

**HOUSE BILL NO. 91**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE CARRICK**

**Introduced: 2/10/25**

**Referred: State Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the lawful operation of retail marijuana stores; relating to**  
2 **marijuana cultivation; relating to the registration of marijuana establishments; relating**  
3 **to marijuana taxes; relating to the duties of the Department of Revenue; and providing**  
4 **for an effective date."**

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

6 \* **Section 1.** AS 17.38.070(a) is amended to read:

7 (a) Notwithstanding any other provision of law, the following acts, when  
8 performed by a retail marijuana store with a current, valid registration, or a person 21  
9 years of age or older who is acting in the person's capacity as an owner, employee, or  
10 agent of a retail marijuana store, are lawful and are not an offense under state law or a  
11 basis for seizure or forfeiture of assets under state law:

12 (1) possessing, displaying, storing, or transporting marijuana or  
13 marijuana products, except that marijuana and marijuana products may not be  
14 displayed in a manner that is visible to the general public from a public right-of-way;

1 (2) delivering or transferring marijuana or marijuana products to a  
2 marijuana testing facility;

3 (3) receiving marijuana or marijuana products from a marijuana testing  
4 facility;

5 (4) purchasing marijuana from a marijuana cultivation facility;

6 (5) purchasing marijuana or marijuana products from a marijuana  
7 product manufacturing facility; and

8 (6) delivering, distributing, or selling marijuana or marijuana products  
9 to **a consumer, a marijuana cultivation facility, or a marijuana product**  
10 **manufacturing facility** [CONSUMERS].

11 \* **Sec. 2.** AS 17.38 is amended by adding a new section to read:

12 **Sec. 17.38.075. Marijuana inventory tracking at marijuana cultivation**  
13 **facilities.** A marijuana cultivation facility shall assign a tracking number to each crop  
14 of marijuana plants when the height of one or more plants exceeds eight inches. The  
15 board may not require a marijuana cultivation facility to assign an individual tracking  
16 number to each plant propagated, grown, or cultivated on the marijuana cultivation  
17 facility's premises.

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

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

1 \* **Sec. 4.** AS 17.38.200(d) is amended to read:

2 (d) Within 45 to 90 days after receiving an application or renewal application,  
3 the board shall issue a biennial [AN ANNUAL] registration to the applicant unless  
4 the board finds the applicant is not in compliance with regulations enacted under  
5 [PURSUANT TO] AS 17.38.190 or the board is notified by the relevant local  
6 government that the applicant is not in compliance with ordinances and regulations  
7 made under [PURSUANT TO] AS 17.38.210 and in effect at the time of application.

8 \* **Sec. 5.** AS 17.38.210(e) is amended to read:

9 (e) A local government may establish a schedule of biennial [ANNUAL]  
10 operating, registration, and application fees for marijuana establishments, provided  
11 that the local government may charge the

12 (1) application fee only if an application is submitted to the local  
13 government in accordance with (f) of this section; and

14 (2) registration fee only if a registration is issued by the local  
15 government in accordance with (f) of this section.

16 \* **Sec. 6.** AS 17.38.210(f) is amended to read:

17 (f) If the board does not issue a registration to an applicant within 90 days  
18 after receiving [OF RECEIPT OF] the application filed in accordance with  
19 AS 17.38.200 and does not notify the applicant of the specific, permissible reason for  
20 its denial, in writing and within that [SUCH] time period, or if the board has adopted  
21 regulations under [PURSUANT TO] AS 17.38.190 and has accepted applications  
22 under [PURSUANT TO] AS 17.38.200 but has not issued any registrations by 15  
23 months after February 24, 2015, the applicant may resubmit its application directly to  
24 the local regulatory authority, under [PURSUANT TO] (c) of this section, and the  
25 local regulatory authority may issue a biennial [AN ANNUAL] registration to the  
26 applicant. If an application is submitted to a local regulatory authority under this  
27 subsection, the board shall forward to the local regulatory authority the application fee  
28 paid by the applicant to the board upon request by the local regulatory authority.

29 \* **Sec. 7.** AS 17.38.210(h) is amended to read:

30 (h) A local regulatory authority issuing a registration to an applicant shall do  
31 so within 90 days after receiving [OF RECEIPT OF] the submitted or resubmitted

1 application unless the local regulatory authority finds and notifies the applicant that  
 2 the applicant is not in compliance with ordinances and regulations made **under**  
 3 [PURSUANT TO] (b) of this section in effect at the time the application is submitted  
 4 to the local regulatory authority. The local government shall notify the board if **a**  
 5 **biennial** [AN ANNUAL] registration has been issued to the applicant.

6 \* **Sec. 8.** AS 17.38.210(j) is amended to read:

7 (j) A subsequent or renewed registration may be issued under (f) of this  
 8 section on **a biennial** [AN ANNUAL] basis only upon resubmission to the local  
 9 government of a new application submitted to the board **under** [PURSUANT TO]  
 10 AS 17.38.200.

11 \* **Sec. 9.** AS 17.38.320 is amended to read:

12 **Sec. 17.38.320. Effect on registrations of prohibition of marijuana**  
 13 **establishments.** If a majority of voters vote to prohibit the operation of marijuana  
 14 establishments under AS 17.38.300, the board may not issue, renew, or transfer,  
 15 between persons or locations, a registration for a marijuana establishment located  
 16 within the perimeter of the established village. A registration that may not be renewed  
 17 because of a local option election held under AS 17.38.300 is void 90 days after the  
 18 results of the election are certified. A registration that expires during the 90 days after  
 19 the results of a local option election are certified may be extended, until it is void  
 20 under this section, by payment of a prorated portion of the **biennial** [ANNUAL]  
 21 registration fee.

22 \* **Sec. 10.** AS 17.38.900(18) is amended to read:

23 (18) "retail marijuana store" means an entity registered to purchase  
 24 marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana  
 25 products from marijuana product manufacturing facilities, and to sell marijuana and  
 26 marijuana products to consumers, **marijuana cultivation facilities, and marijuana**  
 27 **product manufacturing facilities;**

28 \* **Sec. 11.** AS 43.61.010(a) is amended to read:

29 (a) An excise tax is imposed on the sale or transfer of marijuana from a  
 30 marijuana cultivation facility to a retail marijuana store or marijuana product  
 31 manufacturing facility. Every marijuana cultivation facility shall pay an excise tax at

1 the rate of \$12.50 an [\$50 PER] ounce, or proportionate part thereof, on marijuana  
 2 that is sold or transferred from a marijuana cultivation facility to a retail marijuana  
 3 store or marijuana product manufacturing facility.

4 \* **Sec. 12.** AS 43.61.010(f) is amended to read:

5 (f) The marijuana education and treatment fund is established in the general  
 6 fund. In addition to the accounting under (c) of this section, the Department of  
 7 Administration shall separately account for 25 percent of the tax collected under this  
 8 section and deposit it into the marijuana education and treatment fund. The  
 9 Department of Administration shall deposit interest earned on the fund into the general  
 10 fund. Money in the fund does not lapse. The legislature may use the annual estimated  
 11 balance in the fund to make appropriations to the Department of Health for the  
 12 comprehensive marijuana use education and treatment program established under  
 13 AS 44.29.020(a)(14) and may use at least 50 percent of the annual estimated  
 14 balance in the fund to make appropriations to the youth services grant program  
 15 within the community-based marijuana misuse prevention component of that  
 16 program.

17 \* **Sec. 13.** AS 43.61.010 is amended by adding a new subsection to read:

18 (g) A sales tax is imposed on the sale of marijuana and marijuana products  
 19 from a retail marijuana store to a consumer. Every consumer shall pay a six percent  
 20 sales tax at a retail marijuana store for all marijuana and marijuana products intended  
 21 for human consumption.

22 \* **Sec. 14.** AS 43.61.020 is amended to read:

23 **Sec. 43.61.020. Quarterly statements [MONTHLY STATEMENT] and**  
 24 **payments.** (a) Each retail marijuana store [CULTIVATION FACILITY] shall send a  
 25 statement by mail or electronically to the department on or before the last day of each  
 26 quarter [CALENDAR MONTH]. The statement must contain an account of the  
 27 amount of marijuana sold to consumers [OR TRANSFERRED TO RETAIL  
 28 MARIJUANA STORES AND MARIJUANA PRODUCT MANUFACTURING  
 29 FACILITIES IN THE STATE] during the preceding quarter [MONTH], setting out  
 30 [(1)] the total number of ounces, including fractional ounces, sold and  
 31 the total value of the marijuana sold [OR TRANSFERRED];

1 (2) THE NAMES AND ALASKA ADDRESS OF EACH BUYER  
2 AND TRANSFEREE; AND

3 (3) THE WEIGHT OF MARIJUANA SOLD OR TRANSFERRED  
4 TO THE RESPECTIVE BUYERS OR TRANSFEREES].

5 (b) The retail marijuana store [CULTIVATION FACILITY] shall pay  
6 quarterly [MONTHLY] to the department [,] all taxes, computed at the rates  
7 prescribed in this chapter, on the respective total quantities of the marijuana sold [OR  
8 TRANSFERRED] during the preceding quarter [MONTH]. The quarterly  
9 [MONTHLY] return shall be filed and the tax paid on or before the last day of each  
10 quarter [MONTH] to cover the preceding quarter [MONTH].

11 \* **Sec. 15.** AS 43.61.030 is amended to read:

12 **Sec. 43.61.030. Administration and enforcement of tax.** (a) Delinquent  
13 payments under this chapter shall subject the retail marijuana store [CULTIVATION  
14 FACILITY] to civil penalties under AS 43.05.220.

15 (b) If a retail marijuana store [CULTIVATION FACILITY] fails to pay the  
16 tax to the state, the retail marijuana store's [CULTIVATION FACILITY'S]  
17 registration may be revoked in accordance with procedures established under  
18 AS 17.38.190(a)(1).

19 \* **Sec. 16.** AS 44.25.020 is amended to read:

20 **Sec. 44.25.020. Duties of department.** The Department of Revenue shall

21 (1) enforce the tax laws of the state;

22 (2) collect, account for, have custody of, invest, and manage all state  
23 funds and all revenues of the state except revenues incidental to a program of licensing  
24 and regulation carried on by another state department, funds managed and invested by  
25 the Alaska Retirement Management Board, and as otherwise provided by law;

26 (3) invest and manage the balance of the power development fund in  
27 accordance with AS 44.83.386;

28 (4) administer the surety bond program for licensure as a fish  
29 processor or primary fish buyer;

30 (5) provide reasonable assistance to the Alaska Industrial Development  
31 and Export Authority under AS 44.88.850(c);

1                   **(6) establish at least one facility in each judicial district to collect**  
2                   **monthly statements and payments from retail marijuana stores under**  
3                   **AS 43.61.020.**

4       \* **Sec. 17.** AS 43.61.010(b) is repealed.

5       \* **Sec. 18.** AS 43.61.010(a) is repealed January 1, 2026.

6       \* **Sec. 19.** The uncodified law of the State of Alaska is amended by adding a new section to  
7 read:

8           APPLICABILITY. AS 43.61.010(a), as amended by sec. 11 of this Act, applies to  
9 taxes accrued on or after the effective date of sec. 11 of this Act.

10       \* **Sec. 20.** Sections 13 - 16 of this Act take effect January 1, 2026.

11       \* **Sec. 21.** Except as provided in sec. 20 of this Act, this Act takes effect July 1, 2025.