

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.015(a) is amended to read:

(a) The board will issue each marijuana establishment license to a specific individual, to a partnership, including a limited partnership, to a limited liability company, to a corporation, **to a public or private university,** or to a local government. A person other than a licensee may not have a direct or indirect financial interest in the business for which a marijuana establishment license is issued.

3 AAC 306.015(b) is amended to read:

(b) Except as allowed in 3 AAC 306.035(h), the board will not issue, renew, or 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 to do business in the state and each shareholder is a resident of the state; **or**

(5) to a public or private university, unless the main campus of the university is located in the state.

3 AAC 306.020(b)(2) is amended to read:

(2) the name, mailing address, telephone number, and social security number of each proposed licensee; unless the context requires otherwise, "licensee" means each individual named in an application that complies with this section; an individual to be identified as a licensee under this section includes

(A) if the applicant is an individual or a sole proprietor, the individual or sole proprietor;

(B) if the applicant is a partnership, including a limited partnership, and each general partner and each partner holding any interest in the partnership;

(C) if the applicant is a limited liability company, each member holding any ownership interest and each manager;

(D) if the applicant is a corporation, each owner of any of the corporation's stock, each officer, and each director; [and]

(E) if the applicant is a local government, an authorized official of the local government; **and**

(F) if the applicant is a public or private university, each member of the governing board;

3 AAC 306.020(b)(3) is amended to read:

(3) for each applicant that is not an individual, the applicable documents and information as follows:

(A) for a partnership, including a limited partnership, the partnership agreement, the name of each general or managing partner, and a list of all partners with the percentage of ownership of each partner;

(B) for a limited liability company, the limited liability company agreement, and a list of all members with the percentage of ownership of each member;

(C) for a corporation, the certificate of incorporation, the corporate bylaws, the name of each corporate officer and each director, and a list of all shareholders with the percentage of ownership of each shareholder;

(D) for a local government, a resolution of the governing body approving the application and designating an official responsible for the proposed marijuana establishment;

(E) for a public or private university, a resolution of the governing board approving the application and designating an official responsible for the proposed marijuana establishment;

3 AAC 306.020(d) is amended to read:

(d) An application for a marijuana establishment license must be signed by

(1) the applicant, if the applicant is an individual;

(2) an authorized general partner if the applicant is a partnership, including a limited partnership;

(3) a member who owns at least 10 percent of the limited liability company if the applicant is a limited liability company;

(4) the authorized officers of the corporation if the applicant is a corporation; or

(5) a designated official if the applicant is a local government **or a public or private university.**

3 AAC 306.040(e) is amended to read:

(e) In this section, "ownership change" means

(1) if the licensee is a partnership, including a limited partnership, any change in the identity of the partners, or in the ownership percentages held by any partners;

(2) if the licensee is a limited liability company, any change in the identity of the members or managers, or in the ownership percentage held by any member; [OR]

(3) if the licensee is a corporation, any change in its corporate officers, any sale of corporate stock to a person not currently an owner, or any change of the percentage ownership of an existing shareholder; **or**

(4) if the licensee is a public or private university, any change in the membership of the governing board or the designation of a new responsible official.

3 AAC 306.045(a) is amended to read:

(a) A person may not receive or transfer a marijuana establishment license or a controlling interest in a marijuana establishment license issued to a partnership, including a limited partnership, a limited liability company, a corporation, or a local government, without applying for and receiving the written consent of the board. Transfer of a license includes a sale of all or part of the interest of an individual owner. **Licenses issued to a local government or to a public or private university are not transferable.**

Authority:	AS 17.38.010	AS 17.38.150	AS 17.38.200
	AS 17.38.070	AS 17.38.190	AS 17.38.900
	AS 17.38.121		

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Marijuana Control Board
2. General subject of regulation: Marijuana License for a University
3. Citation of regulation (may be grouped): 3 AAC 306.015-.045
4. Department of Law file number, if any: To Be Assigned

5. Reason for the proposed action:

- Compliance with federal law or action (identify): _____
- Compliance with new or changed state statute
- Compliance with federal or state court decision (identify): _____
- Development of program standards
- Other (identify): _____

6. Appropriation/Allocation: None

7. Estimated annual cost to comply with the proposed action to:

A private person: None

Another state agency: None

A municipality: None

8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY 2019	Subsequent Years
Operating Cost	<u>\$ 0</u>	<u>\$ 0</u>
Capital Cost	<u>\$ 0</u>	<u>\$ 0</u>
1002 Federal receipts	<u>\$ 0</u>	<u>\$ 0</u>
1003 General fund match	<u>\$ 0</u>	<u>\$ 0</u>
1004 General fund	<u>\$ 0</u>	<u>\$ 0</u>
1005 General fund/ program	<u>\$ 0</u>	<u>\$ 0</u>
Other (identify)	<u>\$ 0</u>	<u>\$ 0</u>

9. The name of the contact person for the regulation:

Name: Jedediah Smith
Title: Local Government Specialist
Address: 550 West 7th Ave. Suite 1600, Anchorage, AK 99501
Telephone: (907) 334-2195
E-mail address: Jedediah.smith@alaska.gov

10. The origin of the proposed action:

- Staff of state agency
- Federal government
- General public
- Petition for regulation change⁷
- Other (identify): Marijuana Control Board

11. Date: December 31, 2018

Prepared by: 

Name (printed): Jedediah Smith
Title (printed): Local Government Specialist
Telephone: (907) 334-2195

NOTICE OF PROPOSED CHANGES CREATING A UNIVERSITY LICENSE
IN THE REGULATIONS OF MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, that would allow for a university to hold a marijuana license, including the following:

3 AAC 306.015 is proposed to add a public or private university to the list of entities that could hold a marijuana license.

3 AAC 306.020 would require each member of the governing board would qualify as a “licensee” and allow for one representative to be the designated licensee.

3 AAC 306.045 includes university licenses as “not transferrable.”

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Alcohol and Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at amco.regs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 4:30 p.m. on February 8, 2019.

You may submit written questions relevant to the proposed action to the Alcohol and Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, AK 99501 or to amco.regs@alaska.gov. The questions must be received at least 10 days before the end of the public comment period. The Alcohol and Marijuana Control Office will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and AMCO website.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact the Alcohol and Marijuana Control Office at amco.regs@alaska.gov or (907) 265-0350 not later than January 28, 2019, to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting the Alcohol and Marijuana Control Office at amco.regs@alaska.gov or (907) 265-0350.

After the public comment period ends, the Marijuana Control Board will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 17.38.010; AS 17.38.070; AS 17.38.121; AS 17.37.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.200

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

The Alcohol and Marijuana Control Office keeps a list of individuals and organizations interested in its regulations. Those on the list will automatically be sent a copy of all of the Marijuana Control Board notices of proposed regulation changes. To be added to or removed from the list, send a request to the Alcohol and Marijuana Control Office at 550 West 7th Avenue, Suite 1600, Anchorage, Alaska 99501, giving your name, and either your e-mail address or mailing address, as you prefer for receiving notices.

Date: December 31, 2018



Erika McConnell, Director _____