



**SCS CS House Bill 123 (L&C)**  
**Establish Marijuana Control Board**  
**Sectional Analysis**

**Section 1:** Amends Title 4 naming the director of the Alcoholic Beverage Control Board as the director of the Marijuana Control Board. Establishes the process for appointment and removal of the director.

**Section 2:** Establishes the 5 member Marijuana Control Board in Title 17 with designated seats for public health, rural, public safety, and industry.

**Section 3:** Establishes terms of office for board members and chair, sets out requirements for board meetings and provides for board member per diem. Outlines the powers and duties of the board to propose and adopt regulations, establish qualifications for licensure, review applications for licensure, hear appeals from the actions of the director, reduce the area of a licensed premise, and to adopt regulations according to AS 44.63. Establishes the board's enforcement powers as mirroring those of the Alcoholic Beverage Control Board outlined in AS 04.06.110. Provides for appointment and removal of the director and establishes the duties of the director.

**Section 4:** Adds a new subsection prohibiting marijuana establishments from being registered if individuals who have been convicted of a felony within the last five years or who are currently serving probation or parole for a felony are an owner, officer, or agent of the establishment.

**Section 5:** Defines board in AS 17.38.900(1) to mean the Marijuana Control Board created by this act.

**Section 6:** Defines "director" as the director of the Alcoholic Beverage Control Board and Marijuana control board. Defines "registration" to mean registration or licensure as determined by regulation.

**Section 7:** Amends the duties of the Department of Commerce, Community, and Economic Development to include providing clerical and administrative support for the Marijuana Control Board.

**Section 8:** Places the Marijuana Control Board on the list of entities whose procedural hearings are held by the Office of Administrative Hearings.

**Section 9:** Provides for a sunset date.

**Section 10:** Amends uncodified law for initial appointment of board members.

**Section 11:** Provides for transition regulations such that if the Alcoholic Beverage Control Board adopts any regulations before the Marijuana Control Board is created, those regulations can be implemented, enforced, amended or repealed by the Marijuana Control Board and provides that regulations adopted by the board in any transition period take effect after the effective date of the act.

**Section 12:** Provides for an immediate effective date.