

#### Office of the City Manager

491 East Pioneer Avenue Homer, Alaska 99603

citymanager@cityofhomer-ak.gov (p) 907-235-8121 x2222 (f) 907-235-3148

#### Memorandum

TO: Mayor Castner and Homer City Council

FROM: Katie Koester, City Manager

DATE: November 21, 2018

SUBJECT: November 26<sup>th</sup> City Manager Report

#### Library Director Ann Dixon Retiring in April of 2019 & Process for Hiring New Library Director

This spring the City will bid farewell to our Library Director Ann Dixon. Ann came to the City in 2011, after having served as the Librarian at the William Elementary School in Willow for four years. Prior to that, Ann worked in a variety of Library positions as well as being a published author. Ann's retirement will mark eight years with the City, but many more years dedicated to public service. As any of you know who have visited our beautiful Homer Public Library, Ann has become a fixture there and will certainly be missed. The process of selecting Homer's new Library Director will take some time. But with the assistance of Ann, and input from the Friends of the Library and the LAB, we know we will find a great fit for both the library and the community! We plan on posting the position in early February. Once the position closes, a hiring committee that includes the City Manager will narrow down the field of applicants. The top candidates will be invited to visit Homer for an interview, lunch with Ann and a representative from each the Friends and the LAB, and then commence with a tour of the library to meet staff and see our amazing facility. I will keep the Council updated as the process unfolds.

#### **Executive Assistant to the City Manager Dotti Harness-Foster Retiring**

My executive assistant, Dotti Harness-Foster is retiring after many years with the City of Homer. Dotti is a familiar face at City Hall, she spent years in the Planning Department before moving upstairs to be my right hand. I will miss her positivity, can do attitude, firm management of my meeting calendar and ability to gently remind people to do what they said they were going to do. She has been a tremendous asset to me as I throw anything and everything her way. Two of her major accomplishments since joining the City Manager's office include: increasing revenue at the Homer Airport through actively managing leases and cultivating tenants and taking the reins on revamping 2019 Draft Budget goals and priorities. I appreciate Dotti's willingness to dive right in and get to work. She will be missed. I wish her the best of luck on her next adventure teaching fall prevention techniques through movement and body awareness with Homer seniors and others. I am proud that she will continue to be a tremendous asset to this community. Dotti's last day is November 30th. Please take a moment to thank Dotti for her service to the City of Homer.

#### **Executive Assistant to the City Manager Rachel Friedlander Hired**

I am pleased to welcome Rachel Friedlander as the new face and voice who will greet you in the City Manager's office. Rachel recently moved to Homer from Juneau. There she worked in the land management office for the City and Borough of Juneau and brings applicable experience with lease management and municipal government. Before working for the municipality she spent a session as a legislative aide, which

means she will be well equipped to handle the multiple and divergent requests the City Manager throws to the executive assistant. Rachel is professional, positive and motivated and will be a great fit for the City. Please take a moment to welcome her to the team when you see her.

#### Richard Klopp Recognized as Alaska Rural Water Association 2018 Operator of the Year

Richard Klopp has over 30 years of experience in both public and private sector. He has been a lead operator in Homer for 5 years. In that time he has made major improvements to the Distribution and Collections System preventive maintenance program, including smoke testing the collection system to quickly detect and repair structural damages, leaking joints and other problems in sewer pipes. Inflow and infiltration of stormwater into the system is costly due to the additional waste water treatment required. Richard's improvements have resulted in reduced cost in operations and has also reduced emergency call outs for operators, reducing labor cost. His energy conservation efforts have resulted in over \$50,000 saving since 2015. Mayor Castner will be presenting Richard with a plaque recognizing this accomplishment at the November 26<sup>th</sup> Council meeting. Please take a moment to thank Richard for his dedicated public service when you see him.

#### **Four More Police Radios Funded**

Due to unspent funds from other projects, the Department of Homeland Security and Emergency Management (DHS&EM) has offered the City of Homer \$20,363 in unallocated funds to purchase four police radios, completing the upgrade of all portable radios for the Police Department. This reallocation will be implemented as a budget amendment to a previous City of Homer DHS&EM grant application. Previous grant funding cycles had already replaced a portion of the radios, which made this an easy fit when DHS&EM needed eligible, already vetted projects to obligate unspent grant funds within the Federal time limit. The authority given to the City Manager to accept and appropriate grant funds under \$25,000 in this instance was key to the City's ability to accept the funds within DHS&EM's short timeframe. Council should keep in mind that as funding circumstances change over time, this authority may need to be adjusted. For example, you have an ordinance before you on the 26th that is a similar reallocation but is just above the \$25,000 threshold. Luckily, in this case the timeframe for obligation gave us time to accept the funds through Council ordinance as required.

#### **Update on New Homer Police Station from Project Manager McNary**

The design contract for the new Police Station was agreed to and implemented on September 24<sup>th</sup>, 2018. Design began on that date and continues on schedule with full design team meetings each Wednesday. A City of Homer representative is working with Chief Robl as a part of this team. The City selected CM/GC Design/Build Team approach has been very productive to date. A presentation on 35% design is scheduled for the first meeting in January.

Current Design Schedule continues as follows:

- 35% design, (65% Civil) November 30, 2018
- 65% design, (95% Civil) February 25, 2019
- 95% design April 1, 2019
- 100% Construction ready plans April 19, 2019
- Guaranteed Maximum Price, (GMP), contract execution April 15, 2019
- Groundbreaking April 20, 2019

Permitting is in process with no permitting delays expected.

Community Design Manual guidelines are being implemented.

The site has been designated as non-wetlands by the US Corps of Engineers.

Utility entities have all been included on design updates and applications are in progress.

No budget issues are anticipated at this point.

#### Seawall and the Ocean Drive Loop Special Service District (ODLSSD)

Several storms in 2017 and 2018 have caused significant damage to the seawall. In 2017 the cost of repairs was \$102,125. As of October 23, 2018 the 2018 repair cost is estimated at \$77,491 leaving the account balance for seawall repairs at \$58,700. Most of the seawall is on private land and is not considered a public improvement. This led to the Ocean Drive Loop Special Service District (ODLSSD) being formed to fund maintenance of the seawall. The ODLSSD consists of fourteen (14) property owners, which includes two City owned lots. In January I send a letter out to homeowners detailing the status of repairs and the seawall maintenance fund. It may be time to include the neighborhood in conversations about how to continue to adequately fund maintenance of the seawall, including a potential major maintenance project to reinforce the toe of the wall where the most damage occurs. I would like to get input from Council on how/if they would like to proceed so that any information such as meeting notices or potential major maintenance projects to consider can be included in the annual update to property owners.

#### **KPEDD City Manager Meeting**

Kenai Peninsula Economic Development District (KPEDD) hosts quarterly meetings with Peninsula City Managers. Peninsula managers met October 24<sup>th</sup> to discuss regional economic development projects, including a presentation from Alaska LNG. We discussed different ways we can partner, including collaborating on wage studies and analysis and advocating for municipal representation regarding Alaska LNG decisions (which resulted in the MAG Board resolution you have before you on November 26<sup>th</sup>). These meetings provide an invaluable opportunity to exchange ideas and not reinvent the wheel.

#### Meeting on Help Available for Homer's Vulnerable Populations organized by Mayor Castner

Mayor Castner, Councilmember Erickson, and I met with leaders of Church on the Rock to educate the City on efforts they are making on behalf of Homer's vulnerable populations. In addition to providing temporary assistance to members in need by connecting them with services and assistance in an organized manner, Church on the Rock houses two trained certified therapists (through Cornerstone Consulting) to provide services to any community member. Libby Erickson with Public Heath also reported on the Safe Families Program. This program, in cooperation with the faith community and Office of Children's Services, pairs families needing help with the demands of caring for and raising children with safe family friendly environments for temporary (average 3 week) placement of children. It was a great opportunity for the City to learn about the varied resources already provided in Homer. These meetings are part of Mayor Castner's efforts to reach out to Homer institutions and organizations to better understand the fabric of support our community can provide for our vulnerable populations. I look forward to participating in more of these conversations.

#### **Visit with Senator Sullivan**

On November 8<sup>th</sup> I was invited, along with EDC Chair and Kenai Peninsula Economic Development District (KPEDD) board member Karin Marks to attend an informal meeting with Senator Dan Sullivan to discuss economic development challenges and opportunities facing the Kenai Peninsula. I used my 10 minutes with the Senator to update him on the Large Vessel Harbor project. He was very receptive to the opportunities for the Harbor and mentioned that the timing was good to launch a project for Alaska given his committee membership on the Environment and Public Works Committee and Armed Services which provides dual oversight of the Army Corps. We will continue to work with his Kenai office and keep them in the loop as we navigate the next stages of the study with the Army Corps. A big thank you to KPEDD for organizing the meeting and making sure that Homer was represented.

#### Visit with Mark Hamilton of The Pebble Partnership

On November 9<sup>th</sup>, Mayor Castner and I met with General Mark Hamilton with the Pebble Project. General Hamilton emphasized the smaller footprint and life span for this deposit compared to the Pebble Mine proposal I was most familiar with from 10 years ago. Impacts to the surrounding communities have not been analyzed, however 2,000 jobs are anticipated to be created during construction and 1,000 year round jobs. The Mayor had many detailed questions regarding the permitting process and how waste would be handled. More information on the Army Corps permitting process can be found at <a href="https://www.pebbleprojecteis.com/">https://www.pebbleprojecteis.com/</a>

#### Visit from Rear Admiral Mathew Bell

Rear Admiral Mathew Bell, Commander of the 17<sup>th</sup> Coast Guard District out of Juneau paid the City of Homer a visit on November 15<sup>th</sup>. Port and Harbor Director Hawkins and I were unable to attend as we were both at AML, but Deputy Harbormaster Clarke, Special Projects and Communications Coordinator Carroll and Mayor Castner gave the Admiral a warm welcome and update on our Large Vessel Harbor Project. Most importantly, the Mayor was able to convey what an important part of the community the Coast Guard is and how we appreciate their contributions not only to the safety and welfare of the fleet, but to the community of Homer. City officials will visit with Admiral Bell in February when we travel to Juneau for Alaska Municipal Leagues Legislative meetings.

#### Alaska Municipal Management Association (AMMA) and Alaska Municipal League (AML) Winter Meeting

The Alaska Municipal League conferences were busy and fruitful. The Alaska Municipal Manager Association for the first time put on a new manager orientation in an attempt to increase the odds of success for our new managers, especially in rural areas where it can feel very isolating. I presented on local government, public records and the open meetings act. We had a section on building employee culture with a focus on supervisory skills and lots of good info on council manager relations. We had great participation with 33 managers showing up. The full AMMA meeting began with a session on developing a personal leadership philosophy, a never ending journey of self-improvement. The ICMA rep presented on managing department heads. The next day was packed with more professional development including a presentation from the deputy chief of staff to the Governor John Hoosey, cyber security, and a panel on attorney manager relations where both contract and staff attorney relationships were discussed.

The opening session of AML by board president Anchorage Mayor Berkowitz was a call to action for municipalities to work together to represent Alaskan constituents. Affiliate organizations presented on their meetings, including our very own Port and Harbor Director Hawkins representing the Alaska Association of Harbormasters. A state of the state presentation was given by representatives from the Alaska Chamber, School System and Native Corporations where the speakers addressed the economic recession, consumer confidence, and funding issues were affecting Alaskans. Over lunch we heard from state agencies with a similar theme. The panel was made up of mostly outgoing Commissioners or their deputies, which left the audience with questions about potential changes with the new incoming administration. Governor Walker, as he does every year, addressed the group of public officials and reflected on his time in office.

I attended, and took home lots of lessons learned from a panel discussion on cybersecurity risk and protection. Panelists included managers from the Matsu Borough and Valdez, both victims of similar cyber attacks this summer. Each community handled the crisis differently. Matsu, almost four months later, is in the final stages of finalizing recovery of data from a backup. Valdez paid the ransom for their data but has not recovered it yet as it has to go through an intense scrubbing process to make sure it is not infected. Both

municipalities had insurance, which covered much of the expense. Nevertheless, the disruption to daily activity and municipal business was huge and continues. The theme of both cyber security presentations I attended was it is not IF you will get hacked, it is WHEN. To that end, take aways that I will work on implementing at City of Homer include:

- a. Establishing an IT security management group to map out the system, points of vulnerability, and oversee a risk assessment
- b. Additional and ongoing training for employees on how to identify suspicious behavior
- c. Understanding the ins and outs of our Cyber Insurance Policy (we have cyber security coverage through AMLJIA that would cover a security breach such as the one Valdez experienced this summer)
- d. A table top emergency exercise walking us through what to do in case of a major IT breach and incorporating a response plan into our Emergency Operations Manual
- e. Consider taking measures to mitigate risk like locking down physical portals and USB ports

The packed day continued with an informative session on responsible municipal fiscal policy that provided me with resources on developing an Unassigned Fund Balance policy and Reserve targets. The evening ended with a community block party where each community had a table that represented their area. Homer had a large halibut tail, peonies and locally roasted coffee. Next year I will enlist Council to help with creative ideas for both the table and the Mayor's auction – so be prepared, it will be here before you know it. Councilmember Stroozas was able to secure a couple of great donations for the Mayor's auction including a night at Timber Bay B and B and round trip airfare to Seldovia. Funds from the Mayor's auction go towards scholarships for bringing rural mayors to the conference.

I left late Wednesday night, with Homer well represented by Councilmembers Stroozas, Erickson, and Venuti. Of particular note to attendees was the presence of Representative-elect Vance who was able to attend with Councilmember Erickson. Much of AMLs target audience is the Legislature and they really appreciate it when representatives take the time to become educated on municipal issues and develop those relationships.

#### International City Manager Association (ICMA) Planning Committee Meeting

I left AML on Wednesday to fly to Nashville to attend the ICMA Planning Committee meeting for the ICMA international conference in Nashville, TN October 20-23, 2019. This conference brings together thousands of department heads, assistant city managers and city managers from across the nation and as far flung as Scandinavia and Latin America to talk about local government. Planning Committee representatives from around the United States gather at the conference location to plan an agenda that would be meaningful for members, including break-out sessions, round tables and key note speakers. Well known key notes in the past included Daniel Pink and Malcom Gladwell. These keynotes are both moving and inspirational. It was an honor to be able to participate in planning with the leadership of my national professional organization. This marked the first year Alaska has participated. I took away lots of great ideas about how to structure professional development for our state association and make sure smaller communities are represented. I did stay and extra day and get to explore Nashville, a vibrant and thriving city with exponential growth (part of our City Manager tour covered construction of a new headquarters for Amazon that will bring with it 5,000 new jobs with an average salary of \$150,000).

Enc: Employee Anniversaries

North Pacific Management Council in Homer (Letter from Mayor Castner and CM) Thank you from Kachemak Bay Family Planning Clinic Board President AMCO Notices of Proposes Regulation Changes



# Office of the City Manager 491 East Pioneer Avenue

Homer, Alaska 99603

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#### Memorandum

TO: MAYOR CASTNER AND CITY COUNCIL

FROM: Katie Koester

DATE: November 26, 2018

November Employee Anniversaries SUBJECT:

I would like to take the time to thank the following employees for the dedication, commitment and service they have provided the City and taxpayers of Homer over the years.

Dave Shealy,	Police	21	Years
Mike Riley,	<b>Public Works</b>	18	Years
Lisa Ellington,	Port	12	Years
Jenna deLumeau,	Finance	9	Years
lan Overson,	Police	7	Years



(p) 907-235-8121 (f) 907-235-3140

November 27, 2018

North Pacific Fishery Management Council (NPFMC) Mr. Simon Kinneen, Chair 605 West 4<sup>th</sup>, Suite 306 Anchorage, AK 99501-2252

Dear Mr. Kineen,

The City of Homer is honored to be chosen as the host community for the North Pacific Fishery Management Council in October 2019.

The NPFMC is an important regulatory body that works hard to preserve and protect commercial fisheries in Alaska and its federally controlled EEZ. Commercial fishing provides significant economic and social-cultural benefits to Homer, with permit holders, crew members, harvesters, processors, and a wide variety of support industries and facilities providing meaningful local employment, investment and income in the Homer community.

The City is excited to welcome the NPFMC. Please let us know how the City of Homer can be of assistance.

Sincerely,

Ken Castner Katie Koester City Mayor City Manager 907-235-9028 907-235-8121



3959 Ben Walters Lane • Homer, AK 99603 907.235.3436 • Fax 907.235.8346 info@kbfpc.org • www.kbfpc.org



City of Homer 491 East Pioneer Avenue Homer, Alaska 99603

26 October 2018

Dear Mayor Castner, Council Members and City of Homer,

On behalf of Kachemak Bay Family Planning Clinic (KBFPC) and the R.E.C. Room (a Youth Resource & Enrichment Co-op), I want to thank the City of Homer for its support of area non-profits in 2018. KBFPC received a Homer Foundation – City of Homer grant for \$3,185 which provided valuable general operating support. In addition, I thank the Homer Foundation for administering this important program.

City support of non-profits is prudent use of tax payer money; it ensures that safety-net services continue for the most vulnerable in our community and improves the health and well-being of community members across all demographics. Non-profits employ approximately 25% of our workforce (2017 data) and the relatively small financial infusion from the City is key to generating millions in revenues that provide essential services and impact the entire economic sector in the City.

The City of Homer grant leverages resources from other funders while helping us keep our doors open to everyone in our community, regardless of their ability to pay. It's especially appreciated now, as we experience reductions in federal and state funding. Thanks to this grant and other generous support from our community, we provided quality reproductive health care services – including: screenings for breast and cervical cancer, birth control consultation and supplies, infertility and preconception counseling, pregnancy testing, and STD/STI testing and treatment – for approximately 1,000 men and women every year.

Youth in Homer rely on the R.E.C. Room as a safe and welcoming place to meet with friends after school and get connected with other local resources. Over 900 teens have participated in our youth education programs and healthy alternative activities, including school-based, peer-led health education, in 11 area schools (three schools in the City).

Community commitment and support make our work possible. Our thanks, again, to the City of Homer, the Homer Foundation, and all our community partners who support KBFPC to serve as a trusted source of up-to-date, accurate and affordable reproductive health care and education since 1983.

Thank you, Yours sincerely,

Mary Lou Kelsey

KBFPC Board President

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### NOTICE OF PROPOSED CHANGES ON MARIJUANA ESTABLISHMENT INSPECTIONS IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with marijuana establishment inspections, including the following:

- (1) 3 AAC 306.725(a) is proposed to include waste disposal and other elements of business operations available to inspection.
- (2) 3 AAC 306.800 is proposed to include waste disposal and the location of other elements of business operations as subject to inspection.

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 7<sup>th</sup> Avenue, Suite 1600, Anchorage AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a>. 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 pm on December 12, 2018.

You may submit written questions relevant to the proposed action to the Alcohol and Marjuana Control Office at 550 West 7<sup>th</sup> Avenue, Suite 1600, Anchorage, AK 99501or to <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a>. 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> or (907) 265-0350 not later than December 2, 2018, 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> 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 17.38.131; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

#### Statutes being implemented, interpreted, or made specific: AS 17.38.070; AS 17.38.131

**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 Marijuana Control Board at amco.regs@alaska.gov, giving your name, and either your e-mail address or mailing address, as you prefer for receiving notices.

Date:	November 8, 2018		
		Euha M'Connell	
		Erika McConnell, Director	

## <u>ADDITIONAL REGULATION NOTICE INFORMATION</u> (AS 44.62.190(d))

1.	Adopting agency: Marijua	ana Control Bo	oard		
2.	General subject of regulation: <u>Inspections</u>				
3.	Citation of regulation (may be grouped): 3 AAC 306.725800				
4.	Department of Law file number, if any: To Be Assigned				
5.	Reason for the proposed action:				
	( ) Compliance with fede	ral law or action	on (identify):		
	( ) Compliance with new		•		
	_	_	rt decision (identify):		
	( ) Development of progr		•		
	(x) Other (identify):				
6.					
7.	Estimated annual cost to co	mply with the p	proposed action to:		
	A private person: \$0				
	A municipality: \$0				
8.	. Cost of implementation to the state agency and available funding (in thousands o dollars):				
		Initial Year	Subsequent		
		FY <u>19</u>	Years		
	Operating Cost		\$ <u>0</u>		
	Capital Cost	\$ <u>0</u>	\$ <u>0</u>		
	1002 Federal receipts	\$ 0	\$ 0		
	1003 General fund match	\$ 0	\$ 0		
	1004 General fund	\$ <u>0</u>	\$ <u>0</u>		
	1005 General fund/				
	program	\$ <u>0</u>	\$ <u>0</u>		
	Other (identify)	\$_0	\$ <u>0</u>		

The name of the contact person for the regulation:

9.

Title: Local Government Specialist  Address: 550 West 7 <sup>th</sup> Ave. Suite 1600, Anchorage, AK 99501  Telephone: (907) 334-2195  E-mail address: Jedediah.smith@alaska.gov  10. The origin of the proposed action:
Telephone: (907) 334-2195 E-mail address: Jedediah.smith@alaska.gov
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 change
x_ Other (identify): Marijuana Control Board
n_ other (rechary). Interference control Board
11. Date: November 8, 2018 Prepared by:
11. Date: <u>November 8, 2018</u> Prepared by:
Name (printed): <u>Jedediah Smith</u>
Title (printed): Local Government Specialist
Telephone: (907) 334-2195

Register\_\_\_\_\_,\_\_\_\_2018 COMMERCE, COMMUNITY, AND EC. DEV.

3 AAC 306.725(a) is amended to read:

(a) A marijuana establishment or an applicant for a marijuana establishment license under this chapter shall, upon request, make the licensed premises or the proposed licensed premises[,] <a href="mailto:and\_including">and\_including\_inc

(Eff. 2/21/2016, Register 217; am \_\_\_/\_\_\_\_, Register \_\_\_\_) **Authority:** AS 17.38.010 AS 17.38.131 AS 17.38.200

AS 17.38.070 AS 17.38.150 AS 17.38.900

AS 17.38.121 AS 17.38.190

- 3 AAC 306.800 is amended to read:
- **3 AAC 306.800. Inspection and investigation.** (a) The director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity, may
- (1) Inspect the licensed premises of a marijuana establishment and the location of other elements of business operations, including any marijuana and marijuana product on the premises, equipment used in cultivating, processing, testing, or storing marijuana, the marijuana establishment's marijuana inventory tracking system, business records, waste and waste disposal areas, and computers, at any reasonable time and in a reasonable manner;
  - (2) issue a report or notice as provided in 3 AAC 306.805; and

Register,	2018	COMMERCE,	COMMUNITY,	, AND EC	. DEV

- (3) as authorized under AS 17.38.131, exercise peace officer powers and take any other action the director determines is necessary.
- (b) A marijuana establishment, and any licensee, employee, or agent in charge shall cooperate with the director, an enforcement agent, an employee of the board, or a peace officer acting in an official capacity, to enforce the laws related to marijuana, including
- (1) permitting entry upon and inspection of the licensed premises <u>and the</u> <u>location of other elements of business operations</u>; and
- (2) providing access to business records at reasonable times when requested by the director, an enforcement agent, an employee of the board, or a peace officer. (Eff. 2/21/2016,

### NOTICE OF PROPOSED CHANGES ON MARIJUANA HANDLER PERMIT RENEWAL FEES 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, dealing with marijuana handler permit fees, including the following:

(1) 3 AAC 306.100(e) set the new or renewal fee for a marijuana handler permit card.

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 7<sup>th</sup> Avenue, Suite 1600, Anchorage AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a>. 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 pm on December 12, 2018.

You may submit written questions relevant to the proposed action to the Alcohol and Marjuana Control Office at 550 West 7<sup>th</sup> Avenue, Suite 1600, Anchorage, AK 99501or to <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a>. 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> or (907) 265-0350 not later than December 2, 2018, 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> 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:** AS17.38.010; AS 17.38.070; AS 17.38.121; AS 17.38.131; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.121

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 amco.regs@alaska.gov, giving your name, and either your e-mail address or mailing address, as you prefer for receiving notices.

Date: November 8, 2018

Erika McConnell. Director

Euha M'Connell

## <u>ADDITIONAL REGULATION NOTICE INFORMATION</u> (AS 44.62.190(d))

1.	Adopting agency: Marijua	ana Control Boa	urd		
2.	General subject of regulation: Handler permit renewal fee				
3.	Citation of regulation (may be grouped): 3 AAC 306.100				
4.	Department of Law file nur	nber, if any: <u>T</u>	To Be Assigned		
5.	Reason for the proposed action:				
	( ) Compliance with fede	ral law or action	n (identify):		
	( ) Compliance with new		• • • • • • • • • • • • • • • • • • • •		
	( ) Compliance with fede	ral or state cour	t decision (identify):		
	(x ) Development of progr		• • • • • • • • • • • • • • • • • • • •		
	•				
6.	Appropriation/Allocation:_	\$0			
7.	Estimated annual cost to comply with the proposed action to:				
	A private person: \$0				
	Another state agency: \$0				
8.	Cost of implementation to the state agency and available funding (in thousands of dollars):				
		Initial Year	Subsequent		
		FY <u>19</u>	Years		
	Operating Cost		\$ <u>0</u>		
	Capital Cost	\$_0			
	1002 Federal receipts	\$_0	\$ <u>0</u>		
	1003 General fund match	\$_0	\$ <u>0</u>		
	1004 General fund	\$ <u>0</u>	\$ <u>0</u>		
	1005 General fund/				
	program	\$ <u>0</u>	\$ <u>0</u>		
	Other (identify)	\$_0	\$_0		

The name of the contact person for the regulation:

9.

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 change x Other (identify): Marijuana Control Board	
11. Date: November 8, 2018 Prepared by:	
Name (printed): <u>Jedediah Smith</u>	
Title (printed): Local Government Specia	alist
Telephone: (907) 334-2195	

Register	_,2018	COMI	MERCE, COMMUNITY, AND I	EC. DEV.
		ned indicate language nguage being deleted.)	being added; words [CAPITALI	ZED
3 AAC 306.1	100(e) is amended to	read:		
(a) Tl	ne <u>new or renewal</u> f	ee for a marijuana har	dler permit card is \$50.	
(Eff. 2/21/20	016, Register 217; a	am 7/19/2017, Regist	er 223; am 8/11/2018, Register	227; am
/	Register)			
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			

### NOTICE OF PROPOSED CHANGES ON MARIJUANA ESTABLISHMENT OPERATING PLANS IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with marijuana establishment operating plans, including the following:

(1) 3 AAC 306.703 is proposed to require a licensed marijuana establishment to operate in accordance with a plan approved by the board, and allows for change requests.

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 7<sup>th</sup> Avenue, Suite 1600, Anchorage AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a>. 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 on December 12, 2018.

You may submit written questions relevant to the proposed action to the Alcohol and Marijuana Control Office at 550 West 7<sup>th</sup> Avenue, Suite 1600, Anchorage, AK 99501or to <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a>. 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> or (907) 265-0350 not later than December 2, 2018, 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> 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 17.38.131; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

**Statutes being implemented, interpreted, or made specific:** AS 17.38.121; AS 17.38.190; 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 amco.regs@alaska.gov, giving your name, and either your e-mail address or mailing address, as you prefer for receiving notices.

Date: November 8, 2018	<u> </u>	
	Euha M'Connell	
	Erika McConnell, Director	

## <u>ADDITIONAL REGULATION NOTICE INFORMATION</u> (AS 44.62.190(d))

1.	Adopting agency: Marijuana Control Board			
2.	General subject of regulation: Follow approved operating plan			
3.	Citation of regulation (may be grouped): 3 AAC 306.703			
4.	Department of Law file number, if any: To Be Assigned			
5.	Reason for the proposed act	tion:		
	( ) Compliance with fede	ral law or action	on (identify):	
	( ) Compliance with new		•	
	<del>-</del>	_	rt decision (identify):	
	(x ) Development of progr	am standards		
	( ) Other (identify):			
6.	Appropriation/Allocation:_	\$0		
7.	Estimated annual cost to co	mply with the p	proposed action to:	
	A private person: \$0			
	A municipality: \$0			
8.	Cost of implementation to t dollars):	he state agency	and available funding (in thousands of	
		Initial Year	Subsequent	
		FY <u>19</u>	Years	
	Operating Cost		\$ <u>0</u>	
	Capital Cost	\$_0	\$ <u>0</u>	
	1002 Federal receipts	\$ 0	\$_0	
	1003 General fund match	\$ 0	\$_0	
	1004 General fund	\$ <u>0</u>	\$ <u>0</u>	
	1005 General fund/			
	program	\$ <u>0</u>	\$ <u>0</u>	
	Other (identify)	\$_0	\$ <u>0</u>	

The name of the contact person for the regulation:

9.

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:	
<ul> <li>Staff of state agency</li> <li>Federal government</li> <li>General public</li> <li>Petition for regulation change</li> </ul>	
_x Other (identify):Marijuana Control Board	
11. Date: November 8, 2018 Prepared by:	
Name (printed): Jedediah Smith	
Title (printed): Local Government Specialist	
Telephone: (907) 334-2195	

3 AAC 306 is amended by adding a new section to read:

**3 AAC 306.703. Operations.** A licensed marijuana establishment shall operate in accordance with the operating plan approved by the board. The licensee may request an operating plan change in accordance with 3 AAC 306.100(c). (Eff. \_\_\_/\_\_\_\_, Register

\_\_\_\_)

**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

### NOTICE OF PROPOSED CHANGES ON MARIJUANA SAMPLE IN A JAR IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with marijuana samples in a jar, including the following:

- (1) 3 AAC 306.325 is proposed to add a new subsection defining sample in a jar requirements.
- (2) 3 AAC 306.460 is proposed to amend the party that may smell product before purchase.

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 7<sup>th</sup> Avenue, Suite 1600, Anchorage AK 99501. Additionally, the Marijuana Control Board will accept comments by electronic mail at <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a>. 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 pm on December 12, 2018.

You may submit written questions relevant to the proposed action to the Alcohol and Marijuana Control Office at 550 West 7<sup>th</sup> Avenue, Suite 1600, Anchorage, AK 99501or to <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a>. 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> or (907) 265-0350 not later than December 2, 2018, 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> 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 17.38.131; AS 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

Statutes being implemented, interpreted, or made specific: AS 17.38.070; AS 17.38.200; AS 17.38.900

**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 amco.regs@alaska.gov, giving your name, and either your e-mail address or mailing address, as you prefer for receiving notices.

Date:	November 8, 2018		
		Euha M'Connell	
		Erika McConnell, Director	

## <u>ADDITIONAL REGULATION NOTICE INFORMATION</u> (AS 44.62.190(d))

1.	Adopting agency: Marijuana Control Board		
2.	General subject of regulation: Sample in a jar		
3.	Citation of regulation (may be grouped): 3 AAC 306.325460		
4.	Department of Law file number, if any: To Be Assigned		
5.	Reason for the proposed act	tion:	
	( ) Compliance with fede	ral law or action	n (identify):
	( ) Compliance with new	or changed stat	te statute
	( ) Compliance with fede	ral or state cour	t decision (identify):
	(x ) Development of progr	am standards	
	( ) Other (identify):		
6.	Appropriation/Allocation:_	\$0	
7.	Estimated annual cost to co	mply with the p	roposed action to:
	Another state agency: \$0		
	A municipality: \$0		
8.	Cost of implementation to t dollars):	he state agency	and available funding (in thousands of
		Initial Year	Subsequent
		FY 19	1
	Operating Cost		\$_0
	Capital Cost	\$ 0	
	- · · · · · · · · · · · · · · · · · · ·		
	1002 Federal receipts	\$ 0	\$ 0
	1003 General fund match	\$ 0	\$ 0
	1004 General fund	\$ 0	\$_0
	1005 General fund/		
	program	\$ <u>0</u>	\$_0
	Other (identify)	\$ 0	\$_0

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

	Name: Jedediah Smith
	Title: Local Government Specialist
	Address: 550 West 7 <sup>th</sup> 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 change <sup>7</sup>
	x Other (identify): Marijuana Control Board
	Date: November 8, 2018 Prepared by:
11.	Date: November 8, 2018 Prepared by:
	Name (printed): <u>Jedediah Smith</u>
	Title (printed): Local Government Specialist
	Telephone: (907) 334-2195

Register	_,2019	COMN	MERCE, COMMUNITY, AND EC. DEV.
(Words in bo	ldface and underlin	<u>ed</u> indicate language l	peing added; words [CAPITALIZED
AND BRACI	KETED] indicate lang	guage being deleted.)	
	·	ding a new subsection	
(d) If a	retail marijuana store	e displays marijuana t	o a consumer for the purpose of smelling
the marijuana	before purchase, the	retail marijuana store	shall package the marijuana in a sample
jar that is pro	tected by a plastic, m	etal or other protectiv	e mesh screen, and the jar must remain in
the monitored	d custody of the retail	marijuana store durir	ng consumer inspection. (Eff. 2/21/2016,
Register 217;	am/, Reg	ister)	
3 AAC 306.4	60(a) is amended to r	read:	
(a) A	marijuana cultivatio	n facility may provid	le a free sample of marijuana to a retail
marijuana sto	ore if packaged in a sa	ample jar containing r	ot more than three and one-half grams of
marijuana an	d protected by a plas	tic or metal mesh scr	een to allow the retail marijuana store
[CUSTOME]	RS] to smell the production	uct before purchase.	
(Eff. 2/21/20)	16, Register 217; am	5/25/2018, Register 2	26; am/, Register)
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

# NOTICE OF PROPOSED CHANGES ON MARIJUANA INVENTORY TRACKING AND HARVEST GRADING IN THE REGULATIONS OF THE MARIJUANA CONTROL BOARD

The Marijuana Control Board proposes to adopt regulation changes in 3 AAC 306 of the Alaska Administrative Code, dealing with marijuana inventory tracking and harvest grading, including the following:

- (1) 3 AAC 306.435 is proposed to track harvest batches and include seeds in the inventory tracking system.
- (2) 3 AAC 306.445 is proposed to require marijuana be segregated graded batches.
- (3) 3 AAC 306.990 is proposed to add new definitions for marijuana and limit harvest batches to 10 pounds.

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 Marijuana Control Board at 550 West 7<sup>th</sup> 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 pm on December 12, 2018.

You may submit written questions relevant to the proposed action to the Alcohol and Marijuana Control Office by email at <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> or call (907) 269-0350. 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 agency 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 <a href="mailto:amco.regs@alaska.gov">amco.regs@alaska.gov</a> or call (907) 269-0350 not later than not later than December 2, 2018, 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 (907) 269-0350 or amco.regs@alaska.gov.

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 17.38.150; AS 17.38.190; AS 17.38.200; AS 17.38.900

**Statutes being implemented, interpreted, or made specific:** AS 17.38.070; AS 17.38.200 AS 17.38.900;

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

The Marijuana Control Board 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 Marijuana Control Board at amco.regs@alaska.gov, giving your name, and either your e-mail address or mailing address, as you prefer for receiving notices.

Date: <u>November 8, 2018</u>

Erika McConnell, Director

Euha M'Connell

## <u>ADDITIONAL REGULATION NOTICE INFORMATION</u> (AS 44.62.190(d))

1.	Adopting agency: Marijuana Control Board		
2.	General subject of regulation: Tracking and grading of harvest		
3.	Citation of regulation (may be grouped): 3 AAC 306.435445; 3 AAC 306.990		
4.	Department of Law file nur	nber, if any: <u> </u>	To Be Assigned
5.	Reason for the proposed act	tion:	
	( ) Compliance with fede	ral law or action	n (identify):
	( ) Compliance with new		• • • • • • • • • • • • • • • • • • • •
	_	_	t decision (identify):
	(x) Development of progr		•
	( ) Other (identify):		
6.	Appropriation/Allocation:_	\$0	
7.	Estimated annual cost to co	mply with the p	proposed action to:
	A private person: \$0		
	A municipality: \$0		
8.	Cost of implementation to t dollars):	he state agency	and available funding (in thousands of
		Initial Year	Subsequent
		FY <u>19</u>	-
	Operating Cost		\$ <u>0</u>
	Capital Cost	\$ <u>0</u>	\$ <u>0</u>
	1002 Federal receipts	Φ 0	¢ 0
	1002 Federal receipts 1003 General fund match	\$ 0	\$ <u>0</u>
	1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
	1004 General fund/	\$_0	\$ <u>0</u>
		\$ 0	\$ 0
	program Other (identify)	\$ <u>0</u> \$ <u>0</u>	\$ <u>0</u> \$ <u>0</u>
	onici (identity)	Ψ <u> </u>	Ψ <u> </u>

The name of the contact person for the regulation:

9.

	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 change
	x Other (identify): Marijuana Control Board
	Date: November 8, 2018 Prepared by:
11.	Date: November 8, 2018 Prepared by:
	Name (printed): <u>Jedediah Smith</u>
	Title (printed): Local Government Specialist
	Telephone: (907) 334-2195

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

3 AAC 306.435 is amended to read:

- 3 AAC 306.435. Marijuana inventory tracking system (a) A marijuana cultivation facility shall use a marijuana inventory tracking system in compliance with 3 AAC 306.730 to ensure all marijuana propagated, grown, or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is propagated through transfer to another licensed marijuana establishment or destruction. The marijuana cultivation facility shall assign a tracking number to each plant over eight inches tall. When harvested, each [BUD AND FLOWER, CLONE OR CUTTINGS, OR LEAVES AND TRIM MAY BE COMBINED IN HARVEST BATCHES OF DISTINCT STRAINS, NOT EXCEEDING FIVE POUNDS. EACH] harvest batch must be given an inventory tracking number. Clones, [OR ]cuttings, or seeds shall be identified by an inventory tracking number: each inventory tracking number shall be assigned to 50 or fewer plants or seeds. [MUST BE LIMITED TO 50 OR FEWER PLANTS AND IDENTIFIED BY A BATCH TRACKING NUMBER].
- **(b)** A marijuana cultivation facility shall record each sale and transport of **any plants or seeds and** each batch in its marijuana inventory tracking system and shall generate a valid transport manifest to accompany **any plants and seeds and** each transported batch. (Eff. 2/21/2016, Register 217; am\_\_/\_\_\_\_, Register\_\_\_\_).

 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
 AS 17.38.121

3 AAC 306.445 is repealed and readopted to read:

**3 AAC 306.445. Standards for cultivation and preparation.** (a) A marijuana cultivation facility shall use registered scales in compliance with AS 45.75.080 and 3 AAC 306.745.

- (b) Harvested marijuana will be segregated into batches using the following grades:
- (2) from marijuana plants that are uniform in strain, cultivated in one place and under the same conditions, using the same medium and agricultural chemicals including pesticides and fungicides, and harvested in a time period not to exceed 72 consecutive hours
  - (A) mature bud;
  - (B) immature bud; and
  - (C) remainder of the plant; and
  - (3) kief, which may be combined from multiple strains and harvests. (Eff.

2/21/2016, Register 217; am\_\_\_\_/\_\_\_, Register\_\_\_\_).

**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

3 AAC 306.990 (b) (3) is amended to read:

(4) "batch" or "harvest batch" means a specifically identified quantity of bud and flower, plant trim, leaf, and other usable product from marijuana plants, that has been segregated into a specific grade as required by 3 AAC 306.445(b), and does not exceed 10 pounds [THAT ARE UNIFORM IN STRAIN, CULTIVATED IN ONE PLACE AND UNDER THE SAME CONDITIONS, USING THE SAME MEDIUM AND AGRICULTURAL CHEMICALS INCLUDING PESTICIDES AND FUNGICIDES, AND HARVESTED AT THE SAME TIME]; (Eff. 2/21/2016, Register 217; am\_\_\_\_/\_/\_\_, Register\_\_\_).

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

3 AAC 306.990 (b) is amended by adding new paragraphs to read:

- (40) "mature bud" means a mature flower formed on a flowering marijuana plant, and consists of calyx, pistils, resin, and trichomes that are generally swelled with resin, dense to sight and touch, and visibly covered in trichomes;
- (41) "immature bud" means an immature flower formed on a flowering marijuana plant, and consists of calyx, pistils, resin and trichomes and that generally appear loose, wispy, or leafy, and are not dense to sight or touch.
- (42) "remainder of the plant" means any part of or derived from a flowering marijuana plant that does not meet the definition of mature bud, immature bud, clones, cuttings, seeds, or kief.
  - (43) "total THC" means the sum of THC and (0.877) \* (THCA)

(44) "total CBD" means the sum of CBD and (0.877) \* (CBDA)

(Eff. 2/21/2016, Register 217; am\_ /\_ /\_\_\_\_, Register\_\_\_).

**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