the licensee provides written assurance that the local government permits the change or alteration.

C. A licensee that offers marijuana or marijuana products for exterior window or curbside pickup must consent to inspections of the areas designated for exterior window or curbside pickup, excluding private vehicles, at all reasonable times and in a reasonable manner by investigative personnel of the board or by other peace officers acting

in their official capacity. Nothing in this section limits the existing powers of investigative personnel.

D. For purposes of this section,

1. "curbside pickup" means parking spots designated by a licensee for pickup of marijuana or marijuana products or an area immediately adjacent to an entrance to a licensee's business premises.

2. "exterior window pickup" means a drive-through or sliding or opening window of a marijuana retail store from which marijuana or marijuana products may be purchased without consumers entering the licensed premises.

10.80.310 - Acts prohibited at retail marijuana store.

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

1. To a person under the age of 21 years of age;
2. To a person that is under the influence of an alcoholic beverage, inhalant, or controlled substance;
3. That is not labeled and packaged as required in section 10.80.345, 3 AAC 306.470 and 3 AAC 306.475 or 3 AAC 306.565 and 3 AAC 306.570;
4. In a quantity exceeding the limit set out in section 10.80.355;
5. Unless permitted under 3 AAC 306.995, or over the internet; a licensed retail marijuana store may only sell marijuana or a marijuana product to a consumer who is physically present on the licensed premises or who is physically present at the location designated for exterior window or curbside pickup as described and permitted under 3 AAC 306.995; or
6. After the expiration date shown on the label of the marijuana or marijuana product.

B. A licensed retail marijuana store may not:

1. Conduct business on or allow a consumer to access the retail marijuana store's licensed premises during times prohibited by title 21;
2. Allow a person to consume marijuana or a marijuana product on the retail marijuana store's licensed premises except as

Commented [HML44]: Effective Date: 8/23/20 (3 AAC 306.995 made permanent)
Sunset now set for 11/15/20 Correct Dean??

Commented [HML45R44]: Transportation and ID guidance is extended, NOT curbside.

Commented [HML46R44]: EO It took effect on November 24, 2020, and it will expire on March 23, 2021, unless made permanent.

The other part to this is that this regulation is open for public comment to make the regulations permanent.

Commented [HML47]: EO It took effect on November 24, 2020, and it will expire on March 23, 2021, unless made permanent.

The other part to this is that this regulation is open for public comment to make the regulations permanent.

authorized by a municipal endorsement;

3. Allow overconsumption of marijuana or marijuana product in an authorized on-site consumption area;

4. Offer or deliver to a consumer, as a marketing promotion or for any other reason,

a. Free marijuana or marijuana product, including a sample; or

b. Alcoholic beverages, free or for compensation; or

5. Allow intoxicated or drunken persons to enter the licensed premises.

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

*** **

10.80.320 - Marijuana handler permit required.

A. A retail marijuana store shall ensure that:

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

Commented [AM48]: Effective Date: 2/21/2019

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

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.325 - Access restricted at marijuana retail store.

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

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

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

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

Commented [AM49]: Effective Date: 5/9/2019

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

*** **

10.80.355 - Limit on quantity sold.

- A. A retail marijuana store may not sell to any one person per day:
1. More than one ounce of usable marijuana;
 2. More than seven grams of marijuana concentrate for inhalation;
or
 3. More than 5,600 milligrams of THC in combined sales of marijuana and [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.

Commented [HML50]: Effective Date: 10/18/20

- 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 – Repealed. (Restriction on advertising of marijuana and marijuana products.)

[A. RESERVED.

B. AN ADVERTISEMENT FOR MARIJUANA OR A MARIJUANA PRODUCT MAY NOT CONTAIN A STATEMENT OR ILLUSTRATION THAT:

1. IS FALSE OR MISLEADING;
2. PROMOTES EXCESSIVE CONSUMPTION;
3. REPRESENTS THAT THE USE OF MARIJUANA HAS CURATIVE OR THERAPEUTIC EFFECTS;
4. DEPICTS A PERSON UNDER 21 YEARS OF AGE CONSUMING MARIJUANA; OR
5. INCLUDES AN OBJECT OR CHARACTER, INCLUDING A

TOY, A CARTOON CHARACTER, OR ANY OTHER DEPICTION
DESIGNED TO APPEAL TO A PERSON UNDER 21 YEARS OF
AGE, THAT PROMOTES CONSUMPTION OF MARIJUANA.

C. A RETAIL MARIJUANA STORE MAY NOT PLACE AN
ADVERTISEMENT FOR MARIJUANA OR A MARIJUANA PRODUCT,
EXCEPT AS PROVIDED IN SUBSECTION A. OF THIS SECTION:

1. WITHIN 1,000 FEET OF THE PERIMETER OF ANY CHILD-
CENTERED FACILITY, INCLUDING A SCHOOL, A CHILD CARE
FACILITY OR OTHER FACILITY PROVIDING SERVICES TO
CHILDREN, A PLAYGROUND OR RECREATION CENTER, A
PUBLIC PARK, A LIBRARY, OR A GAME ARCADE THAT IS
OPEN TO PERSONS UNDER 21 YEARS OF AGE;

2. ON OR IN A PUBLIC TRANSIT VEHICLE OR PUBLIC
TRANSIT SHELTER;

3. ON OR IN A PUBLICLY OWNED OR OPERATED
PROPERTY;

4. WITHIN 1,000 FEET OF A SUBSTANCE ~~MISUSE~~ ABUSE OR
TREATMENT FACILITY; OR

5. ON A CAMPUS FOR POSTSECONDARY EDUCATION.

D. A RETAIL MARIJUANA STORE MAY NOT USE GIVEAWAY
COUPONS AS PROMOTIONAL MATERIALS, OR CONDUCT
PROMOTIONAL ACTIVITIES SUCH AS GAMES OR COMPETITIONS
TO ENCOURAGE SALE OF MARIJUANA OR MARIJUANA
PRODUCTS.

E. ALL ADVERTISING FOR MARIJUANA OR ANY MARIJUANA
PRODUCT MUST CONTAIN EACH OF THE FOLLOWING WARNINGS:

1. "MARIJUANA HAS INTOXICATING EFFECTS AND MAY BE
HABIT FORMING AND ADDICTIVE";

2. "MARIJUANA IMPAIRS CONCENTRATION,
COORDINATION, AND JUDGMENT. DO NOT OPERATE A
VEHICLE OR MACHINERY UNDER ITS INFLUENCE";

3. "THERE ARE HEALTH RISKS ASSOCIATED WITH
CONSUMPTION OF MARIJUANA";

4. "FOR USE ONLY BY ADULTS TWENTY-ONE AND OLDER.
KEEP OUT OF THE REACH OF CHILDREN"; AND

5. "MARIJUANA SHOULD NOT BE USED BY WOMEN WHO
ARE PREGNANT OR BREAST FEEDING".]

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

Editor's note: Advertising restrictions moved to section 10.80.770 by AO
[insert AO no.]

*** **

**10.80.366 - Retail Marijuana Store Product Testing Program. [NO
CHANGE]**

*** **

C. Failure of samples.

*** **

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:

Commented [HML51]: Do we need to check with the AHD to see if there have been any changes to these?

| 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 |
| Flonicamid | 158062-67-0 | 1 |
| Fludioxonil | 131341-86-1 | 0.4 |
| Hexythiazox | 78587-05-0 | 1 |
| Imazalil | 35554-44-0 | 0.2 |
| Imidacloprid | 138261-41-3 | 0.4 |
| Kresoxim-methyl | 143390-89-0 | 0.4 |
| Malathion | 121-75-5 | 0.2 |

| | | |
|--------------------------|-------------|-----|
| Metalaxyl | 57837-19-1 | 0.2 |
| Methiocarb | 2032-65-7 | 0.2 |
| Methomyl | 16752-77-5 | 0.4 |
| Methyl parathion | 298-00-0 | 0.2 |
| MGK-264 | 113-48-4 | 0.2 |
| Myclobutanil | 88671-89-0 | 0.2 |
| Naled | 300-76-5 | 0.5 |
| Oxamyl | 23135-22-0 | 1 |
| Paclobutrazol | 76738-62-0 | 0.4 |
| Permethrins ¹ | 52645-53-1 | 0.2 |
| Phosmet | 732-11-6 | 0.2 |
| Piperonyl_butoxide | 51-03-6 | 2 |
| Prallethrin | 23031-36-9 | 0.2 |
| Propiconazole | 60207-90-1 | 0.4 |
| Propoxur | 114-26-1 | 0.2 |
| Pyrethrins ² | 8003-34-7 | 1 |
| Pyridaben | 96489-71-3 | 0.2 |
| Spinosad | 168316-95-8 | 0.2 |
| Spiromesifen | 283594-90-1 | 0.2 |
| Spirotetramat | 203313-25-1 | 0.2 |
| Spiroxamine | 118134-30-8 | 0.4 |
| Tebuconazole | 80443-41-0 | 0.4 |

| | | |
|-----------------|-------------|-----|
| Thiacloprid | 111988-49-9 | 0.2 |
| Thiamethoxam | 153719-23-4 | 0.2 |
| Trifloxystrobin | 141517-21-7 | 0.2 |

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

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

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

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

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

| Analyte | Acceptable Level (parts per million) |
|----------|--------------------------------------|
| Butanes | <800 |
| Heptanes | <500 |
| Benzene | <1 |
| Toluene | <1 |

| | |
|-------------------------------|--------------|
| Hexane | <10 |
| Total xylenes (m,p,o-xylenes) | <1 |
| Any other solvent | Not detected |

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

*** ** *

D. Failed materials, retests.

ARTICLE 4. - MARIJUANA CULTIVATION FACILITIES

*** ** *

10.80.405 - Marijuana cultivation facility: privileges and prohibited acts.

A. A licensed marijuana cultivation facility is authorized to:

1. Propagate, cultivate, harvest, prepare, cure, package, store, and label marijuana;
2. Sell marijuana only to a licensed retail marijuana store, to another licensed marijuana cultivation facility, or to a licensed marijuana product manufacturing facility;
3. Provide samples to a licensed marijuana testing facility for testing;
4. Store inventory on the licensed premises; any stored inventory must be secured in a restricted access area and accounted for in the marijuana cultivation facility's marijuana inventory tracking system as required under section 10.80.730;
5. Transport marijuana in compliance with section 10.80.750;
6. Conduct in-house testing for the marijuana cultivation facility's own use;
7. Provide marijuana samples to a licensed retail marijuana store or marijuana product manufacturing facility for the purpose of negotiating a sale.
8. begin initial operations at the time of preliminary inspection by an employee or agent of the board with

- a. 12 or fewer mature, non-flowering plants, designated and used as mother plants;
- b. any number of immature plants; and
- c. any number of seeds for cultivation on the licensed premises;

9. Introduce a new strain after written approval by the director on a form prescribed by the board, by

- a. receiving not more than six clones or cuttings from a person 21 years of age or older, without compensation; or
- b. receiving not more than 10 seeds from a person 21 years of age or older, without compensation, for cultivation on the licensed premises.

B. A licensee of a [LICENSED] marijuana cultivation facility may also apply for a marijuana product manufacturing facility license, and a retail marijuana store license, or both. A licensee of a marijuana cultivation facility ~~who~~~~that~~ obtains a marijuana product manufacturing facility license, retail marijuana store license, or both ~~any~~~~any~~ other marijuana establishment license shall:

1. Conduct any product manufacturing or retail marijuana store operation in a room separate from any other operation and ~~completely~~~~completely~~ separated from the marijuana cultivation facility, and shall conduct any retail marijuana store operation in a room separate from any other operation and the marijuana cultivation facility; if the rooms are connected and co-located, by a secure door must separate the rooms from each other; a secure door must separate any room connected to and co-located with the marijuana cultivation facility ~~when co-located;~~ and ~~when co-located;~~ and

2. Comply with each provision of this chapter that applies to any other type of marijuana establishment license that the licensee of a marijuana cultivation facility licensee obtains.

C. A licensed marijuana cultivation facility may not:

1. Sell, distribute, or transfer marijuana or a marijuana product to a consumer, with or without compensation;
2. Allow any person, including a licensee, employee, or agent, to consume marijuana or a marijuana product on the licensed premises or within 20 feet of the exterior of any building on the

Commented [HML52]: Effective Date: 12/10/20

- licensed premises;
3. Treat or otherwise adulterate marijuana with any organic or nonorganic chemical or other compound to alter the color, appearance, weight, or odor of the marijuana;
 4. [EXCEPT AS PERMITTED UNDER A MARIJUANA PRODUCT MANUFACTURING FACILITY LICENSE, EXTRACT MARIJUANA CONCENTRATE, USING ANY PROCESS DESCRIBED IN 3 AAC 306.555, AT THE LICENSED PREMISES;
 - 5.] Sell marijuana that is not packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475.
 5. Introduce marijuana or a marijuana product including plants and seeds, onto the licensed premises from any outside source after the initial preliminary inspection, except:
 - a. As acquired from another licensed marijuana cultivation facility and accounted for in each marijuana cultivation facility's marijuana inventory tracking system as required under 3 AAC 306.730; or
 - b. As provided under this section; or
 6. Produce or possess marijuana concentrate that was extracted using any process described in 3 AAC 306.555 on the marijuana cultivation facility's licensed premises, unless the licensee of the standard marijuana cultivation facility also has a marijuana product manufacturing facility license; a licensed standard marijuana cultivation facility must conduct any extraction or production of marijuana concentrate on the premises:
 - a. In a room that:
 - i. is separate as required in b. of this section from the marijuana cultivation area; and
 - ii. is posted with a sign that complies with 10.80.710(b) and warns unauthorized persons to stay out; and
 - b. in compliance with all applicable provisions of 10.80.500 – 10.80.570.

(AO No. 2016-16(S), § 1, 2-9-16)

*** *** ***

10.80.425 - Marijuana handler permit required.

Commented [HML53]: Effective Date: 12/10/20

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

1. Obtains a marijuana handler permit as provided in 3 AAC 306.700 before being licensed [PRESENT] or employed at the marijuana cultivation facility's licensed premises; and
2. Has that person's marijuana handler permit card in that person's immediate possession, or a valid copy on file on the premises, at all times while on the marijuana cultivation facility's licensed premises.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.430 - Restricted access area.

- A. A marijuana cultivation facility shall conduct any operation in a restricted access area in compliance with section 10.80.710 and this section.
- B. A marijuana cultivation facility shall conduct any marijuana growing operation within a fully enclosed secure indoor facility or greenhouse with rigid walls, a roof, and doors.

1. Outdoor production may take place in non-rigid greenhouses, other structures, or an expanse of open or cleared ground fully enclosed by a physical barrier. To obscure public view of the premises, outdoor production must be enclosed by a sight-obscuring wall or fence at least six feet high.

Commented [HML54]: Allowed by state.
Intentionally prohibited by muni?

- C. A marijuana cultivation facility shall ensure that any marijuana at the marijuana cultivation facility:
1. Cannot be observed by the public from outside the cultivation facility; and
 2. Does not emit an odor that is detectable by the public from outside the marijuana cultivation facility, except as allowed by special land use permit for marijuana.
- D. A marijuana cultivation facility shall have full video surveillance of the licensed premises as required under section 10.80.720, including any area where marijuana is grown, processed, packaged, or stored, or where marijuana waste is destroyed.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.435 - Marijuana inventory tracking system.

- 1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
- A. A marijuana cultivation facility shall use a marijuana inventory tracking system in compliance with section 10.80.730 to ensure all marijuana propagated, grown, or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is propagated through transfer to another licensed marijuana establishment or destruction. The marijuana cultivation facility shall assign a tracking number to each plant over eight inches tall and each package of marijuana to be transferred to another facility. A package of marijuana may not exceed 10 pounds. The marijuana cultivation facility shall also assign a plant batch name or number to each batch of clones or cuttings. A batch may not consist of more than 50 clones or cuttings. [WHEN HARVESTED, BUD AND FLOWERS, CLONES OR CUTTINGS, OR LEAVES AND TRIM MAY BE COMBINED IN HARVEST BATCHES OF DISTINCT STRAINS, NOT EXCEEDING FIVE POUNDS. EACH HARVEST BATCH MUST BE GIVEN AN INVENTORY TRACKING NUMBER. CLONES OR CUTTINGS MUST BE LIMITED TO 50 OR FEWER PLANTS AND IDENTIFIED BY A BATCH TRACKING NUMBER.]
- B. A marijuana cultivation facility shall record each sale and transport of any plants or seeds and each package [BATCH] in its marijuana inventory tracking system, and shall generate a valid transport manifest to accompany any transported plants and seeds and each transported package [BATCH].
- C. A marijuana cultivation facility shall record in its marijuana inventory tracking system all marijuana used to provide a sample authorized under section 10.80.460 for the purpose of negotiating sales, including:
1. The amount of each sample;
 2. The retail marijuana store or marijuana product manufacturing facility that received the sample; and
 3. The disposal of any expired or outdated promotional sample returned to the marijuana cultivation facility.

39 (AO No. 2016-16(S), § 1, 2-9-16)

40 * * * * *

41
42 **10.80.450 – Repealed. (Production of marijuana concentrate prohibited.)**

43
44 [A. A MARIJUANA CULTIVATION FACILITY MAY NOT PRODUCE OR
45 POSSESS MARIJUANA CONCENTRATE THAT WAS EXTRACTED USING
46 ANY PROCESS DESCRIBED IN 3 AAC 306.555 ON THE MARIJUANA
47 CULTIVATION FACILITY'S LICENSED PREMISES. AN ABUTTING
48 MARIJUANA PRODUCT MANUFACTURING FACILITY WITH A
49 MANUFACTURING FACILITY LICENSE MUST BE IN A SEPARATE ROOM
50 THAT:

Commented [HML55]: Effective Date: 3/13/20

Commented [HML56]: Repealed Effective 12/10/20

1. IS PHYSICALLY SEPARATED BY A SECURE DOOR FROM ANY CULTIVATION AREA; AND
2. HAS A SIGN THAT CLEARLY IDENTIFIES THE ROOM AS A MARIJUANA CONCENTRATE PRODUCTION AREA, AND WARNS UNAUTHORIZED PERSONS TO STAY OUT; AND
3. COMPLY WITH ALL APPLICABLE STANDARDS OF SECTIONS 10.80.500—10.80.570.]

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

10.80.460 - Samples.

- A. A marijuana cultivation facility may provide a free sample of marijuana to a retail marijuana store if packaged in a sample jar containing not more than three and one-half grams of marijuana and protected by a plastic or metal mesh screen to allow the retail marijuana store [CUSTOMERS] to smell the product before purchase.
- B. A marijuana cultivation facility may provide a free sample of marijuana to a retail marijuana store or marijuana product manufacturing facility as follows:
 1. A sample provided for the purpose of negotiating a sale may be not more than one ounce;
 2. A marijuana cultivation facility may not provide any one licensed retail marijuana store or marijuana product manufacturing facility with more than one ounce of marijuana per month free-of-charge for the purpose of negotiating a sale.
- C. A retail marijuana store that receives a marijuana sample may not sell the marijuana sample to a customer, and shall either:
 1. Return the marijuana sample to the marijuana cultivation facility that provided the sample, or
 2. Destroy anything that remains of the marijuana sample after use and document the use and destruction in the marijuana store's marijuana inventory control system.
- D. A marijuana cultivation facility may provide a sample of marijuana grown at that facility to an employee of the facility, who is in possession of a valid marijuana handler card for the purpose of quality control only if:
 1. samples provided to employees for quality control do not exceed

Commented [HML57]: Effective Date: 5/9/19

Commented [HML58]: Effective Date: 12/25/20

- a cumulative total of one ounce per 30-day period;
2. each sample is registered and tracked using the marijuana inventory tracking system in accordance with 3 AAC 306.730;
3. consumption of marijuana does not occur on the licensed premises;
4. no sample provided under this subsection is sold or given to another licensee or consumer;
5. each employee who receives a marijuana sample for the purpose of quality control completes a quality control form approved by the board for each sample;
6. the licensee maintains copies of completed forms required under (5) of this subsection in accordance with 3 AAC 306.755; and
7. samples that leave the licensed premises are packaged in opaque, resealable, child-resistant packaging and clearly marked or labeled "For Quality Control" and the packaging is designed or constructed to be significantly difficult for children under five years of age to open, but not normally difficult for adults to use properly; and
8. each sample is tested under 3 AAC 306.455 and 3 AAC 306.645 before provided to an employee under this subsection.

Commented [HML59]: Effective Date: 12/25/20

(AO No. 2016-16(S), § 1, 2-9-16)

ARTICLE 5. - MARIJUANA PRODUCT MANUFACTURING FACILITIES

*** **

10.80.505 - Marijuana product manufacturing facility privileges.

*** **

B. A licensee of a marijuana product manufacturing facility, including a licensee of a marijuana concentrate manufacturing facility, may also apply for a marijuana cultivation facility license, retail marijuana store license, or both. A licensee of a marijuana product manufacturing facility, including a licensee of a marijuana concentrate manufacturing facility, who obtains a marijuana cultivation facility license, retail marijuana store license, or both shall:

1. conduct any marijuana cultivation operation in a room separate from any other operation and the marijuana product manufacturing facility, and shall conduct any retail marijuana store operation in a room separate from any other operation and the marijuana product manufacturing facility; if the rooms are connected and co-located, a secure door must separate the rooms from each other; a secure door must separate any room

connected to and co-located with the marijuana product
manufacturing facility; and

2. comply with each provision of this chapter that applies to any
other type of marijuana establishment license that the licensee
of a marijuana product manufacturing facility or marijuana
concentrate manufacturing facility obtains.

Commented [HML60]: Effective Date: 12/10/20

(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:

Commented [AM61]: Effective Date: 2/21/2019

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)

*** **

ARTICLE 6. - MARIJUANA TESTING FACILITIES

*** **

10.80.610 - Marijuana testing facilities: privileges and prohibitions.

*** **

B. A licensed marijuana testing facility may not:

1. Have a licensee, employee, or agent who holds a type of
marijuana establishment license other than a marijuana testing
facility license issued under this chapter;
2. Sell, deliver, distribute, or transfer marijuana or a marijuana
product to a consumer, with or without compensation; [OR]

3. Allow a person to consume marijuana or a marijuana product on its licensed premises; or.

4. have overlapping premises, including restricted access areas, with any other marijuana establishment licensee.

Commented [HML62]: Effective Date: 12/10/20

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.615 - Application for marijuana testing facility license.

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

C. The assembly will approve a marijuana testing facility license if, after the municipality 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 assembly 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 guarantee that a licensed marijuana testing facility can or will protect the public from all potential hazards of marijuana including microbials, poisons, or toxins, residual solvents, pesticides, or other contaminants.

Commented [HML63]: Part of 3 AAC 306.620, not included in original AO. Keep here?

Commented [HML64]: Effective Date: 3/25/20

Commented [AM65]: Effective Date: 3/25/2020

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.622 – Marijuana handler permit required.

A. 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

1. 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

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

Commented [AM66]: Effective Date: 2/21/2019

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

1. In a timely manner to the marijuana establishment that submitted the sample; and

2. To the municipal clerk not later than 72 hours after the marijuana testing facility determines that results of tested samples exceed allowable levels.

Commented [HML67]: Do we want to keep this requirement? (Not been receiving.)

(AO No. 2016-16(S), § 1, 2-9-16)

ARTICLE 7. - OPERATING REQUIREMENTS

10.80.700 - Marijuana handler permit.

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

Commented [HML68]: Effective Date: 8/21/19

Commented [AM69]: Effective Date: 2/21/2019

B. A licensee, employee, or agent of a marijuana establishment must keep the marijuana handler permit card issued pursuant to 3 AAC 306.700(c) in that person's immediate possession or a valid copy on file on the premises at all times when on the licensed premises of the marijuana establishment.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.703 – Operations.

Commented [GDT70]: Effective Date: 5/9/2019

A licensed marijuana establishment shall operate in accordance with the operating plan approved by the assembly. The licensee may request an operating plan change in accordance with 10.80.100C.

10.80.705 - Licensed premises alteration.

A. A marijuana establishment license will be issued for specific licensed premises. Unlicensed areas may not separate portions of licensed premises, except that the Assembly may approve adjacent portions of the licensed premises that are not a restricted access area as permitted under 10.80.710. A specific licensed premises must constitute a place clearly designated in a license application and described by a line drawing submitted with the license application. The licensed premises must:

Commented [HML71]: Effective Date: 12/10/20

1. Have adequate space for its approved operations, including growing, manufacturing, processing, packaging, or storing marijuana or marijuana products; and

2. Be located and constructed to facilitate cleaning, maintenance, and proper operation.

B. A marijuana establishment's municipal license and, if applicable, an endorsement issued under 10.80.110, including 10.80.370, must be posted in a conspicuous place within the licensed premises.

Commented [HML72]: Effective Date: 12/10/20

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

D. The assembly may approve overlapping premises for two or more licenses, owned by the same group of persons, and within the same building or with abutting premises, to use in common for an office, an employee breakroom, bathrooms, non-marijuana storage areas, or any combination of those uses. The overlapping premises may not be restricted access areas as prescribed under 10.80.710.

Commented [HML73]: Effective Date: 12/10/20

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.711 - No overlapping licenses. [NO CHANGE]

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

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.710 - Restricted access areas.

*** **

D. The assembly may approve overlapping premises for two or more licenses, owned by the same person or the same group of persons, and within the same building, to use in common for a marijuana or marijuana product stage area if:

1. the marijuana or marijuana product is properly accounted for in the marijuana establishment's inventory tracking system required under 10.80.730;

2. the marijuana or marijuana product is expressly identified as inventory of the appropriate marijuana establishment to which the marijuana or marijuana product belongs; and

3. the area is in compliance with this section and any other provision of this chapter that applies to restricted access areas.

including video surveillance as required under 10.80.720 and
restricted access area provisions specific to the licensed type to
which the marijuana or marijuana product belongs.

E. Failure to comply with D. of this section is grounds for issuance of a
notice of violation under 10.80.805A. or other enforcement action under
10.80.800 - 10.80.850.

Commented [HML74]: Effective Date: 12/10/20

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.725 - Inspection of licensed premises.

A. A marijuana establishment or an applicant for a marijuana
establishment license under this chapter shall, upon request, make the
licensed premises or the proposed licensed premises, including any
place for storage and overlapping premises described under 10.80.705D.
and 10.80.710D., immediately available for inspection by an official
charged with the enforcement of this chapter, the Anchorage Police
Department, the Anchorage Fire Department, the Municipal Code
Enforcement Department, the Municipal Health Department or any other
local official with health and safety responsibilities.

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

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.750 - Transportation.

G. A marijuana establishment may transport marijuana or a marijuana
product to and from a trade show or similar industry event in
accordance with 10.80.760 and this section.

Commented [HML75]: Effective Date: 8/11/18

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

10.80.755 - Business records.

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

1. All books and records necessary to fully account for each
business transaction conducted under its license for the current

year and three preceding calendar years; records for the last six months must be maintained on the marijuana establishment's licensed premises or in overlapping premises approved by the assembly under 10.80.705D. Older records may be archived on or off premises;

Commented [HML76]: Effective Date: 12/10/20

2. A current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;

3. The business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises;

4. Records related to advertising and marketing;

5. A current diagram of the licensed premises including each restricted access area and all overlapping premises approved by the assembly under 10.80.705D. and 10.80.710D.;

Commented [HML77]: Effective Date: 12/10/20

6. A log recording the name, and date and time of entry of each visitor permitted in a restricted access area;

7. All records normally retained for tax purposes;

8. Accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed; and

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

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

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

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.760 – Trade shows.

Commented [GDT78]: Effective Date: 8/11/18

- 1
2 A. Licensed marijuana establishments must comply with this section when
3 participating in trade shows and similar industry events.
4
5 B. A licensed cultivation facility may bring one plant to the trade show or
6 event for display. The removal from and return of the plant to the
7 licensed premises must be tracked in the inventory tracking system.
8 Any marijuana removed from the plant at the event must be retained by
9 the licensee and returned to the licensed premises.
10
11 C. A licensed cultivation facility and a licensed retail facility may bring up to
12 one ounce of marijuana to the trade show or event for display. The
13 removal from and return of the marijuana to the licensed premises must
14 be tracked in the marijuana inventory tracking system. The marijuana
15 shall be contained so that the marijuana may not be removed from the
16 display's immediate vicinity by a member of the public.
17
18 D. A licensed product manufacturing facility and a licensed retail facility
19 may bring one sample package of each marijuana product made or
20 sold by the facility to the event for display. The removal from and return
21 of the marijuana product to the licensed premises must be tracked in
22 the marijuana inventory tracking system. The marijuana product must
23 remain packaged in the approved packaging throughout the duration of
24 the event.
25
26 E. A licensed testing facility may not perform required tests on samples
27 from a licensed facility at any trade show or similar event.
28
29 F. No marijuana or marijuana product may be sold or distributed by a
30 licensee at the event.
31
32 G. Marijuana and marijuana product displayed at an event by a licensee
33 must be handled only by a licensee, or employee or agent of a
34 licensee, who holds a valid marijuana handler permit.
35
36 H. Advertising or promotions displayed or distributed at the event by a
37 licensee shall comply with the requirements of this chapter.
38

39 **10.80.770 – Signs, merchandise, advertisements, and promotions.**

- 40
41 A. Business cards and merchandise, including t-shirts, hats, and stickers,
42 that are distributed by a licensed marijuana establishment and contain
43 only the business name and logo, license name, and location and
44 contact information, are not advertising or promotions.
45
46 B. A licensed marijuana establishment may have not more than three
47 signs that are visible to the general public from the public right-of-way.
48 Two of the three signs may only be placed in the marijuana facility's
49 window or attached to the outside of the licensed premises. The size of
50 each sign may not exceed 4,800 square inches. A sign meeting these

Commented [GDT79]: Effective Date: 10/17/18

requirements is not advertising or promotions.

C. An advertisement for a licensed marijuana establishment and for marijuana or a marijuana product must include the business name and license number.

D. An advertisement for a licensed marijuana establishment is exempt from providing the warning statement in (g) of this section if:

1. the advertisement contains only the business name, logo, business type, contact information, location, and hours of operation; and

2. the advertisement does not contain any written information about marijuana or a marijuana product or any photographic or illustrative depictions of marijuana or a marijuana product, other than depictions contained within the established business name font and logo.

E. A logo or an advertisement for a licensed marijuana establishment and for marijuana or a marijuana product may not contain a statement or illustration that:

1. is false or misleading;

2. promotes excessive consumption;

3. represents that the use of marijuana has curative or therapeutic effects;

4. depicts a person under 21 years of age consuming marijuana; or

5. includes any object or character, including a toy, a cartoon character, or any other depiction that appeals to a person under 21 years of age.

F. An advertisement for a licensed marijuana establishment and for marijuana or a marijuana product may not be placed:

1. within 1,000 feet of the perimeter of any child-centered facility, including a school, a child care facility or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under 21 years of age, except when included in an established publication intended for general readership;

2. on or in a public transit vehicle or public transit shelter;

3. on or in a publicly owned or operated property;

4. within 1,000 feet of a substance abuse or treatment facility; or

5. on a campus for postsecondary education.

G. An advertisement for marijuana or any marijuana product must contain each of the following warnings, that must be plainly visible and at least half the font size of an advertisement on a sign, and no smaller than size nine font when the advertisement is in printed form; warnings in audio advertisements must be intelligible and played at the same speed as the advertisement;

1. "Marijuana has intoxicating effects and may be habit forming and addictive.";

2. "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence.";

3. "There are health risks associated with consumption of marijuana.";

4. "For use only by adults twenty-one and older. Keep out of the reach of children.";

5. "Marijuana should not be used by women who are pregnant or breast feeding."

H. A licensed marijuana establishment that advertises by means of a web page must utilize appropriate measures to ensure that individuals visiting the web page are 21 years of age or older.

I. A licensed marijuana establishment may not engage in advertising by means of marketing directed towards location-based devices, including cellular phones, unless the marketing is a mobile device application installed on the device by the owner of the device who is 21 years of age or older and the application includes a permanent and easy opt-out feature.

J. As long as no more than 30 percent of the event's participants and audience is reasonably expected to be under 21 years of age, a licensed marijuana establishment may sponsor:

1. an industry trade show;

2. a charitable event;

3. a sports event or competition;

4. a concert; or

5. any other even approved in advance by the board.

K. A licensed marijuana establishment may not encourage the sale of
marijuana or a marijuana product

1. by using giveaway coupons for marijuana or a marijuana product
as promotional materials;
2. by conducting games or competitions related to the consumption
of marijuana or a marijuana product;
3. by providing promotional materials or activities of a manner or
type that would be especially appealing to children; or
4. by holding promotional activities outside of the licensed
premises.

ARTICLE 8. - ENFORCEMENT, CIVIL PENALTIES

10.80.800 - Inspection and investigation.

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

1. Inspect the licensed premises of a marijuana establishment, including overlapping premises approved by the assembly under 10.80.705D. and 10.80.710D., any marijuana and marijuana product on the premises, equipment used in cultivating, processing, testing, or storing marijuana, the marijuana establishment's marijuana inventory tracking system, business records, and computers, at any reasonable time and in a reasonable manner;
2. Issue a report or notice as provided in section 10.80.805; [AND]
3. seize or place an administrative hold on marijuana or any marijuana product as provided in 3 AAC 306.830; and
4. Exercise peace officer powers and take any other action the municipality determines is necessary.

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

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

Commented [HML80]: Effective Date: 12/10/20

Commented [HML81]: Effective Date: 12/6/20

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

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.846 - Appeal.

A person aggrieved by a final decision of the Assembly suspending, revoking, or restricting a license or endorsement under this chapter, or imposing a civil fine under this chapter, or upholding as justified an administrative hold on or the seizure of marijuana or a marijuana product, may appeal to the superior court.

Commented [HML82]: Effective Date: 12/6/20

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

10.80.850 - Surrender or destruction of license or endorsement. [NO 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

Commented [GDT83]: To reflect our practice of not disclosing security camera location diagram

2. Are required to be kept confidential by any federal or state law or regulation.

(AO No. 2016-16(S), § 1, 2-9-16)

10.80.990 - Definitions.

A. In this chapter:

["AFFILIATE" MEANS A PERSON THAT DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES CONTROLS, OR IS CONTROLLED BY, OR IS UNDER COMMON CONTROL WITH, A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR CORPORATION SUBJECT TO THIS CHAPTER;]

Commented [HML84]: Repealed 10/20/18

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

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

Commented [HML85]: Effective Date: 3/13/20

"Licensed premises" means any or all designated portions of a building or structure, or rooms or enclosures in the building or structure, including overlapping premises approved by the assembly under 10.80.705D. and 10.80.710D. or designated outdoor areas, at the specific location, for which a marijuana establishment license is issued, and used, controlled, or operated by the marijuana establishment to carry out the business for which it is licensed;

Commented [HML86]: Effective Date: 12/10/20

"Total CBD" means the sum of CBD and $(0.877) \times (\text{CBDA})$;

"Total THC" means the sum of THC and $(0.877) \times (\text{THCA})$;

Commented [HML87]: Effective Date: 5/9/19

(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 _____, 2021.

Chair of the Assembly

ATTEST:

Municipal Clerk

DRAFT