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Martin
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2d SENATE CS FOR CS FOR HOUSE BILL NO. 75(RLS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to background checks for persons applying to operate marijuana
2 establishments; relating to possessing, using, displaying, purchasing, growing,
3 processing, transporting, and transferring marijuana; relating to assisting another
4 person 21 years of age or older in activities related to marijuana; relating to established
5 villages and to local option elections regarding the operation of marijuana
6 establishments; and providing for an effective date."

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 * **Section 1.** AS 12.62.400(a) is amended to read:

9 (a) To obtain a national criminal history record check for determining a
10 person's qualifications for a license, permit, registration, employment, or position, a
11 person shall submit the person's fingerprints to the department with the fee established
12 by AS 12.62.160. The department may submit the fingerprints to the Federal Bureau
13 of Investigation to obtain a national criminal history record check of the person for the

1 purpose of evaluating a person's qualifications for

2 (1) a license or conditional contractor's permit to manufacture, sell,
3 offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage
4 under AS 04.11;

5 (2) licensure as a mortgage lender, a mortgage broker, or a mortgage
6 loan originator under AS 06.60;

7 (3) admission to the Alaska Bar Association under AS 08.08;

8 (4) licensure as a collection agency operator under AS 08.24;

9 (5) a certificate of fitness to handle explosives under AS 08.52;

10 (6) licensure as a massage therapist under AS 08.61;

11 (7) licensure to practice nursing or certification as a nurse aide under
12 AS 08.68;

13 (8) certification as a real estate appraiser under AS 08.87;

14 (9) a position involving supervisory or disciplinary power over a minor
15 or dependent adult for which criminal justice information may be released under
16 AS 12.62.160(b)(9);

17 (10) a teacher certificate under AS 14.20;

18 (11) licensure as a security guard under AS 18.65.400 - 18.65.490;

19 (12) a concealed handgun permit under AS 18.65.700 - 18.65.790;

20 (13) licensure as an insurance producer, managing general agent,
21 reinsurance intermediary broker, reinsurance intermediary manager, surplus lines
22 broker, or independent adjuster under AS 21.27;

23 (14) serving and executing process issued by a court by a person
24 designated under AS 22.20.130;

25 (15) a school bus driver license under AS 28.15.046;

26 (16) licensure as an operator or an instructor for a commercial driver
27 training school under AS 28.17;

28 (17) registration as a broker-dealer, agent, investment adviser
29 representative, or state investment adviser under AS 45.55.030 - 45.55.060;

30 **(18) a registration or license to operate a marijuana establishment**
31 **under AS 17.38.**

1 * **Sec. 2.** AS 17.38.020 is amended to read:

2 **Sec. 17.38.020. Personal use of marijuana.** Notwithstanding any other
3 provision of law, except as otherwise provided in this chapter, the following acts, by
4 persons 21 years of age or older, are lawful and **are not** [SHALL NOT BE A] criminal
5 or civil **offenses** [OFFENSE] under Alaska law or the law of any political subdivision
6 of Alaska or **bases** [BE A BASIS] for seizure or forfeiture of assets under Alaska law:

7 (1) possessing, using, displaying, purchasing, or transporting
8 marijuana accessories or one ounce or less of marijuana;

9 (2) possessing, growing, processing, or transporting **not** [NO] more
10 than six marijuana plants, with three or fewer being mature, flowering plants, and
11 possession of the marijuana produced by the plants on the premises where the plants
12 were grown, **except that not more than 12 marijuana plants, with six or fewer**
13 **being mature, flowering plants, may be present in a single dwelling regardless of**
14 **the number of persons 21 years of age or older residing in the dwelling;**

15 (3) transferring one ounce or less of marijuana and up to six immature
16 marijuana plants to a person who is 21 years of age or older without remuneration;

17 (4) consumption of marijuana, except that nothing in this chapter
18 **permits** [SHALL PERMIT] the consumption of marijuana in public; and

19 (5) assisting, **aiding, or supporting** another person who is 21 years of
20 age or older in any of the acts described in (1) - (4) of this section.

21 * **Sec. 3.** AS 17.38.200(a) is amended to read:

22 (a) Each application or renewal application for a registration to operate a
23 marijuana establishment shall be submitted to the board. A renewal application may be
24 submitted up to 90 days **before** [PRIOR TO] the expiration of the marijuana
25 establishment's registration. **When filing an application under this subsection, the**
26 **applicant shall submit the applicant's fingerprints and the fees required by the**
27 **Department of Public Safety under AS 12.62.160 for criminal justice information**
28 **and a national criminal history record check. The board shall forward the**
29 **fingerprints and fees to the Department of Public Safety to obtain a report of**
30 **criminal justice information under AS 12.62 and a national criminal history**
31 **record check under AS 12.62.400.**

1 * **Sec. 4.** AS 17.38.210(a) is amended to read:

2 (a) A local government may prohibit the operation of marijuana cultivation
3 facilities, marijuana product manufacturing facilities, marijuana testing facilities, or
4 retail marijuana stores through the enactment of an ordinance or by a voter initiative.

5 **The operation of marijuana cultivation facilities, marijuana product**
6 **manufacturing facilities, marijuana testing facilities, and retail marijuana stores**
7 **in the unorganized borough outside of a municipality is prohibited. An**
8 **established village may permit the operation of marijuana cultivation facilities,**
9 **marijuana product manufacturing facilities, marijuana testing facilities, or retail**
10 **marijuana stores as provided in AS 17.38.300.**

11 * **Sec. 5.** AS 17.38.210 is amended by adding a new subsection to read:

12 (m) Except as provided in AS 29, the exercise of the powers authorized by this
13 section by a borough may be exercised only on a nonareawide basis. In this
14 subsection, "nonareawide" means throughout the area of a borough outside all cities in
15 the borough.

16 * **Sec. 6.** AS 17.38 is amended by adding new sections to read:

17 **Sec. 17.38.300. Local option election by an established village.** (a) If a
18 majority of the voters voting on the question vote to approve the option, an established
19 village shall exercise a local option to permit the operation of one or more of the
20 following types of marijuana establishments:

- 21 (1) marijuana cultivation facilities;
22 (2) marijuana product manufacturing facilities;
23 (3) marijuana testing facilities; or
24 (4) retail marijuana stores.

25 (b) A ballot question to adopt a local option under this section must at least
26 contain language substantially similar to the following: "Shall (name of village) adopt
27 a local option to permit (specify local option under (a) of this section)? (yes or no)."

28 **Sec. 17.38.310. Removal of local option.** (a) If a majority of the voters voting
29 on the question vote to remove the option, an established village shall remove a local
30 option previously adopted under AS 17.38.300. The option is repealed effective the
31 first day of the month following certification of the results of the election.

1 (b) A ballot question to remove a local option under this section must at least
2 contain language substantially similar to the following: "Shall (name of village)
3 remove the local option currently in effect, that permits (current local option under
4 AS 17.38.300(a)), so that there is no longer any local option in effect? (yes or no)."

5 **Sec. 17.38.320. Effect on registrations of prohibition of marijuana**
6 **establishments.** If a majority of voters vote to remove a local option permitting the
7 operation of marijuana establishments under AS 17.38.300, the board may not issue,
8 renew, or transfer, between persons or locations, a registration for a marijuana
9 establishment located within the perimeter of the established village. A registration
10 that may not be renewed because of a local option election held under AS 17.38.300 is
11 void 90 days after the results of the election are certified. A registration that expires
12 during the 90 days after the results of a local option election are certified may be
13 extended, until it is void under this section, by payment of a prorated portion of the
14 annual registration fee.

15 **Sec. 17.38.330. Procedure for local option elections.** (a) An election to adopt
16 a local option under AS 17.38.300 or remove a local option under AS 17.38.310 shall
17 be conducted as required in this section.

18 (b) Upon receipt of a petition of 35 percent or more of the registered voters
19 residing within an established village, the lieutenant governor shall place on a separate
20 ballot at a special election the local option or removal of local option that constitutes
21 the subject of the petition. The lieutenant governor shall conduct the election under
22 AS 15.

23 (c) An election under (b) of this section to remove a local option may not be
24 conducted during the first 24 months after the local option was adopted or more than
25 once in a 36-month period.

26 (d) After a petition has been certified as sufficient to meet the requirements of
27 (b) of this section, another petition may not be filed or certified until after the question
28 presented in the first petition has been voted on. A local option question to permit the
29 operation of marijuana cultivation facilities, marijuana product manufacturing
30 facilities, marijuana testing facilities, or retail marijuana stores or to permit all
31 marijuana establishments may be presented in one election.

1 **Sec. 17.38.340. Establishment of perimeter of established village.** (a)

2 Except as provided under (b) and (c) of this section, for purposes of AS 17.38.300 and
3 17.38.320, the perimeter of an established village is a circle around the established
4 village that includes an area within a five-mile radius of the post office of the
5 established village. If the established village does not have a post office, the perimeter
6 of an established village is a circle around the established village that includes an area
7 within a five-mile radius of another site selected by the local governing body or by the
8 board if the established village does not have a local governing body.

9 (b) If the perimeter of an established village determined under (a) of this
10 section includes any area that is within the perimeter of another established village
11 and, if the other established village has

12 (1) also adopted a local option under AS 17.38.300, the local option of
13 the established village that is less restrictive applies in the overlapping area;

14 (2) not adopted a local option under AS 17.38.300, the local option
15 does not apply in the overlapping area.

16 (c) If the board determines that the perimeter of an established village as
17 provided under (a) and (b) of this section does not accurately reflect the perimeter of
18 the established village, the board may establish the perimeter of the established village
19 and the areas of overlapping perimeter described under (b) of this section for purposes
20 of applying a local option selected under this chapter.

21 **Sec. 17.38.350. Notice of the results of a local option election.** If a majority
22 of the voters vote to adopt or remove a local option under AS 17.38.300 or 17.38.310,
23 the lieutenant governor shall notify the board of the results of the election immediately
24 after the results are certified. The board shall immediately notify the Department of
25 Law and the Department of Public Safety of the results of the election.

26 **Sec. 17.38.360. Bail forfeiture for certain offenses.** The supreme court shall
27 establish by rule or order a schedule of bail amounts that may be forfeited without
28 court appearance for a violation of AS 17.38.030 - 17.38.050.

29 * **Sec. 7.** AS 17.38.900 is amended by adding new paragraphs to read:

30 (17) "dwelling" has the meaning given in AS 11.81.900;

31 (18) "established village" means an area that does not contain any part

1 of an incorporated city or another established village and that is an unincorporated
2 community that is in the unorganized borough and that has 25 or more permanent
3 residents;

4 (19) "manufacture" has the meaning given in AS 11.71.900.

5 * **Sec. 8.** This Act takes effect immediately under AS 01.10.070(c).