

HOUSE BILL NO. 75

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Introduced: 1/23/15

Referred: Community and Regional Affairs, Judiciary

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the regulation of marijuana by municipalities; and providing for an
2 effective date."

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

4 * **Section 1.** AS 17.38.070(f) is amended to read:

5 (f) Nothing in this section prevents the imposition of penalties on [UPON]
6 marijuana establishments for violating this chapter or rules adopted by the board or a
7 municipality under [LOCAL GOVERNMENTS PURSUANT TO] this chapter.

8 * **Sec. 2.** AS 17.38.100(c) is amended to read:

9 (c) Upon receiving an application or renewal application for a marijuana
10 establishment, the board shall immediately forward a copy of each application and half
11 of the registration application fee to the local regulatory authority for the municipality
12 [LOCAL GOVERNMENT] in which the applicant desires to operate the marijuana
13 establishment, unless the municipality [LOCAL GOVERNMENT] has not designated
14 a local regulatory authority under [PURSUANT TO] AS 17.38.110(c).

1 * **Sec. 3.** AS 17.38.100(e) is amended to read:

2 (e) If a **municipality** [LOCAL GOVERNMENT] has enacted a numerical
3 limit on the number of marijuana establishments and a greater number of applicants
4 seek registrations, the board shall solicit and consider input from the local regulatory
5 authority as to the **municipality's** [LOCAL GOVERNMENT'S] preference [OR
6 PREFERENCES] for registration.

7 * **Sec. 4.** AS 17.38.110(a) is amended to read:

8 (a) A **municipality** [LOCAL GOVERNMENT] may prohibit the operation of
9 marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana
10 testing facilities, or retail marijuana stores through the enactment of an ordinance or
11 by a voter initiative.

12 * **Sec. 5.** AS 17.38.110(b) is amended to read:

13 (b) A **municipality** [LOCAL GOVERNMENT] may **adopt** [ENACT]
14 ordinances or regulations not in conflict with this chapter or with regulations **adopted**
15 **under** [ENACTED PURSUANT TO] this chapter, governing the time, place, manner,
16 and number of marijuana establishment operations. A **municipality** [LOCAL
17 GOVERNMENT] may establish civil penalties for violation of an ordinance or
18 regulation governing the time, place, and manner of a marijuana establishment that
19 may operate in **the municipality** [SUCH LOCAL GOVERNMENT].

20 * **Sec. 6.** AS 17.38.110(c) is amended to read:

21 (c) A **municipality shall** [LOCAL GOVERNMENT MAY] designate a local
22 regulatory authority that is responsible for processing applications submitted for a
23 registration to operate a marijuana establishment within the boundaries of the
24 **municipality** [LOCAL GOVERNMENT]. The **municipality** [LOCAL
25 GOVERNMENT] may provide that the local regulatory authority may issue [SUCH]
26 registrations should the issuance by the **municipality** [LOCAL GOVERNMENT]
27 become necessary because of a failure by the board to adopt regulations **under**
28 [PURSUANT TO] AS 17.38.090 or to accept or process applications in accordance
29 with AS 17.38.100.

30 * **Sec. 7.** AS 17.38.110(d) is amended to read:

31 (d) A **municipality** [LOCAL GOVERNMENT] may establish procedures for

1 the issuance, suspension, and revocation of a registration issued by the municipality
 2 [LOCAL GOVERNMENT] in accordance with (f) [OF THIS SECTION] or (g) of this
 3 section. These procedures shall be subject to all requirements of AS 44.62
 4 (Administrative Procedure Act).

5 * **Sec. 8.** AS 17.38.110(e) is amended to read:

6 (e) A municipality [LOCAL GOVERNMENT] may establish a schedule of
 7 annual operating, registration, and application fees for marijuana establishments,
 8 provided, the application fee is [SHALL ONLY BE] due only if an application is
 9 submitted to a municipality [LOCAL GOVERNMENT] in accordance with (f) of this
 10 section and a registration fee is [SHALL ONLY BE] due only if a registration is
 11 issued by a municipality [LOCAL GOVERNMENT] in accordance with (f) [OF
 12 THIS SECTION] or (g) of this section.

13 * **Sec. 9.** AS 17.38.110(h) is amended to read:

14 (h) A local regulatory authority issuing a registration to an applicant shall do
 15 so within 90 days after [OF] receipt of the submitted or resubmitted application unless
 16 the local regulatory authority finds and notifies the applicant that the applicant is not
 17 in compliance with ordinances and regulations adopted under [MADE PURSUANT
 18 TO] (b) of this section in effect at the time the application is submitted to the local
 19 regulatory authority. The municipality [LOCAL GOVERNMENT] shall notify the
 20 board if an annual registration has been issued to the applicant.

21 * **Sec. 10.** AS 17.38.110(i) is amended to read:

22 (i) A registration issued by a municipality [LOCAL GOVERNMENT] in
 23 accordance with (f) [OF THIS SECTION] or (g) of this section shall have the same
 24 force and effect as a registration issued by the board in accordance with AS 17.38.100.
 25 The holder of the [SUCH] registration is [SHALL] not [BE] subject to regulation or
 26 enforcement by the board during the term of that registration.

27 * **Sec. 11.** AS 17.38.110(j) is amended to read:

28 (j) A subsequent or renewed registration may be issued under (f) of this
 29 section on an annual basis only upon resubmission to the municipality [LOCAL
 30 GOVERNMENT] of a new application submitted to the board under [PURSUANT
 31 TO] AS 17.38.100.

1 * **Sec. 12.** AS 17.38.110 is amended by adding a new subsection to read:

2 (m) A municipality that has not prohibited the operation of marijuana
3 cultivation facilities, marijuana product manufacturing facilities, marijuana testing
4 facilities, or retail marijuana stores under (a) of this section shall create a local
5 advisory board to advise the municipality on issues related to licensing of marijuana
6 establishments and regulation of marijuana.

7 * **Sec. 13.** AS 17.38.900(4) is repealed.

8 * **Sec. 14.** This Act takes effect immediately under AS 01.10.070(c).