

Governors Marijuana Advisory Task Force:

Meets Monday @ 11:00am

December 12th, 2022

Members: Sam Hachey, Gary Evans, Brian Fechter, Frank "Dru" Malone, Aaron Stiassny, Ryan Tunseth, Jana Weltzin, Joan Wilson

Absent: Lief Abel, Brandon Emmet, Nick Miller, Mia Kirk, David Pruhs

Support: Maya Ali & Bailey Stuart

Agenda Items	Discussion	Decision(s)/Conclusions
Approval agenda & meeting minutes from December 5th, 2022	<p>Joan Wilson motions to approve agenda & meeting minutes for December 12th, 2022</p> <p>Gary Evans 2nds motion.</p> <p>Task Force members voted in favor.</p>	Agenda & meeting minutes approved.
METRC reports	<ul style="list-style-type: none"> • Stassja Gomez reports that the information the Task Force requested will be ready by the end of this week. METRC sought guidance if their information should be submitted raw or if METRC needs to filter the information and create summaries which will take more time. • Task Force requested the information be sent raw to Dept. of Revenue (DoR) per Colleen Greer request. Aggregated information will come to the Task Force later. • Aggregated reports will become a part of public records to protect license information. 	Requested METRC reports will be sent to DoR for tax modeling. This raw data has potential licensee information and in protecting the licensees an aggregated report will be put before the Task Force and become part of the public record.
Current affairs of the industry	<p>Joan Wilson <i>"I think the industry is sophisticated enough for it (bi-annual licensing) as long as we did it kind of every other year, with half the licenses going forward the same way we do for alcohol. I would also suggest, and you guys can decide if it work for you, moving the date of renewal from June 30th, which is also close of the fiscal year. That raises issues with proper accounting of licensing fees. They often get stuck between 2 fiscal years. We're creating a fix for it this year, but I'm just throwing that out that maybe you move that date to July 31st, instead of June 30th. And that's more administrative. If it's not</i></p>	<p>Task Force to consider making recommendation on bi-annual licensing.</p> <p>The report should consist of pre federal legalization goals and recommendation as well as post federal legalization goals and recommendation.</p> <p>Clean up regarding reporting between</p>

	<p><i>bothering you, we'll figure it out on how to deal with it."</i></p> <p>Jana Weltzin <i>"I have a question. So, if we moved it to a bi-annual renewal structure. Then the fees would only be paid, you know, every 2 years. What does that do for AMCOs (Alcohol Marijuana Control Office) budget?"</i></p> <p>Joan Wilson <i>"In short, in would impact it... Moving, you know, that kind of funding is certainly going to impact the office. The alternative is for the board and licenses to say, this is all the support we want out of AMCO, and this is why the fees be X... it would still provide administrative support if we only had to do half the licenses, you know even if they, you know, paid double the license fee. But I think Jana's point about what I'm hearing is, how much do we want to do in our initial recommendations is probably a good one. I mean, we can handle annual. I just have seeing you guys wait forever for renewals."</i></p> <ul style="list-style-type: none"> • Task Force inconclusive on whether to add bi-annual licensing to Governor's report. • Joan Wilson requested the Task Force consider moving the date referred for renewals in the report to July 31st of each year to facilitate fluid operations of AMCO. This is more of an administrative clean-up. • Sam Hachey requests the Task Force look at how license holders communicate with DoR. Currently it is time prohibitive. He is looking to streamline the reporting process between cultivators and DoR. Colleen Glover with DoR says she will follow up on that reporting process between METRC and DoR and agrees we don't want people doing duplicative work. • Task Force looking at a tax credit ONLY for cannabis produced in Alaska for recommendation however, if it will pass legislature, is another issue. • Joan Wilson reports that there will need to be statute changes when federal legalization occurs. Which is a part of the goal of this Task Force. • Report to Governor will have immediate goals and issues that need to be addressed, as well as recommendations following long term goals with federal legalization. 	<p>cultivators and DoR, streamlining information between METRC and DoR.</p>
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<p>Discussion and resolution of goals for the Task Force</p>	<ul style="list-style-type: none"> • Task Force looking to define the scope of the discussion? <ol style="list-style-type: none"> 1) Federal tax reform 2) Define “potentially” intoxicating cannabinoids 3) Distribution license (in anticipation of federal legalization & a wholesale tax following alcohols structure) 4) License caps 5) Stabilizing our industry market 6) Protection for our market in banking <p>Sam Hachey motions to delineate our goals.</p> <p>Joan Wilson motions to amend goals to reflect</p> <p>Ryan 2nds motion.</p> <p>Task Force members voted in favor.</p>	<p>Task Force conversational goals;</p> <ul style="list-style-type: none"> • Federal tax reform • Define “potentially” intoxicating cannabinoids • Distribution license (in anticipation of federal legalization & a wholesale tax just like alcohol) • License caps • Stabilizing our industry market • Protection for our market in banking
<p>Defining Intoxicating Cannabinoid – reports from Task Members</p>	<ul style="list-style-type: none"> • Gary Evans reports back to Task Force members that the State of Washington definitions are very broad and similar to Alaska. However, Washington hemp regulations limit all forms of THC in hemp edibles. 0.5mg or more is considered marijuana. • Gary Evans submitted a Washington House Bill 1668 & Senate Bill 5547 to the board that were introduced in December 2021. • State of Alaska only regulates delta-9-tetrahydrocannabinol in our Hemp regulations. • Maya Ali reports that we do have a landing page where you will be able to find all of these documents that we are using for discussion per the Open Meetings Act. • Sam Hachey reports back to Task Force members that the State of Oregon definitions are clearly defined. Adult use cannabinoid includes but not limited to artificially or naturally derived. Oregon delineates all potential compounds the Task Force is looking to regulate. <p>Sam Hachey <i>“475c.009 Definitions for ORS 475c.005 to 475c.525. As used in ORS 475c.005 to 475c.525: (1) “Adult use cannabinoid” includes, but is not limited to, tetrahydrocannabinols, Tetrahydrocannabinolic acids that</i></p>	<p>Task Force to identify what needs to change to the definition of hemp, under the hemp statute, to address intoxicating cannabinoids. And come up with a recommendation for a definition of intoxicating.</p> <p>Task Force to provide definition of intoxicating cannabinoid and discuss potential ratios of said components. The definition of what cannabis and hemp is, and what is the ultimate intent to sale to the consumer.</p> <p>Further discussion on how the Task Force should be addressing the production and sale of hemp derived products that are intoxicating in Alaska.</p>

are artificially or naturally derived, delta-8-THC, delta-9-THC, the optical isomers of delta-8-THC or delta-9-THC and any artificially derived cannabinoid that is reasonably determined to have an intoxicating effect.”

- Joan reports at the CANNAR conference that many of the other states seemed interested in the Oregon approach.
- METRC has the ability to track all other cannabinoids.
- Currently there is no age requirement for Hemp derived THC in the State of Alaska.
- Aaron Stiassny reports California passed AB 45 in October 2021. Pretty board definition.

Aaron Stiassny ““THC” and comparable cannabis is broadly defined to include tetrahydrocannabinol, and tetrahydrocannabidiol, including delta-9-THC. The molecule, traditionally recognized as THC, as well as its isomers delta-8-THC and delta-10-THC and any other cannabinoid except CBD. That California and the Department of Health determines causes intoxication. The Department may exclude from the definition of THC and THC isomer that does not cause intoxication.”

- The state of Alaska currently does not require final testing for hemp products produced in the state of Alaska. Gary Evan “*You’re going off the will and trust of your distributors, whether Alaskan or not and that’s how it has been from the beginning.*”
- The state of California does require COA analysis in its requirements and requires a QR code.
- Director Wilson is requesting cease and desist order for Hemp derived THC from the Marijuana Control Board.
- Ryan Tunseth reports back to Task Force that the State of Colorado has a sweet spot for Hemp derived THC. 2.5mg per package and a 1/15 delta ratio

Ryan Tunseth “I think that the reason they put that ration in there is to try to capture the intent of those being CBD products, and to make the overall cannabinoid weight issue disappear. And so that’s what they’re kind of looking at, half milligrams per package and 15 to 1 CBD to THC ratio... back to my pervious point. Everybody understand why this is there, and why

we're grappling with this idea of what is intoxicating cannabis, and why they would put the word or suggest the word "potentially intoxicating". And I think what it has to do with is the idea that you aren't sort of chasing the drag, and it becomes a lot easier to say, at this time, these are the ones that are intoxicating. And so you can specifically list those, and then include anything that potentially intoxicating, and so that we're not in a situation where a new one pops up something that's a novel cannabis, or whatever that is being used by the Black market and Gray markets outside the scope of whatever their definition is. And so that's where the potentially intoxicating word comes in."

Jana Weltzin "I talked to one of my colleagues Garrett Graph that's on the Colorado Task Force. And he explained this 15 to 1 ratio to be kind of the sweet spot for hitting the full spectrum for medical purposes, you know, like Charlottes Webb's kind of producers. And so that's something I think, that we should definitely include in our report that there is some benefits to this full spectrum concept... but I did want to highlight that that seemed to be important on a medical aspect."

- CBD/THC isomerization can covert CBD and CBDN back to delta-8-THC or delta-9-THC, using an acid would constitute as synthetic. Colorado eliminated synthetically derived cannabinoids. The Conversion of CBDN to delta-9-THC is illegal in Colorado.
- Task Force wants to look at the hemp statute what do we need to do the definition of hemp to address intoxicating cannabinoids. And come up with a recommendation for amending that and a recommendation for a definition of intoxicating.

Sam Hachey motions to discuss those three potential definitions; delta-8-THC, delta-9-THC, delta-10-THC, CBDs and to decide on a cap. Or to define cannabinoid more specifically in statutes.

Sam Hachey motions to amend definition to discuss potential ratios of said components. The definition of what cannabis and hemp is, and what is the ultimate intent to sale to the consumer.

Dru Malone 2nds motion.

	<p>Task Force members voted in favor.</p> <p>Joan Wilson motions to discuss how the Task Force should be addressing the production and sale of hemp derived products that are intoxicating in Alaska.</p> <p>Ryan Tunseth 2nds motion.</p> <p>Task For members voted in favor.</p>	
Public Comment	<p>Elijah Wood public comment.</p> <p><i>“Hi, Thank you, yeah. So I was listening into the meeting and, by the way, I really appreciate the Task Force being formed. I think it really needed to be formed to address a lot of these issues as attacks and enforcement and different things like that. I would just ask that there would be fairness used by the board or by the Task Force for hemp products that may have more than 1 to 15 ration or may be over. That they’re not just cease and desisted and that they are given a fair chance to be in METRC because they were following the rules of the department of Natural Resources. And they are basically we just want to know we’re going to get a fair chance to be able to participate in METRC and with AMCO as well.”</i></p> <ul style="list-style-type: none"> • Stassja Gomez reports she should have the first data set in the next 24 to 48 hours. Colleen Glover with DoR hopes to have some modeling done by end of next week. 	
Items Task Force Members would like to discuss on next agenda – rolling list	<ul style="list-style-type: none"> • Dates, times & location for upcoming in-person meetings • Continued discussion on how to define intoxicating cannabinoid; AS 03.05.100 <ul style="list-style-type: none"> ○ What defines a hemp product? ○ What is the definition of intoxicating? Naturally derived vs. Synthetically derived ○ Ratio approach discussion • How and in what amounts should intoxicating Hemp products be included in the recreational marijuana program; Considerations to be included in recommendation. 	

	<ul style="list-style-type: none"> ○ Child resistant packaging ○ Less potency than marijuana products ○ METRC inventory control ○ Looping Hemp products into taxation system ○ AMCO oversight in licensing and product review ● Subcommittee creation to draft advisory report to the Governor ● Distribution license type ● License caps discussion “Limited Entry” ● Discussion regarding Marijuana Tax allocation ● Discussion on Proof Tax 	
Adjournment	Jana Weltzin Motions to Adjourn at 12:55pm	Meeting Adjourned at 12:55pm