

February 1, 2022

Via email to: [Representative.Grier.Hopkins@akleg.gov](mailto:Representative.Grier.Hopkins@akleg.gov)



Subject: Support for HB 289 Alaska Marijuana Industry Task Force

Dear Representative Hopkins:

The Alaska Marijuana Industry Association (AMIA) would like to offer our **support** for HB 289.

The excise tax on Alaskan marijuana cultivation has set a static price floor for marijuana and marijuana products. This static price floor is creating instability in our industry and resulting in an inequitable taxation burden imposed on the cannabis industry. For example, the excise tax of \$800/lb of cannabis flower in Alaska is similar to the *total wholesale price* in states like Oregon. The problem is evident, the impacts are negative, and a solution is needed. The solution will only be found if we have a comprehensive task force with the right tools and the right folks to dig in and find a solution to better the industry and protect consumers. The AMIA has been analyzing the current scheme against potential new tax structures, however, without access to state experts and data we are just shooting darts at the wall with blindfolds on. We are hopeful that with the passage of this legislation we will be able to see robust, smart, and data driven conversation occur between industry, regulators, and tax experts, as well as municipal stakeholders and the legislature.

We are grateful to be named in the bill regarding the selection of qualified industry representatives. We understand that while we do not represent the entire industry, the AMIA is the only statewide industry trade group that exists, so we therefore feel it is appropriate language. We promise to send forward our best and brightest and take this responsibility very seriously.

The bright goal for the AMIA is to help identify a sustainable, enforceable, and above all else, fair tax structure. This tax structure should allow for growth, not hardship and should provide a path to compliance without subjective review or punitive action wherever possible.

We are grateful to be considered a valuable industry, job provider, taxpayer, and general business community asset to Alaska. We see a bright future and are hopeful that this task force will come to fruition, and we can move forward together.

Respectfully,

Lacy Wilcox, President

Alaska Marijuana Industry Association

*The Alaska Marijuana Industry Association is Alaska's only statewide cannabis industry trade group. Our mission is to promote and advocate for a vibrant and reasonably regulated Alaska-based marijuana industry. The AMIA serves to strengthen and enhance a network of connected, independent, informed, regionally and community directed Alaska marijuana organizations.*

[www.alaskamia.org](http://www.alaskamia.org)