



DEPARTMENT OF COMMERCE, COMMUNITY
AND ECONOMIC DEVELOPMENT

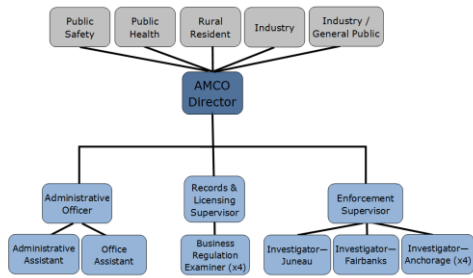
Update on Commercial Marijuana
Establishments in Alaska

Cynthia Franklin, Director
February 3, 2016



Alcohol and Marijuana Control Office

Five Member Marijuana Control Board
served by AMCO director and staff





Regulations relating to Commercial Marijuana

3 AAC 304.010-304.990

- Begun by ABC in April, 2015
- Marijuana Control Board seated July 2, 2015
- Goal was to have all regulations heard at least three times by the board- drafting, after public comment received, and additional meeting



2015 Marijuana Control Board Meetings

July 2	Fairbanks	Released draft regulations (art. 1, 3, 7) for comment
July 29	Anchorage	Board orientation and training
August 3	Anchorage	Workshopped draft regulations (art. 4,5,6,8, 9)
August 10	Anchorage	Reviewed comments (art. 2), approved drafts; released draft regulations (art. 4,5,6,8, 9) for comment
August 11	Anchorage	Reviewed comments (art. 1, 3, 7); amended
August 31	Anchorage	Reviewed comments (art. 1, 3, 7); amended
September 1	Anchorage	Reviewed comments (art. 1, 3, 7); amended
September 14	Kotzebue	Reviewed comments (art. 4); amended
September 16	Anchorage	Reviewed comments (art. 5); amended
September 23	Anchorage	Reviewed comments (art. 6); amended
September 24	Anchorage	Reviewed comments (art. 8, 9); amended; released draft regulations (all articles) as amended for comment
October 15	Anchorage LIO	Heard verbal public comment on all articles
October 16	Anchorage LIO	Heard verbal public comment on all articles
November 20	Anchorage LIO	Reviewed written comments; amended; adopted
December 1	Anchorage	Amended one amendment made on Nov. 20



Marijuana Regulations (3 AAC 306)

Article 1 Licensing & Fees	Article 2 Local Option Rules	Article 3 Retail MJ Stores
Article 4 MJ Cultivation Facilities	Article 5 MJ Product Mfg Facilities	Article 6 MJ Testing Facilities
Article 7 General Operating Requirement	Article 8 Enforcement	Article 9 General Provisions





Cultivation Facilities (art. 4)

Two types of cultivation licenses

- Standard Cultivation Facility
 - No canopy limit
 - No sales to consumers
 - No consumption on premises
 - \$5000 annual license fee
- Limited Cultivation Facility
 - 500 feet canopy limit
 - \$1000 annual license fee
 - All rules of standard license
- Broker concept eliminated





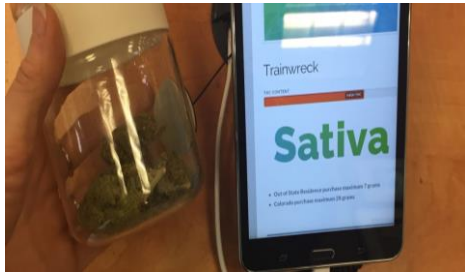




Marijuana Retail Stores (art. 3)



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Product Manufacturing Facilities



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Product Manufacturing - Edible Rules (art. 5)

- **Serving Size: 5 mg**
 - Maximum 10 servings per package (i.e. 50 mg)
- **Board pre-approval of products**
 - No adulterated products
 - No products that look like non-marijuana products
 - No products especially appealing to kids







Edible Marijuana Products

Regulations restrict serving size

- 5 mg per serving
 - lower than CO, WA, OR
 - "start low, go slow"
- 10 servings maximum per product
 - 50 mg maximum THC per product
 - 10-30 mg may be intoxicating dose for novice
 - Compare to 100 mg per product in other states

Edibles Education
Start Low. Go Slow.

- Start with One Serving**
Start with a low dose or single serving product until you know how edibles will affect you.
- Wait**
Edibles can take up to 2 hours or longer to take effect.
- Don't Mix**
Edibles should not be mixed with alcohol or controlled substances.
- Out of Reach**
Keep away from children, pets or ANYONE under 21, and store in original packaging.

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Prohibited Marijuana Products

Board approval required for all edible products prior to production

Prohibited products include:

- Adulterated products
- Items that look like non-marijuana products
- Products that are especially appealing to children



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Creative Marijuana Products

Extract can be added to anything

- Marijuana soda
- Marijuana ice cream
- Marijuana smoked salmon



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Concentrates

Wax and shatter

- Very high concentration (72-95%) of THC
- Smoked, so not subject to edible serving size rules
- "Dabbing"
- Also known as BHO (Butane Hash Oil)
- Sold in small quantities



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Testing Facilities (art. 6)

- **Two required tests for all marijuana and marijuana products**
 - THC potency testing
 - Microbial testing for contaminants
- **Additional test for products produced by solvent extraction**
 - Residual solvent testing





Medical Marijuana (AS 17.37)

Not intended to affect medical marijuana cardholders

- Gives affirmative defense and right to proxy grow
- Nothing in AS 17.38 anticipates separate regulatory scheme for medical cardholders
- Other states are combining markets



CBD versus THC

- High CBD products that do not have psychoactive effect
- Some strains of flower and bud can be high-CBD, low-THC
- Lotions, tinctures and salves may or may not have intoxicating effect



Labeling and Packaging





Local Control and Local Option (art. 1, 2)

- **Article 1 contains local control provisions**
 - Protest tool
 - Deferral of board to local governments on zoning
 - Ability of local government to limit time, place, manner and number of marijuana establishments
- **Article 2 provides the local option to opt out**
 - Contains menu of choices similar to Title 4 (alcoholic beverages)
- **No limit on number of licenses at state level**
 - Avoids speculation in licenses and secondary market value of licenses
 - Defers to local government on the decision of numerical limit



Timeline for 2016

- January – February**
 - Adopted regulations to be approved by Lt. Governor, effective 30 days from signature
 - February 11: MCB meeting to approve application forms; draft regulations for consumption endorsement may be released
 - February 24: statutory deadline to begin accepting applications
- March**
 - First completed applications expected to be sent to local governments
- April**
 - AMCO continues to review applications for completion and send completed applications to local governments
 - MCB meeting in Anchorage
- May**
 - May 23: seed-to-sale software implementation finalized
- June**
 - MCB meeting, first licenses expected to be approved
- July – December**
 - AMCO continues to process license applications
 - MCB meetings in July, October, December



Questions?
