



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Commerce,
Community, and Economic
Development**

MARIJUANA CONTROL BOARD
C/O ALCOHOL & MARIJUANA CONTROL OFFICE
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March 13, 2023

Transmitted via email

The Honorable Gary Stevens
Senate President
Alaska State Senate

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

Re: Marijuana Control Board Support of
Governor's Advisory Taskforce on Recreational
Marijuana Report

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 otherwise as indicated provides its unanimous support. Support for each taskforce recommendation is as follows:

1. Taskforce Recommendation One. Address tax changes with short term immediate relief for cultivators and long-term tax restructuring. The Marijuana Control Board unanimously supports the Taskforce's first recommendation. The Task Force recommends that the Legislature consider both a retail tax as explained in the report and a potency tax based on the THC levels of each end product. **Eliza recommends increasing that tax from 3% to 9 or 10%. Notes importance of Revenue projections, states higher tax is beneficial for public health and still provides a cost reduction. 9% will be revenue neutral. Also**

supports potency tax. Eli states tax structure is not the greatest, mentions production method concerns, agrees that restructuring is necessary.

2. Taskforce Recommendation Two. Redefining Industrial Hemp and Marijuana to Cannabis Sp. The Marijuana Control Board unanimously supports this recommendation.

3. Taskforce Recommendation Three. Create one regulatory authority over cannabis sp. The Marijuana Control Board unanimously supports the principle that cannabis, whether industrial hemp or marijuana, should be regulated by one agency, such as the recommended Alcohol & Cannabis Control Office. The Marijuana Control Board does not support dilution of the Board so that the public safety and public health seats become of less importance. An industry heavy board poses that risk. The Marijuana Control Board recommends its current membership or if it is expanded for one more industry representative an additional public health or public safety seat should also be added. **Ely does not believe we should extend board composition.**

4. Taskforce Recommendation Four. Distributor Licenses. The Marijuana Control Board unanimously supports this recommendation.

5. Taskforce Recommendation Five. State agency Collaboration. The Marijuana Control Board unanimously supports this recommendation.

6. Taskforce Recommendation Six. Amend the criminal definition of marijuana to reflect the civil definition changes. The Marijuana Control Board unanimously supports this recommendation.

7. Taskforce Recommendation Seven. Extension of Taskforce. The Marijuana Control Board _____. **Ely does not believe we should extend board composition.**

8. Taskforce Recommendation Eight. Amend AS 17.38.121 to allow for license limits and create a twelve-month moratorium on new licenses once recreational marijuana is federally legalized. The Marijuana Control Board _____. **Eliza agrees with 8. Ely does not agree at this point, leave to market.**

9. Taskforce Recommendation Nine. Reallocate funding collected through cannabis taxation. The Marijuana Control Board _____.

10. Taskforce Recommendation Ten. Allow for Product Transfers Between All License Types. The Marijuana Control Board unanimously supports this recommendation.

11. Taskforce Recommendation Eleven. Amend the Annual Registration Requirement to Create Biennially Renewed Licenses. The Marijuana Control Board unanimously supports this recommendation.

12. Taskforce Recommendation Twelve. Increase legal sale and possession limits. The Marijuana Control Board _____ . Eliza does not agree increase sale and possession, needed to prevent over consumption and diversion. Ely know strong feelings either way, does not see that concern in rural alaska but may be a concern in the city.

13. Taskforce Recommendation Thirteen. No Age Restrictions for non-intoxicating hemp products. The Marijuana Control Board _____ . Eliza does not recommend at this time because of poor oversight and packaging requirements. Public assumes federal regulation. Gives e.g. of alleged hemp CBD requirements actually being THC products. Ely is fine with this as long as active substances.

14. Taskforce Recommendation Fourteen. Provide in-state ability to test adult-use marijuana for heavy metals and pesticides in light of inability to lawfully transport marijuana out-of-state for testing. The Marijuana Control Board unanimously supports this recommendation with the specific recommendation that additional funding be made available to the private laboratories the Board already licenses. Public laboratories should not supplant private industry. Eliza agrees with needs, but does not agree with funding private labs. Recommends looking at other state approaches such as state reference lab that the University oversees. Ely again talks about testing for heavy metals and pesticides. Trust but verify.

15. Taskforce Recommendation Fifteen. Create a pathway for inclusion of Alaska's education system in the cannabis industry. The Marijuana Control Board _____ . Eliza thinks the state reference lab can be here

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 others in calendar year.

THE MARIJUANA CONTROL BOARD

By: _____
Nicholas Miller

Its: Chair

