

Department of Commerce, Community, and Economic Development

MARIJUANA CONTROL BOARD C/O ALCOHOL & MARIJUANA CONTROL OFFICE 550 West 7th Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

March 15, 2023

Transmitted via email

The Honorable Gary Stevens Senate President Alaska State Senate

The Honorable Cathy Tilton Speaker of the House Alaska House of Representatives

> Re: Marijuana Control Board Support of Top Priorities of the Governor's Advisory Taskforce on Recreational Marijuana

Dear Senator Stevens and Representative Tilton:

The Marijuana Control Board is composed of five governor appointed and legislatively confirmed board members. Our membership is composed of representatives of industry, rural Alaska, public safety, public health, and the general public. The Board has reviewed the report prepared by the Governor's Advisory Taskforce on Recreational Marijuana and also discussed with the Taskforce its top five recommendations for legislation. The Marijuana Control Board supports these initiatives as follows:

1. Taskforce Priority – Immediate Taskforce Relief. By a vote of four to one, the Marijuana Control Board supports the Taskforce's first recommendation of providing immediate tax rate relief be reducing the tax rate on raw flower from \$50 per ounce to \$12.50 per ounce. The Marijuana Control Board unanimously agrees that a long-term tax solution better places the taxable transaction at the retail level. The public health member

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of the board believes any changes in taxation should be revenue neutral because the excise tax supports a number of programs important to public health and safety.

- **2.** Taskforce Priority. Distributor Licenses. The Marijuana Control Board unanimously supports this recommendation.
- 3. Taskforce Priority. Allow for Product Transfers Between All License Types. The Marijuana Control Board unanimously supports this recommendation.
- 4. Taskforce Priority. Amend the Annual Registration Requirement to Create Biennially Renewed Licenses. The Marijuana Control Board unanimously supports this recommendation.
- **5. Taskforce Priority. Prohibit Intoxicating Hemp Products.** The Marijuana Control Board unanimously supports this recommendation.

We welcome the opportunity to support these potential legislatives proposals as they might advance. We are also available for any questions legislators may have. It is our great hope some immediate relief can be provided this legislative session, with potential further development of the other recommendations of the Taskforce in future years.

THE MARIJUANA CONTROL BOARD

By: /s. Nicholas Miller/ Nicholas Miller

Its: Chair

cc: The Honorable Michael Dunleavy, Governor