

Submitted by: ASSEMBLY MEMBER **
Prepared by: Dept. of _____
For reading: _____ (always blank)

ANCHORAGE, ALASKA
AO No. 2024-_____

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY REPEALING**
2 **AND REINACTING ANCHORAGE MUNICIPAL CODE CHAPTER 10.80,**
3 **LICENSING AND REGULATION OF MARIJUANA ESTABLISHMENTS (AMC**
4 **10.80) TO (1) INCORPORATE STATE REGULATIONS CHANGES; (2) UPDATE**
5 **AND CLARIFY MUNICIPAL MARIJUANA LICENSING REGULATIONS, AND (3)**
6 **AMEND THE MUNICIPAL FINE SCHEDULE AND RELATED MATTERS.**
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8
9 **WHEREAS**, Ballot Measure 2 (2014), An Act to Tax and Regulate the Production,
10 Sale, and Use of Marijuana (Act), was codified in state statute as Statute 17.38 *et*
11 *seq.*; and
12

13 **WHEREAS**, the Municipality of Anchorage codified the state statute by adding a new
14 chapter for the licensing and regulation of marijuana establishments at Anchorage
15 Municipal Code Chapter 10.50, largely restating the state statute. See AO 2016-
16 16(S), As Amended.; and
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18 **WHEREAS**, numerous amendments have been adopted and implemented since the
19 enactment of the initial state statute and municipal code; and
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21 **WHEREAS**, to limit duplication and to highlight the differences between the state and
22 municipal legislation, this ordinance incorporates by reference the overall state
23 regulatory statutory provisions and regulations without restating these provisions; and
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25 **WHEREAS**, this ordinance thereafter outlines in detail the procedures, code
26 provisions, and policies of the Municipality; now, therefore,
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28 **THE ANCHORAGE ASSEMBLY ORDAINS:**
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30 **Section 1.** Anchorage Municipal Code Chapter 10.80 is repealed and reenacted
31 in accordance with AMC section 1.05.050B, a copy of the existing text of these
32 sections is attached as Exhibit A
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34 **Section 2.** Chapter 10.80 LICENSING AND REGULATION OF MARIJUANA
35 ESTABLISHMENTS
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38 **10.80.0XX Designation of local regulatory authority.**
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40 **A. Assembly authority.**

- 41 1. The assembly, as the local governing body of the Municipality of
42 Anchorage, holds the authority to grant municipal marijuana licenses.
- 43 2. The assembly is authorized by the state to protest a state marijuana
44 license application.

- 1 B. Pursuant to AS 17.38.210(c), the clerk is designated as the local regulatory
- 2 authority for the municipality.
- 3
- 4 C. It is unlawful for licensees, agents, or employees to violate provisions of this
- 5 Chapter, Anchorage Municipal Penal Code 8.35, 3 AAC 306, and AS 17.38.
- 6 The municipality may enforce all regulations upon marijuana facilities
- 7 covered by these regulations.
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10.80.0XX Definitions.

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- 12 A. Definitions set forth in 3 AAC 306 are hereby incorporated by reference except
- 13 as supplemented or modified in this chapter.
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- 15 B. For purposes of this chapter:

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17 "AMCO" means the State of Alaska Alcohol and Marijuana Control

18 Office;

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20 "Application" means a new, renewal or transfer license application

21 including location or owner of the license, an endorsement, or a license

22 with endorsement unless further specified.

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24 "Approved" means assembly has passed an assembly resolution for the

25 approval of a license application and/or special land use permit

26 application, but conditions of the approval have not been complied with;

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28 "Board" means the State Marijuana Control Board;

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30 "Clerk" means the Municipal Clerk or the Clerk's designee;

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32 "Effective" means the license application and/or special land use permit

33 application previously approved by the assembly complies with all

34 conditions of approval and has the license and/or permit have been

35 issued;

10.80.1XX Incorporation of state statutes and regulations.

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38 The state statutes at AS 17.38, The Regulation of Marijuana, and regulations

39 promulgated thereunder at 3 AAC 306, (hereinafter referred to as State Statute

40 and Regulations) as amended from time to time, are adopted and incorporated by

41 reference except as supplemented or modified in this chapter.

10.80.1XX License required.

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- 46 A. A marijuana establishment may not operate in the municipality unless it has
- 47 obtained the applicable marijuana establishment license from the
- 48 municipality. Upon approval by the assembly, the clerk will issue the
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Commented [MH1]: Update language through out: 3 AAC 306 to State Statute and Regulations.

Commented [MH2]: DEE: Wording??

Commented [MH3R2]: Copying 16.55.020 - Adoption of the Alaska Child Care Licensing Statutes and Regulations. But the language used to refer to state is still really long.

Commented [DE4R2]: We only need catch all phrase if we refer to state law elsewhere outside of incorporation. If so, may easier to refer to as State Statute and Regulations.

1 following marijuana establishment licenses under this chapter:

- 2 1. a retail marijuana store license,
- 3 2. a marijuana cultivation facility license,
- 4 3. a marijuana manufacturing facility license, and
- 5 4. a marijuana testing facility license.

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7 B. Applicants for a marijuana license must:

- 8 1. submit a municipal application form provided by the clerk, and
- 9 2. demonstrate, to the assembly's satisfaction, that the applicant will
10 operate in compliance with:
 - 11 a. each applicable provision of 3 AAC 306 and this chapter; and
 - 12 b. each applicable land use, public health, fire, safety, and tax
13 law of the municipality.

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16 **10.80.1XX License conditions.**

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18 A. The municipality will issue each marijuana establishment license to a
19 specific individual, to a partnership, including a limited partnership, to a
20 limited liability company, or to a corporation. A person other than a licensee
21 may not have a direct or indirect financial interest in the business for which
22 a marijuana establishment license is issued.
- 23
24 B. The municipality will issue each license for a specific location identified on
25 the license as the licensed premises. A marijuana establishment must have
26 a right to possession of its licensed premises at all times and may not lease
27 its licensed premises to another person for any reason.
- 28
29 C. The licenses premises must meet the requirements of Title 21. To the
30 extent of any conflict between this chapter and the requirements of Title 21,
31 the more restrictive requirements shall apply.
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33 E. The assembly may impose other conditions or restrictions on a license
34 issued under this chapter when the Assembly finds that it is in the interests
35 of the public to do so.

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38 **10.80.1XX License restrictions.**

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40 A. License restrictions include the prohibited acts set forth under 3 AAC 306,
41 AMC 10.05.020 and prohibited acts under sections for retail, cultivation,
42 manufacturing, and testing licenses and apply to the premises identified in
43 an application for a municipal marijuana establishment license.

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46 **10.80.1XX Applications for new, renewal or transfer of license and/or
47 endorsement.**

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49 In this section, reference to a new, renewal or transfer license/application includes
50 the license, an endorsement, or a license with endorsement.

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- A. *Municipal Application.* An applicant for a new, renewal or transfer of a municipal marijuana establishment license and/or endorsement must submit a municipal application.
- B. *Fees.* The applicant must pay to the municipality the application and licensing fees set out in section **10.80.1XX (fees)**.
- C. *New Application*
1. The municipality will accept an application for a new marijuana license only after AMCO has deemed the corresponding state marijuana establishment license application complete.
 2. The combined application for a new marijuana establishment license with special land use permit shall be submitted by the applicant to the Planning Director who shall determine if the application is complete.
 3. A marijuana establishment's new application must include:
 - a. the establishment name, applicant name, premises address, and license type, and endorsement if applicable; identification of the license number issued by the State for the corresponding State marijuana license; and
 - c. the physical address of each individual who qualifies as a licensee; and
 - d. all information required under Title 21 for the special land use permit for marijuana; and
 - e. the information required by section **10.80.2XX (onsite)** 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.
 4. If the Planning Director determines the application is complete, the Planning Director shall as soon as practicable give written notice to the applicant and the community council in which the proposed licensed premises is located.
 5. If the municipal application is incomplete, the Planning Director shall notify the applicant by electronic mail at the address provided by the applicant, and:
 - a. return an incomplete application in its entirety to the applicant; or
 - b. request the applicant to provide additional identified items needed to complete the application.
 6. When the Planning Director informs an applicant that their application is incomplete, the applicant must complete the application not later than 90 days after the date of the Planning Director's notice. If an applicant fails to complete its application during the 90-day period after the Planning Director's notice, the applicant must file a new application.
- D. *Renewal:* Marijuana establishment licenses:
 1. must be renewed every two years;
 2. applications will be accepted by the clerk's office only between May 1

- 1 and August 31; and
- 2 3. applications must be received by the clerk's office not later than June
- 3 30 of the renewal year;
- 4 4. application must include:
- 5 a. the information required under section 10.80.1XXC.2. except
- 6 for information regarding the previously approved special land
- 7 use permit; and
- 8 b. any other information required by the clerk.
- 9 5. applications received on or after July 1 or are subject to closure as
- 10 described in subsection E.3.
- 11 6. a renewal application is not required if a marijuana establishment
- 12 has received approval for its original license by the assembly, but it
- 13 is not effective before July 1 of the renewal year.
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15 E. *Expiration.*

- 16 1. All marijuana establishment licenses and endorsements expire at
- 17 12:00 midnight on August 31 of the renewal year, unless a different
- 18 date is set in the assembly resolution approving the license or
- 19 endorsement.
- 20 2. If a marijuana establishment files a complete license renewal
- 21 application between May 1 and on or before August 31:
- 22 a. *filed on or before June 30.* The marijuana establishment may
- 23 continue operating under the current license notwithstanding
- 24 the expiration date until the renewed license is approved and
- 25 effective, or until the assembly denies the application for
- 26 renewal.
- 27 b. *filed on or after July 1.* The marijuana establishment shall not
- 28 operate after August 31 until the renewed license is approved
- 29 and effective. The establishment may retain possession of the
- 30 marijuana or marijuana product that is otherwise compliant with
- 31 this chapter on its premises although prohibited from operations
- 32 pending a decision on the renewal application.
- 33 3. If a marijuana establishment fails to file a complete license renewal
- 34 application on or before August 31, the holder of that expired license
- 35 shall, within ten days of expiration, surrender the license to the clerk.
- 36 4. Any holder of an expired license with no renewal application pending
- 37 that seeks authority to operate must file a new application under
- 38 sections 10.80.1XXC.
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40 F. *Transfer of ownership.*

- 41 1. An application for transfer of ownership or transfer of controlling
- 42 interest of a license must be filed in writing on a form the clerk
- 43 prescribes. Regardless of any private agreement, a transfer of
- 44 ownership or of a controlling interest in a license is not effective until
- 45 after issuance of the license.
- 46 2. The application must name the current licensee(s) transferors of the
- 47 marijuana establishment license and the proposed licensee(s)
- 48 transferees. Ownership must match the corresponding State
- 49 marijuana license transfer application information.
- 50 3. The application must contain:

- a. the information required under section 10.80.1XXC.2. except for information regarding the previously approved special land use permit; and
 - b. any other information required by the clerk for the type of marijuana establishment license sought to be transferred.
4. A municipal onsite consumption endorsement may only be transferred to another person if the license for which the endorsement was issued is also transferred to that person.

G. *Transfer of location.*

1. An application for transfer of a marijuana establishment license with or without any associated endorsement to another location must be filed in writing on a form the clerk prescribes.
2. An application for transfer of a marijuana establishment license to another location must contain:
 - a. the information required under section 10.80.1XXC.2.
 - b. the current location of the licensed premises,
 - c. the proposed location of the proposed licensed premises, and
 - d. whether the license holder intends to transfer the endorsements.
 - e. any other information required by the clerk for the type of marijuana establishment license sought to be transferred.
3. An application for a special land use permit under Title 21, may be required.

Commented [MH5]: POLICY QUESTION

H. *Transfer of Location with transfer to another person.*

1. If the transfer of a license to another location is concurrent with the transfer of the license to another person as described under this section, an application must be filed in writing on a form the clerk prescribes.
2. An application for transfer of a marijuana establishment license to another location must contain the information listed under subsections F and G.

Commented [MH6]: POLICY QUESTION

I. *Transfer and renewal.*

1. A current holder of a marijuana establishment license shall submit a municipal renewal application before or at the same time as an application for a transfer of a license to another location that is submitted after April 30 and before August 31.
2. 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.

J. 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 a conspicuous place.

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

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3 **10.80.1XX Action by the clerk.**
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- 5 A. *Protest of new state marijuana license.* Upon receipt by the clerk of notice
6 from AMCO of the filing of a new state marijuana license application, the
7 clerk shall protest, on behalf of the assembly, the license or endorsement
8 application. The applicant must possess all licenses, permits and approvals
9 needed to operate a marijuana establishment or endorsement activity within
10 the municipality.
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- 12 B. *Notice of renewal.* On or before May 1 of each year the clerk shall:
13 1. send notice to marijuana establishments with license(s) in active and
14 operating status that they must file a renewal application for each
15 license due for renewal not later than June 30 of the current year.
16 2. notify each community council of all the marijuana establishment
17 licenses located within its boundaries that are due to expire in
18 August that calendar year and advise councils they may request a
19 public hearing before the assembly on any renewal within its
20 boundaries.
21 a. Requests for a public hearing before the assembly shall be made
22 no later than June 15 of that same year and shall be
23 submitted to the clerk's office.
24 i. Requests should be in the form of a community council
25 resolution with grounds for the public hearing request
26 including, but not limited to:
27 (A). total votes in favor and opposed to the
28 resolution; and
29 (B). comments from residents; and
30 (C). photographs, videos, data, or other
31 documentation.
32 1. Requests received on or before June 15
33 will be accepted by the clerk under this
34 section and a public hearing will be
35 scheduled.
36 2. Public hearings scheduled by the clerk, on
37 behalf of the assembly, shall be submitted
38 to the assembly by resolution and include
39 the community council resolution.
40 b. Holders of licenses for which a public hearing has been
41 scheduled shall be notified by the clerk of the request for a
42 public hearing and provided a copy of the community council
43 request and documentation.
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- 45 C. *Notice of expiration.* On or before August 15 of each year, the clerk shall
46 deliver a notice of expiration to each marijuana establishment due for
47 renewal that has not filed a complete application for renewal. A marijuana
48 establishment is not excused from filing a license renewal application not
49 later than August 31 of each year even if the marijuana establishment does
50 not receive the notice of expiration described in this section.

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- D. *Notice of deemed complete applications.* When the clerk receives an application for a renewal or transfer of a license (location or controlling interest) and determines that the application is complete, the clerk shall give notice of the deemed complete application to:
1. the applicant; and
 2. the community council in which the licensed premises is located.

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- E. *Compliance determination:* In determining whether applications have complied with the provisions of this chapter, the clerk shall compile all department reviews received determining whether the proposed activity or business complies with the specific laws or municipal regulations administered by the municipal departments referenced in 10.10.020. and submit them to the assembly with the application in the form of a resolution. The resolution shall include all comments received by the clerk's office from the public or Community Council as well as any enforcement actions if applicable.

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10.80.1XX Public participation.

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- A. *Public comment:* A person may comment on an application by submitting a written statement to the clerk. If a public hearing is held, a person may also give oral testimony at the public hearing held in accordance with subsection B.
- B. *Public hearing:* Notice of public hearing required under this section shall be published at least seven days in advance.
1. The assembly will hold a hearing:
 - a. for a new application for a marijuana establishment. The hearing will be consolidated with the hearing required by Title 21 on the applicant's associated application for a special land use permit; and
 - b. for a new application for an onsite consumption endorsement. The hearing may be consolidated with the hearing required for a new application for a marijuana establishment license under subsection A. of this section.
 2. The assembly may hold a hearing:
 - a. for an application for a renewal of a license with or without endorsement, transfer of a license, or transfer of a controlling interest in a license.

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10.80.1XX Assembly procedure for action on license or endorsement application and protest to State Marijuana Control Board.

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

1 application, the assembly may protest the application, conditionally protest
2 the application, or waive its right to protest. The assembly waives its right
3 to protest if the assembly fails to protest within the time designated by the
4 state.

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

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43 **B. *Conditions.***

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

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

- 3 4. The assembly may amend the proposed resolution to include facts
4 and findings to support placing conditions on the municipal
5 marijuana license or for the request for conditions to be placed on
6 the State marijuana license, by the Board.
- 7 a. Conditions placed on the State license by the Board are valid
8 for the current licensing period only.
- 9 b. A public hearing must be held prior to requesting conditions
10 be placed for the following licensing period.
- 11 5. The assembly may add, remove, or modify conditions of the license,
12 including conditioning its waiver of protest on satisfaction of any such
13 conditions of the transfer or imposed on the transferees.

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16 **10.80.1XX - Standards governing assembly review of state marijuana license
17 applications.**

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19 A. The assembly shall consider whether the proposed application meets
20 standards set forth in this subsection, as follows:
- 21 1. *General requirements.* Whether all review certifications of
22 compliance from municipal departments have been received as
23 required by AMC 10.10.020.
- 24 2. *Public comments.* Whether comments have been received
25 regarding the application from the public or the corresponding
26 community council.
- 27 3. *Payment of taxes, fees, and fines.*
- 28 a. Whether the applicant is delinquent in payment of accounts
29 owed to the municipality.
- 30 b. When application is made for transfer of ownership of a
31 license the assembly shall consider whether the municipality
32 has received either payment or adequate security for the
33 payment of any debts or taxes, including any estimated taxes
34 for the current year arising from the conduct of the licensed
35 business.
- 36 4. *Security for payment of taxes, fees, and fines.* Adequate security for
37 the payment of debts and taxes may be in the form of:
- 38 a. escrowed funds sufficient to pay the taxes, fees and fines
39 claimed and any escrow fees; or
- 40 b. actual payment of debts and taxes claimed; or
- 41 c. a guarantee agreement in accordance with this subsection.
42 Any guarantee agreement under this subsection shall be in
43 writing, shall be signed by the transferor, transferee and
44 municipality, and must include:
- 45 i. acknowledgment and acceptance of responsibility by
46 the transferee for the debts and taxes, fees, and fines
47 due to the municipality; and
- 48 ii. recognition of the municipality as the beneficiary of the
49 agreement; and

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

18 **10.80.1XX Denial of application.**

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- A. *New application:* After review of the application, including the applicant's proposed operating plan and all relevant information included in the resolution submitted by the clerk, the assembly will deny an application for a new license or endorsement and protest the issuance of the corresponding state marijuana license if it finds that:
 - 1. the application contains any false statements of material fact; or
 - 2. the license or endorsement would violate any restriction in AMC 10.80 or 3 AAC 306; or
 - 3. the assembly finds that the operating plan does not adequately demonstrate that the applicant will comply with applicable standards of this chapter; or
 - 4. issuance of the license or endorsement will adversely impact the health, welfare or public safety of the neighborhood in which the marijuana establishment is proposed to be located, or otherwise would not be in the best interests of the public.
 - B. *Renewal application:* After review of the application and all relevant information included in the resolution submitted by the clerk, the assembly may conditionally protest or deny an application for renewal of a marijuana establishment license and may conditionally protest or protest the issuance of the corresponding state marijuana license if it finds:
 - 1. any cause listed in subsection A. of this section; or
 - 2. the license has been revoked for any cause; or
 - 3. the license has been operated in violation of a condition or restriction the assembly previously imposed.
 - C. *Transfer:* After review of the application and all relevant information included in the resolution submitted by the clerk, the assembly may conditionally protest or deny an application for transfer of a license and may conditionally protest or protest the issuance of the corresponding state marijuana license if it finds:

- 1 1. any cause listed in subsection A. of this section; or
- 2 2. that the transferor has not paid all debts or taxes arising from the
- 3 operation of the business licensed under this chapter unless the
- 4 transferor gives security for the payment of the debts or taxes
- 5 satisfactory to the creditor or taxing authority; or
- 6 3. that transfer of the license or of a controlling interest in the license
- 7 would result in violation of the standards of this chapter relating to
- 8 identity of licensees and financing of licensees; or
- 9 4. that a prospective transferee does not have the qualifications of an
- 10 original applicant required under this chapter.
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- 12 D. If the assembly denies an application, the clerk will, not later than 15 days
- 13 after the meeting at which the application was denied, send notice to the
- 14 applicant of the denial by furnishing the assembly resolution and all facts
- 15 and findings supporting the denial. The notice of denial will inform the
- 16 applicant of the right to appeal to superior court.

10.80.1XX Fees; refund.

- 21 A. *License and operating fees.* The **annual license or endorsement fee** to be
- 22 paid with each application for a new marijuana license or endorsement and
- 23 for each renewal application for a marijuana license or endorsement is \$0
- 24 and the **annual license or endorsement operating fee** to be paid with each
- 25 application for a new marijuana license or endorsement and for each
- 26 renewal application for a marijuana license or endorsement is \$0.
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- 28 B. If the assembly denies an application for a license or for renewal of a
- 29 license, the municipality will refund the annual license operating fee
- 30 received with the denied application for a license or renewal. The
- 31 municipality will not refund a license operating fee after the license has
- 32 been issued.
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- 34 C. Fees as described in 10.75 which are charged by municipal departments for
- 35 inspections or other applicable requirements shall be paid by the applicant.

10.80.2XX Retail marijuana store license required.

- 40 A. *Privileges.* In addition to the privileges granted under 3 AAC 306, the
- 41 licensed municipal marijuana retail store is authorized to:
- 42 1. accept payment for the transactions accepted over the internet or by
- 43 telephone for marijuana or marijuana products and provide the
- 44 purchased products only to the consumer present at the licensed
- 45 premises who placed the order; and
- 46 2. sell food or beverages not containing marijuana or alcohol for
- 47 consumption on the premises; and
- 48 3. display marijuana or marijuana products at a walk-up or drive
- 49 through exterior window; all orders received through it must be

Commented [MH7]: POLICY QUESTION
 Inspection fee \ Re-inspection fee?
 copy building permit inspection fee?
 Amend 10.75 to include all reviewing
 departments and reference here.

Commented [MH8R7]: AMCO: You are correct
 that a local governing body can't charge
 a 'license application fee'. The
 statute does not prohibit a local
 governing body from having its own other
 fees, such as a 'processing fee'.

Commented [DE9]: License fee vs. operating
 fee?

Commented [MH10R9]: Sec. 17.38.210. Local
 control. (e) A local government may
 establish a schedule of annual
 operating, registration, and application
 fees for marijuana establishments,
 provided, the application fee shall only
 be due if an application is submitted to
 a local government in accordance with
 (f) of this section and a registration
 fee shall only be due if a registration
 is issued by a local government in
 accordance with (f) of this section or
 (g) of this section. (f) If the board
 does not issue a registration to an
 applicant within 90 days of receipt of
 the application filed in accordance with
 AS 17.38.200 and does not notify the
 applicant of the specific, permissible
 reason for its denial, in writing and
 within such time period, or if the board
 has adopted regulations pursuant to AS
 17.38.190 and has accepted applications
 pursuant to AS 17.38.200 but has not
 issued any registrations by 15 months
 after the effective date of this Act,
 the applicant may resubmit its
 application directly to the local
 regulatory authority, pursuant to (c) of
 this section, and the local regulatory
 authority may issue an annual
 registration to the applicant. If an
 application is submitted to a local
 regulatory authority under this
 subsection, the board shall forward to
 the local regulatory authority the
 application fee paid by the applicant to
 the board upon request by the local
 regulatory authority. (g) If the board
 does not adopt regulations required by
 AS 17.38.190, an applicant may submit an
 application directly to a local
 regulatory authority after one year
 after February 24, 2015 and the local
 regulatory authority may issue an annual
 registration to the applicant.

Commented [MH11]: Check with AFD re
 updating 23.10.106.

Commented [MH12R11]: Would need to pass
 AO re 10.75 amending current fees.

1 placed by the consumer from a menu in compliance with this section
2 and Title 21.
3

- 4 B. A licensee of a retail store may also apply for a cultivation license,
5 manufacturing license, or both.
6 1. The licensee shall conduct any cultivation operation in a room
7 separate from other operation and the retail store, and shall conduct
8 any manufacturing operation in a room separate from any other
9 operation and the retail store:
10 a. if the rooms are connected and co-located, a secure door
11 must separate the rooms from each other; and
12 b. a secure door must separate any room connected to a retail
13 store and co-located with the retail store.
14 2. The licensee shall comply with each provision of this chapter that
15 applies to any other type of marijuana facility license that the
16 licensee of a retail store obtains.
17
- 18 C. *Prohibited acts.* In addition to the prohibited acts under 3 AAC 306, the
19 licensed municipal marijuana retail store may not:
20 1. have an ownership interest in, or a direct or indirect financial interest
21 in a licensed marijuana testing facility, including a licensee of any
22 retail marijuana store, or an employee or agent of a retail marijuana
23 store; or
24 2. offer or deliver free marijuana or marijuana product, including a
25 sample unless as allowed by 10.80.7XX (samples); or
26 3. offer any type of military discount for an individual currently in the
27 status of Active Duty, Guard, or Reserves in any branch of the
28 United States military.
29 a. For purposes of this subsection, "military discount" means any
30 reduction in price or other special offer to encourage sales
31 based on the current Active Duty, Guard, or Reserve military
32 status of a potential customer.
33 b. The prohibition against offering a military discount for an
34 individual in the status of Active Duty, Guard, or Reserves in
35 any branch of the United States military shall sunset without
36 further action by the Assembly upon the Department of
37 Defense or the United States Congress issuing guidance or
38 changing the law to allow service members to use cannabis
39 and remain in Active, Guard, and Reserve status without
40 potential for discipline or administrative separation.
41

42
43 **10.80.2XX Onsite consumption endorsement for retail marijuana stores.**
44

- 45 A. *Privileges.* The licensed municipal marijuana retail store with an approved
46 onsite consumption endorsement is authorized to:
47 1. sell edible marijuana products for consumption on the
48 licensed premises at the time of purchase in compliance with this
49 section and Title 21 as applicable:

- 1 a. in quantities not to exceed 25 mg of THC to any one person
2 per day; and
- 3 2. sell food or beverages not containing marijuana or alcohol for
4 consumption on the premises; and
- 5 3. allow a person to remove from the licensed premises marijuana or
6 marijuana product that has been purchased on the licensed
7 premises for consumption under this section, provided it is packaged
8 in accordance with 3 AAC 306.
9
- 10 B. *Prohibited acts.* In addition to prohibitions under 3 AAC 306, a licensed
11 municipal marijuana retail store with an approved onsite consumption
12 endorsement may not sell for onsite consumption:
- 13 1. all methods of consumption that would be prohibited under AMC
14 16.65.010, smoking ban.
15
- 16 C. In addition to characteristics under 3 AAC 306 applicable for an edible only
17 consumption area, a marijuana consumption area shall comply with
18 characteristic requirements for the special land use permit under Title 21.
19
- 20 D. An applicant for an onsite consumption endorsement must file an
21 application on a form prescribed by the clerk, including the documents and
22 endorsement **fee set** out in this section, which must include:
- 23 1. the information required under **10.80.0XX (new application)**; and
24 2. information required by the planning department regarding the
25 special land use permit under Title 21.
26
- 27 E. The retail marijuana store holding an onsite consumption endorsement
28 under this chapter shall comply with any conditions imposed by the
29 assembly or placed on the endorsement by the Board.
30
- 31 F. The holder of an onsite consumption endorsement must apply for renewal
32 at the time of renewal of the underlying retail marijuana store license.
33
- 34 G. A municipal onsite consumption endorsement may only be
35 transferred to another person if the license for which the
36 endorsement was issued is also transferred to that person.
37

38
39 **10.80.2XX Local restrictions on advertising of marijuana and marijuana**
40 **products.**
41

- 42 A. In addition to the advertising restrictions of 3 AAC 306:
- 43 1. An advertisement for marijuana or marijuana products may not
44 contain a statement or illustration that advertises any type of military
45 discount for an individual in the status of Active Duty, Guard, or
46 Reserves in any branch of the United States military.
- 47 2. For purposes of this section, "military discount" means any reduction
48 in price or other special offer to encourage sales based on the
49 current Active Duty, Guard, or Reserve military status of a potential
50 customer.

Commented [MH13]: DEE: Make sense to keep
3 AAC 306 references or just rely on
initial incorporation?

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

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

13 **10.80.2XX Health and safety standards.**

- 16 A. All marijuana concentrates intended for non-smoking oral consumption
17 must be maintained at a temperature of 41 degrees F or lower.
18
19 B. The Director of the Anchorage Health Department may waive the
20 requirements of subsection A. upon review of written procedures and
21 scientific evidence submitted by the manufacturer that demonstrates that
22 the procedures used to produce the marijuana concentrate results in a
23 product that does not require refrigeration.
24

25 **10.80.2XX Walk-up or drive-through exterior window pick-up for retail 26 marijuana stores.**

- 27 A. A licensed retail marijuana store may serve a consumer through a walk-up
28 or drive-through exterior window in compliance with the requirements of 3
29 AAC 306 and in compliance with requirements for the special land use
30 permit for marijuana under Title 21.
31
32

Commented [MH14]: POLICY QUESTION - not allowed in Title 21

33 **10.80.2XX Retail marijuana tax and certificate of registration.**

- 34 A. A retail marijuana store must obtain a certificate of registration for each
35 location at which the business of retail sales of marijuana or marijuana
36 products are conducted prior to operating as a retailer within the
37 municipality as required by AMC 12.50.
38
39

40 **10.80.3XX Marijuana cultivation facility license required.**

- 41 A. *Privileges:* In addition to the privileges granted under 3 AAC 306, a licensed
42 marijuana cultivation facility is authorized to:
43 1. Reserved.
44
45 B. *Prohibited acts:* In addition to the prohibitions under 3 AAC 306, a licensed
46 marijuana cultivation facility may not:
47
48
49
50

- 1 1. have an ownership interest in, or a direct or indirect financial interest
2 in a licensed marijuana testing facility, including a licensee of a
3 marijuana cultivation facility, or an employee or agent of a marijuana
4 cultivation facility.
5
6

7 **10.80.4XX Marijuana manufacturing facility license required.**
8

- 9 A. *Privileges.* In addition to the privileges granted under 3 AAC 306, a licensed
10 marijuana manufacturing facility is authorized to:
11 1. Reserved.
12
13 B. *Prohibited acts.* In addition to the prohibitions under 3 AAC 306, a licensed
14 marijuana product manufacturing facility may not:
15 1. have an ownership interest in or a direct or indirect financial interest
16 in a licensed marijuana testing facility, including a licensee of a
17 marijuana manufacturing facility, or an employee or agent of a
18 marijuana manufacturing facility.
19
20

21 **10.80.4XX Health and safety standards.**
22

- 23 A. All marijuana concentrates intended for non-smoking oral consumption
24 must be maintained at a temperature of 41 degrees F or lower after
25 extraction process is completed.
26
27 B. Marijuana product manufacturing facilities may not sell marijuana
28 concentrates intended for oral consumption to other marijuana facilities if
29 there is reason to believe that the product has not been consistently
30 maintained at a temperature of 41 degrees or lower since the extraction
31 process was completed at the manufacturing facility.
32
33

34 **10.80.5XX Marijuana testing facility license required.**
35

- 36 A. *Applicability:* The standards of this section apply to a person offering a
37 service testing, analyzing, or certifying potency, moisture content, pesticide
38 or solvent residue, mold, mildew, bacteria, or other contaminants in
39 marijuana or marijuana products to another person including a marijuana
40 establishment or a member of the public, whether for compensation or not,
41 as an independent or third-party testing facility.
42
43 B. *Exceptions:*
44 1. The standards of this section do not apply to a licensed marijuana
45 establishment that controls marijuana testing equipment used solely
46 for its own in-house testing of its own cultivated crop, of products
47 produced or manufactured at its own facility, or of retail products
48 placed or offered for sale in its retail marijuana retail store.
49

- 1 C. *Privileges*: In addition to the privileges granted under 3 AAC 306, a licensed
2 marijuana testing facility may:
3 1. Reserved.
4
- 5 D. *Prohibited acts*: In addition to the prohibitions under 3 AAC 306, a licensed
6 marijuana testing facility may not:
7 1. have an ownership interest in or a direct or indirect financial interest
8 in a licensed marijuana retail, cultivation or manufacturing facility,
9 including a licensee of a facility, or an employee or agent of a
10 marijuana facility.
11

12
13 **10.80.6XX Exercise of authority.**
14

- 15 A. Until a marijuana establishment surrenders its license to the clerk, and so
16 long as business is conducted under the license on the licensed premises,
17 the person holding the license, whether an individual, a partnership, a
18 limited liability company, a corporation, or a local government, is
19 responsible and liable for the conduct of the business. Any individual
20 exercising actual authority over the conduct of business on the licensed
21 premises must be the holder of the marijuana establishment license, or an
22 agent or employee of that person unless the assembly has approved a
23 transfer of the license to a different person.
24

25
26 **10.80.6XX Licensed premises alteration.**
27

- 28 A. A marijuana establishment license will be issued for specific licensed
29 premises. Unlicensed areas may not separate portions of licensed
30 premises, except that the assembly may approve adjacent portions of the
31 licensed premises that are not restricted access area as permitted under 3
32 AAC 306.
33
- 34 B. A holder of a marijuana establishment license may alter the functional floor
35 plan or reduce or expand the area of the licensed premises only in
36 accordance with Title 21.
37

38
39 **10.80.6XX Restricted access areas.**
40

- 41 A. A marijuana establishment shall restrict access to any part of the licensed
42 premises where marijuana or a marijuana product is grown, processed,
43 tested, stored, or stocked.
44
- 45 B. The assembly may approve overlapping premises for two or more licenses,
46 owned by the same person or the same group of persons, within the same
47 building, to use in a common restricted access area.
48

49
50 **10.80.6XX Inspection of licensed premises.**

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- 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, 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 Anchorage 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.

18
19

10.80.6XX Health and safety standards.

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

29
30

10.80.6XX Waste disposal.

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

38
39

10.80.6XX Public records.

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

48
49

10.80.6XX Minors on licensed premises.

- 1 A. Notwithstanding any other provision of this chapter or as allowed by the
 2 State, a licensee or employee of a licensee may bring a child, who is the
 3 child of the licensee or employee and of an age that is allowed under 3 AAC
 4 306, onto the licensed premises, excluding a restricted access area:
 5 1. as described under section 10.80.6XX (restricted access) for the
 6 purpose of breastfeeding the child.
 7 a. A licensee may designate an area for breastfeeding or for the
 8 expression of breast milk. A designated area may not include
 9 a restricted access area described under section 10.80.6XX
 10 (restricted access).
 11 2. as otherwise allowed by 3 AAC 306.
 12
 13 B. This section may not be construed to supersede or change the
 14 requirements of 29 U.S.C. 207 (Section 7 of the Fair Labor Standards Act of
 15 1938) or any other law applicable to breastfeeding in the workplace.
 16
 17

10.80.6XX Samples.

- 18
 19
 20 A. Samples allowed by 3 AAC 306 for licensed facilities are incorporated.
 21 1. *Exceptions:*
 22 a. a retail marijuana store that receives a marijuana
 23 sample may not sell the marijuana sample to a customer,
 24 and shall either:
 25 i. return the marijuana sample to the marijuana
 26 cultivation facility that provided the sample, or
 27 ii. destroy anything that remains of the
 28 marijuana sample after use and document the use
 29 and destruction in the marijuana store's marijuana
 30 inventory control system.
 31 b. a retail marijuana store may not sell, offer to sell, or give away
 32 free, samples of marijuana product to a customer.
 33
 34

10.80.7XX Powers and duties.

- 35
 36
 37 A. **Inspect: Along with the powers and duties under 3 AAC 306, the**
 38 **municipality may inspect:**
 39 1. at a reasonable time and in a reasonable manner, the
 40 licensed premises of a marijuana establishment, including:
 41 a. overlapping premises approved by the assembly; and
 42 b. marijuana and marijuana products; and
 43 c. equipment used in cultivating, processing, testing, or storing
 44 marijuana.
 45
 46 B. *Issue:* Before taking action to initiate suspension or revocation of a
 47 marijuana establishment license, special land use permit, or endorsement
 48 the municipality may:

Commented [MH15]: DEAN REVIEW
 Substituted list of agents for just MOA?

Commented [MH16R15]: The municipal clerk,
 a sworn Peace Officer, a Code
 Enforcement Officer, or a Health
 Department Officer ...

- 1 1. issue a review certification to document an inspection of the licensed premises and may be documented in the licensee’s file maintained by the clerk;
- 2 2. issue a written notice of violation (warning) to address more serious or repetitive violations of AS 17.38, this chapter, or local law that has occurred or is occurring on the licensed premises. It may be issued as a stand-alone document or based on a single event described in a previously issued inspection report or advisory notice.
- 3 3. issue a citation if a review certification or other credible information shows a marijuana establishment is in violation of AS 17.38, this chapter, or other provision of the Anchorage Municipal Code;
- 4 4. initiate a proceeding to suspend or revoke a marijuana establishment’s license as provided under section 10.80.7XX
 - 5 ~~a. The citation must describe any violation and cite applicable standards of law or conditions of approval. A citation may be the basis of a proceeding to suspend or revoke a marijuana establishment’s license as provided under section 10.80.7XX (suspension/civil fines).~~

- C. Along with the powers and duties under 3 AAC 306, the municipality may:
 - 1. exercise peace officer powers as authorized under AMC 1.45.030;
 - 2. take other action the clerk considers necessary to ensure the enforcement of this chapter;

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

10.80.7XX Civil fines.

- A. The Administrative Hearings Officer may, in addition to any other penalties imposed under this title, impose a civil fine on a marijuana establishment, licensee, or person that the Administrative Hearings Officer determines to have violated a provision of this chapter. The fine shall be in accordance with the fine schedule in AMC 14.60.030, or if no fine is specified in the fine schedule, a fine of up to \$300.00 may be imposed.

10.80.7XX Suspension or revocation of license or endorsement, certain civil fines.

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

Commented [MH17]: DEE Check with AHO.

Commented [MH18R17]: What is needed before hearing can move ahead?

Commented [PE19]: I would recommend deleting any discussion about what the civil citation must contain. That information is already spelled out in 14.30.030.

Commented [MH20]: 3 AAC 306.801. Powers and duties: (a) The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity may (1) inspect, at a reasonable time and in a reasonable manner, the licensed premises of a marijuana establishment, including (A) overlapping premises approved by the board under 3 AAC 306.705(d) and 3 AAC 306.710(d); (B) marijuana and marijuana products; (C) equipment used in cultivating, processing, testing, or storing marijuana, and (D) the marijuana establishment’s marijuana inventory tracking system, business records, and computers; (2) issue a verbal warning, an inspection report, an advisory notice, or a notice of violation as set out under 3 AAC 306.806; (3) seize or place an administrative hold on marijuana or any marijuana product as set out under 3 AAC 306.830; (4) execute a search warrant; (5) exercise peace officer powers as authorized under AS 17.28.131; (6) file an accusation for suspension, revocation, or other disciplinary action on a license, permit, or endorsement; and (7) take any other action the director considers necessary to ensure the enforcement of AS 17.38 and this chapter. (b) A marijuana establishment, licensee, ...

Commented [DE21]: Need to check if this is in Title 14 of AMC.

Commented [DE22R21]: Fines for violations of 10.80 set forth in in fine schedule. WOW a lot of effort and specificity went into that. I should ask AHO about application of this - what has he seen? Who would bring it before him - code ...

Commented [MH23R21]: DEE ask AHO if we should ref. Title 14

Commented [PE24R21]: The citation would have to be initiated and signed by a code enforcement officer. I think it’s fine as written.

Commented [PE25]: Would recommend limiting to \$300, consistent with Title 21 and other types of similar violations. Otherwise, the fine could be up to \$1,000 (per 1.45.010B), which might not be fair.

1 B. *Clerk action:* The clerk may prepare a resolution for the assembly to
2 suspend or revoke a marijuana establishment license or endorsement
3 issued under this chapter.
4

Commented [MH26]: DEE: review section.

5 C. *Assembly action:*

- 6 1. In addition to other provisions of this chapter, the grounds for
7 suspension, revocation or restriction of a marijuana establishment
8 license or endorsement include, but are not limited to, when the
9 assembly finds a licensee:
10 a. if any licensee is convicted of violating any provision of law
11 listed in 3 AAC 306, or if the municipality becomes aware that
12 a licensee did not disclose a previous conviction,
13 b. misrepresented a material fact on an application for a
14 marijuana establishment license, or an affidavit, report, or
15 signed statement under AS 17.38 of this chapter; or
16 c. is following any practice or procedure that is contrary to the
17 best interests of the public, including:
18 i. using any process not approved by the Board for
19 extracting or manufacturing marijuana concentrate or
20 marijuana products; or
21 ii. selling or distributing any marijuana concentrate or
22 product that has not been approved by the Board; or
23 iii. within a reasonable time to remedy, failed to correct
24 any defect that is the subject of the notice of violation
25 of:
26 (A). AS 17.38 or this chapter; or
27 (B). a condition or restriction imposed by the
28 assembly, including a condition on a special
29 land use permit for marijuana; or
30 (C). other applicable law; or
31 iv. knowingly allowed an employee or agent to violate AS
32 17.38, this chapter, or a condition or restriction
33 imposed by the assembly, including a condition on a
34 special land use permit for marijuana; or
35 v. failed to comply with any applicable land use, public
36 health, fire, safety, or tax law or regulation in the
37 municipality; or
38 vi. used the licensed premises for an illegal purpose
39 including gambling, possession or use of narcotics
40 other than marijuana, prostitution, or sex trafficking.
41 2. The assembly may hold hearings or refer hearings to the
42 Administrative Hearings Officer to conduct as the assembly's
43 designee. If referred to an administrative hearings officer, the hearing
44 officer shall conduct the hearing and prepare recommended findings,
45 conclusions, and civil fines, if any. The administrative hearings officer
46 shall forward the record of proceedings and the recommendations to
47 the assembly for adoption, rejection or modification, and issuance of
48 a final order or decision by the assembly.

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

~~3. The assembly may impose a civil fine contemporaneously with a suspension, revocation or license restriction proceeding; and~~

Commented [MH27]: DEAN, impose fine outside of the Title 14?

D. The decision of the assembly may be forwarded to AMCO per 3 AAC 306.810.

Commented [PE28R27]: Having the assembly award punitive fines could create a whole bunch of issues. Would recommend that the assembly only review the decision to suspend or revoke the license. Any civil fines would be handled through the normal code enforcement process, which has appeal rights to the superior court.

E. Prohibited acts: Title 14.30.030. How do we incorporate? State has fine schedule, very similar to ours. What is a good way to reference both?

Commented [MH29]: DEE: Should appeal rights be added here?

10.80.7XX Suspension to protect public health, safety, or welfare.

Commented [MH30]: DEAN?? See 3 AAC 306.810(c).

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

Commented [MH31]: AHO we removed most of these. Can we reference state or Penal Code as a means for Code Enforcement to cite/impose fine?

B. When the clerk issues a suspension under this section, the clerk shall immediately give the marijuana establishment subject to the suspension order notice of the reasons for the suspension, and of the time and place for an expedited hearing before the Administrative Hearings Officer. Unless the marijuana establishment subject to the suspension order requests a delay, the hearing will be held not later than five ~~20???~~ days after the clerk gives notice of the reasons for the suspension and the scheduled hearing.

Commented [PE32R31]: I'm not sure the paragraph is necessary. It's covered in the sentence that I added on the previous page referencing the fine schedule.

10.80.7XX Appeal.

Commented [PE33]: Would recommend 5 days. This is similar to when the health department shuts down a restaurant (16.60.360.E). I think if the municipality is closing your business, you should be able to have a hearing within 5 days.

A. 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 of a license with or without endorsement or an endorsement may appeal to the superior court.

Commented [MH34]: Check with AHO for this section.

Commented [MH35]: DEE: Does this include application and bad behavior or is this just "regarding an application"? If so, is this redundant of 10.80.1XXD. Denial of application.

10.80.7XX Surrender or destruction of license or endorsement.

Commented [MH36R35]: D. If the assembly denies an application, the clerk will, not later than 15 days after the meeting at which the application was denied, send notice to the applicant of the denial by furnishing the assembly resolution and all facts and findings supporting the denial. The notice of denial will inform the applicant of the right to appeal to superior court.

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

1. If a license is destroyed, the marijuana establishment shall promptly notify the clerk.

B. Exceptions: Following the death of a licensee, a facility may continue to be operated if a transfer application is pending. A personal representative

- 1 appointed by the superior court for the estate of a deceased licensee who
 2 is:
 3 1. a sole proprietorship may operate the marijuana
 4 establishment in accordance with 3 AAC 306; or
 5 2. a partner holding a controlling interest in a partnership, a member
 6 holding a controlling ownership interest in a limited liability company,
 7 or an owner of a controlling interest in a corporation's stock, may:
 8 a. represent the deceased licensee's interest in the entity for a
 9 period not to exceed 90 days, and
 10 b. shall submit an application for a transfer of a controlling
 11 interest within that time.
 12 i. The clerk may extend the time allowed in this section
 13 for up to an additional 90 days upon written request of
 14 the personal representative. This subsection does not
 15 authorize the transfer of a controlling interest in a
 16 marijuana establishment license by the personal
 17 representative, administrator or executor to the estate
 18 of a decedent.

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

22 **14.60.030 Fine schedule.**

23 The fine schedule under this chapter is as follows:
 24
 25
 26

Code Section	Offense	Penalty/Fine
*** **	***	
10.80	Alaska Administrative Code 3 AAC 306 (identify specific violation)	50.00-500.00
10.80.1XX	Any violations of chapters 10.80 or 8.35.300 through 8.35.350 unless penalty or fine is listed below	
	First violation:	Not to exceed 50.00
	Second violation:	Not to exceed 100.00
	Third violation:	Not to exceed 250.00
	Fourth violation:	Not to exceed 500.00
	Suspensions and revocations of license or endorsements imposed by the assembly are appealed separately in accordance with procedures in section 10.80.7XX.	
10.80.005	License required	500.00/day
[10.80.040A.1.—3.	FAILURE TO REPORT OWNERSHIP CHANGE	100.00/DAY

Commented [MH38]: AHO: How do we incorporate a per day or per offense in this? Sliding scale vs. limitations as below?? IE. 045.

Commented [MH39R38]: How do you define first violation?

Commented [PE40R38]: Per day is already spelled out in 14.30.040. Would recommend deleting this section and relying on the catch-all provision in on page 20 (up to \$300) instead. Anything that is deemed to be more serious and needs a higher fine could be spelled out individually, as done for some of the other offenses.

Commented [MH37]: DEAN: Can Code Enforcement use this for enforcement?? Authorized to enforce 3 AAC if incorporated into Title 10?

10.80.045A.	TRANSFER/RECEIVE LICENSE OR INTEREST WITHOUT CONSENT	100.00/DAY
10.80.050	RELOCATION OF PREMISES	100.00/DAY
10.80.300A.	SELL, GIVE, DISTRIBUTE, DELIVER, OR OFFER THE SAME WITHOUT A RETAIL MARIJUANA STORE LICENSE	500.00/DAY OR UNIQUE TRANSACTION
10.80.300B.	RETAILER'S INTEREST IN TESTING FACILITY	100.00/DAY
10.80.306B.	VIOLATE PROHIBITIONS FOR ON-SITE MARIJUANA CONSUMPTION AREAS	300.00
10.80.306E.	REQUIRED ON-SITE OPERATING REQUIREMENTS	300.00
10.80.310A.	SELL, GIVE, DISTRIBUTE, DELIVER, OR OFFER THE SAME:	
10.80.310A.1.	TO A PERSON UNDER THE AGE OF 21	500.00
10.80.310A.2.	TO A PERSON UNDER THE INFLUENCE	500.00
10.80.310A.3.	THAT IS NOT LABELED AND PACKAGED AS REQUIRED	100.00/PRODUCT
10.80.310A.4.	IN A QUANTITY EXCEEDING PERMISSIBLE LIMITS	100.00
10.80.310A.5.	OVER THE INTERNET	100.00
10.80.310A.6.	AFTER THE EXPIRATION DATE	100.00
10.80.310B.1.	CONDUCTING BUSINESS/CONSUMER ACCESS DURING PROHIBITED TIMES	100.00
10.80.310B.2.	ALLOW CONSUMPTION ON RETAIL PREMISES WITH NO ENDORSEMENT	500.00
10.80.310B.3.	ALLOW OVERCONSUMPTION WHILE IN ON-SITE CONSUMPTION AREA	300.00
10.80.310B.4.	OFFER/DELIVER ALCOHOL OR FREE MARIJUANA	100.00
10.80.310B.5.	ALLOW DRUNKEN OR INTOXICATED PERSON TO ENTER PREMISES	300.00]
10.80.[311]1XX	Offering Prohibited Military Discount	200.00
[10.80.320A.1., 2.	MARIJUANA HANDLER PERMIT REQUIRED; POSSESSION OF PERMIT ON PREMISES	50.00
10.80.325A.	UNDER 21 ON PREMISES	200.00
10.80.325B.	SIGNAGE REQUIRED	50.00/DAY
10.80.325C.	ALLOW PUBLIC IN RESTRICTED AREAS	100.00

10.80.330A.—D.	FAILURE TO COMPLY WITH INVENTORY TRACKING SYSTEM REQUIREMENTS	200.00
10.80.340	SELL, GIVE, DISTRIBUTE, DELIVER, OR OFFER THE SAME WITHOUT REQUIRED TESTING	100.00
10.80.345A.1.	REQUIRED PACKAGING AND LABELING OF MARIJUANA	200.00
10.80.345A.2.	REQUIRED PACKAGING AND LABELING OF MARIJUANA PRODUCT	200.00
10.80.345A.3.	REQUIRED PACKAGING WHEN PURCHASER LEAVES THE PREMISES	200.00
10.80.345B.1.—3.	ADDITIONAL LABEL REQUIREMENTS	200.00
10.80.350A.	ID REQUIRED FOR SALE	100.00
10.80.355A.1.—3.	LIMITS ON QUANTITY SOLD	200.00
10.80.360B.1.—5.	ADVERTISEMENT STATEMENTS OR ILLUSTRATIONS	200.00
10.80.360C.1.—5.	PLACEMENT OF ADVERTISING	200.00
10.80.360D.	GIVEAWAY COUPONS; PROMOTIONAL ACTIVITIES	200.00
10.80.360E.	WARNINGS REQUIRED	200.00]
10.80.361.	Advertising Prohibited Military Discount	200.00
[10.80.366A.	FAILURE TO SUBMIT A SAMPLE	500.00/DAY
10.80.366D.	FAILURE TO DISPOSE OF OR EMBARGO MARIJUANA OR MARIJUANA PRODUCT	500.00/DAY
10.80.366E.1., 2.	REPORTING TEST RESULTS	100.00
10.80.366E.2.	FORM OF TEST RESULTS	100.00
10.80.371A.1., 2.	TEMPERATURE OF CONCENTRATES; LABELING	100.00
10.80.400A.	PLANT, PROPAGATE, CULTIVATE, ETC., OR SELL THE SAME TO ANY MARIJUANA ESTABLISHMENT, WITHOUT A MARIJUANA CULTIVATION FACILITY LICENSE	500.00/DAY OR UNIQUE TRANSACTION
10.80.400C.	CULTIVATOR'S INTEREST IN TESTING FACILITY	100.00/DAY
10.80.405A.2.	SALE TO UNLICENSED ENTITY	500.00
10.80.405A.4.	STORAGE OF PRODUCT NOT IN THE INVENTORY TRACKING SYSTEM	500.00

10.80.405B.1.	FAILURE TO SEPARATE CO-LOCATED BUSINESSES	500.00/DAY
10.80.405C.1.	SELL, DISTRIBUTE, OR TRANSFER TO A CONSUMER	500.00
10.80.405C.2.	ALLOW CONSUMPTION ON PREMISES	200.00
10.80.405C.3.	TREAT/ADULTERATE MARIJUANA	100.00
10.80.405C.4.	EXTRACTION OF CONCENTRATE WITHOUT A PERMIT	500.00
10.80.405C.5.	SELL WITHOUT PROPER PACKAGING AND LABELING	100.00
10.80.425A.1., 2.	MARIJUANA HANDLER PERMIT REQUIRED; POSSESSION OF PERMIT ON PREMISES	50.00
10.80.430B.	OPERATION IN FULLY ENCLOSED FACILITY	100.00/DAY
10.80.430C.1., 2.	PUBLIC VISIBILITY; ODOR	100.00/DAY
10.80.430D.	VIDEO SURVEILLANCE OF GROWTH, PRODUCTION, AND DESTRUCTION, ETC.	200.00
10.80.435A.—C.	FAILURE TO COMPLY WITH INVENTORY TRACKING SYSTEM REQUIREMENTS	200.00
10.80.440B.1.—3.	HEALTH AND SAFETY REQUIREMENTS	50.00
10.80.450A.1.	PRODUCTION OF MARIJUANA CONCENTRATE	300.00
10.80.460A.—C.	MARIJUANA SAMPLES	100.00
10.80.500A.	MARIJUANA PRODUCTION WITHOUT LICENSE	500.00/DAY
10.80.500C.	MANUFACTURER'S INTEREST IN TESTING FACILITY	100.00/DAY
10.80.505A.4.	SALE TO UNLICENSED ENTITY	500.00
10.80.510A.1.	SELL, DISTRIBUTE, OR TRANSFER TO A CONSUMER	500.00
10.80.510A.2.	SELL WITHOUT PROPER PACKAGING AND LABELING	100.00
10.80.510A.3.	ALLOW CONSUMPTION ON PREMISES	200.00
10.80.510A.4.	TREAT/ADULTERATE MARIJUANA; APPEARANCE OF CANDY OR APPEAL TO CHILDREN	100.00
10.80.510C.1., 2.	ACCEPT IMPROPERLY DOCUMENTED MARIJUANA	100.00
10.80.530A.1., 2.	MARIJUANA HANDLER PERMIT REQUIRED; POSSESSION OF PERMIT ON PREMISES	50.00

10.80.530B.	FOOD SAFETY WORKER CARD REQUIRED	50.00
10.80.535A.	MANUFACTURE IN RESTRICTED AREA REQUIRED	100.00/DAY
10.80.535B.	VIDEO SURVEILLANCE OF PRODUCTION, STORAGE, DESTRUCTION, ETC.	200.00
10.80.535C.	CONTROLLED STORAGE	50.00/DAY
10.80.540A.—D.	FAILURE TO COMPLY WITH INVENTORY TRACKING SYSTEM REQUIREMENTS	200.00
10.80.600A.	MARIJUANA TESTING WITHOUT LICENSE	500.00/DAY
10.80.600C.	INTEREST IN OTHER TYPE OF MARIJUANA FACILITY	100.00/DAY
10.80.610A.	POSSESSION OF PRODUCT NOT IN THE INVENTORY TRACKING SYSTEM	500.00
10.80.610A.1.	LICENSEE, EMPLOYEE, OR AGENT WITH OTHER TYPE OF MARIJUANA ESTABLISHMENT LICENSE	100.00/DAY
10.80.610A.2.	SELL, DISTRIBUTE, OR TRANSFER TO A CONSUMER	500.00
10.80.610A.3.	ALLOW CONSUMPTION ON PREMISES	200.00
10.80.655A., B.	FAILURE TO COMPLY WITH INVENTORY TRACKING SYSTEM REQUIREMENTS	200.00
10.80.660A.1., 2.	FAILED TEST DISPOSAL; DOCUMENTATION	200.00
10.80.665B.1., 2.	PERFORM REQUIRED TEST; REPORT	500.00
10.80.670A.	REPORTING TEST RESULTS	100.00
10.80.670B.	FORM OF TEST RESULTS	100.00
10.80.675A.	RECORDS	100.00/DAY
10.80.705B.	LICENSE MUST BE POSTED	100.00/DAY
10.80.710B.	RESTRICTED ACCESS SIGNAGE; VISITORS LIMITED	200.00/DAY
10.80.710C.1.—3.	VISITOR REQUIREMENTS	50.00/VISITOR
10.80.715A.	IDENTIFICATION BADGE	50.00
10.80.715B.1.—3.	LIGHTING; SECURITY SYSTEM; VIDEO	100.00/DAY
10.80.715C.	POLICIES AND PROCEDURES REQUIRED	100.00
10.80.715D.	LOCKS	50.00/DOOR
10.80.720A.—E.	VIDEO SURVEILLANCE REQUIRED	200.00
10.80.740D.	WASTE DISPOSAL	100.00

10.80.745A.	CERTIFIED SCALES REQUIRED	50.00
10.80.750D.	TRANSPORTATION OF MARIJUANA	50.00/PACKAGE
10.80.755A., B.	BUSINESS RECORDS TO BE MAINTAINED	50.00/DAY]
10.80.6XX	Inspection of licensed premises	100.00
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Section 4. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2024.

Chair of the Assembly

ATTEST:

Municipal Clerk