



AMENDMENT #2

OFFERED IN THE HOUSE

BY REPRESENTATIVE SUMNER

TO: HCS CSSB 89(L&C)

1 Page 1, line 3, following "product;" (title amendment):

2 Insert "relating to the lawful operation of retail marijuana stores; relating to the
3 registration of marijuana establishments;"

4
5 Page 1, line 5, following "products;":

6 Insert "relating to marijuana taxes;"

7
8 Page 6, following line 6:

9 Insert new bill sections to read:

10 "* **Sec. 11.** AS 17.38.070(a) is amended to read:

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

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

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

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

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

1 (5) purchasing marijuana or marijuana products from a marijuana
2 product manufacturing facility; and

3 (6) delivering, distributing, or selling marijuana or marijuana products
4 to a consumer, a marijuana cultivation facility, or a marijuana product
5 manufacturing facility [CONSUMERS].

6 * **Sec. 12.** AS 17.38.200(a) is amended to read:

7 (a) Each application or renewal application for a registration to operate a
8 marijuana establishment shall be submitted to the board. A renewal application may be
9 submitted up to 90 days before the expiration of the marijuana establishment's
10 registration. When filing an application for a new registration under this subsection,
11 the applicant shall submit the applicant's fingerprints and the fees required by the
12 Department of Public Safety under AS 12.62.160 for criminal justice information and
13 a national criminal history record check. When filing an application for renewal of
14 registration, an applicant shall submit the applicant's fingerprints and the fees required
15 by the Department of Public Safety under AS 12.62.160 for criminal justice
16 information and a national criminal history record check every six [FIVE] years. The
17 board shall forward the fingerprints and fees to the Department of Public Safety to
18 obtain a report of criminal justice information under AS 12.62 and a national criminal
19 history record check under AS 12.62.400.

20 * **Sec. 13.** AS 17.38.200(d) is amended to read:

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

27 * **Sec. 14.** AS 17.38.210(e) is amended to read:

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

31 (1) application fee only if an application is submitted to the local

1 government in accordance with (f) of this section; and

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

4 * **Sec. 15.** AS 17.38.210(f) is amended to read:

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

17 * **Sec. 16.** AS 17.38.210(h) is amended to read:

18 (h) A local regulatory authority issuing a registration to an applicant shall do
19 so within 90 days after receiving [OF RECEIPT OF] the submitted or resubmitted
20 application unless the local regulatory authority finds and notifies the applicant that
21 the applicant is not in compliance with ordinances and regulations made under
22 [PURSUANT TO] (b) of this section in effect at the time the application is submitted
23 to the local regulatory authority. The local government shall notify the board if a
24 biennial [AN ANNUAL] registration has been issued to the applicant.

25 * **Sec. 17.** AS 17.38.210(j) is amended to read:

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

30 * **Sec. 18.** AS 17.38.320 is amended to read:

31 **Sec. 17.38.320. Effect on registrations of prohibition of marijuana**

1 **establishments.** If a majority of voters vote to prohibit the operation of marijuana
 2 establishments under AS 17.38.300, the board may not issue, renew, or transfer,
 3 between persons or locations, a registration for a marijuana establishment located
 4 within the perimeter of the established village. A registration that may not be renewed
 5 because of a local option election held under AS 17.38.300 is void 90 days after the
 6 results of the election are certified. A registration that expires during the 90 days after
 7 the results of a local option election are certified may be extended, until it is void
 8 under this section, by payment of a prorated portion of the **biennial** [ANNUAL]
 9 registration fee.

10 * **Sec. 19.** AS 17.38.900(18) is amended to read:

11 (18) "retail marijuana store" means an entity registered to purchase
 12 marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana
 13 products from marijuana product manufacturing facilities, and to sell marijuana and
 14 marijuana products to consumers, marijuana cultivation facilities, and marijuana
 15 product manufacturing facilities;"

16
 17 Renumber the following bill sections accordingly.

18
 19 Page 13, following line 21:

20 Insert new bill sections to read:

21 **** Sec. 27.** AS 43.61.010(a) is amended to read:

22 (a) An excise tax is imposed on the sale or transfer of marijuana from a
 23 marijuana cultivation facility to a retail marijuana store or marijuana product
 24 manufacturing facility. Every marijuana cultivation facility shall pay an excise tax at
 25 the rate of **\$12.50 an** [\$50 PER] ounce, or proportionate part thereof, on marijuana
 26 that is sold or transferred from a marijuana cultivation facility to a retail marijuana
 27 store or marijuana product manufacturing facility.

28 * **Sec. 28.** AS 43.61.010(f) is amended to read:

29 (f) The marijuana education and treatment fund is established in the general
 30 fund. In addition to the accounting under (c) of this section, the Department of
 31 Administration shall separately account for 25 percent of the tax collected under this

1 section and deposit it into the marijuana education and treatment fund. The
 2 Department of Administration shall deposit interest earned on the fund into the general
 3 fund. Money in the fund does not lapse. The legislature may use the annual estimated
 4 balance in the fund to make appropriations to the Department of Health for the
 5 comprehensive marijuana use education and treatment program established under
 6 AS 44.29.020(a)(14) and may use at least 50 percent of the annual estimated
 7 balance in the fund to make appropriations to the youth services grant program
 8 within the community-based marijuana misuse prevention component of that
 9 program.

10 * **Sec. 29.** AS 43.61.010 is amended by adding a new subsection to read:

11 (g) A sales tax is imposed on the sale of marijuana and marijuana products
 12 from a retail marijuana store to a consumer. Every consumer shall pay a seven percent
 13 sales tax at a retail marijuana store for all marijuana and marijuana products intended
 14 for human consumption.

15 * **Sec. 30.** AS 43.61.020 is amended to read:

16 **Sec. 43.61.020. Quarterly statements [MONTHLY STATEMENT] and**
 17 **payments.** (a) Each retail marijuana store [CULTIVATION FACILITY] shall send a
 18 statement by mail or electronically to the department on or before the last day of each
 19 quarter [CALENDAR MONTH]. The statement must contain an account of the
 20 amount of marijuana sold to consumers [OR TRANSFERRED TO RETAIL
 21 MARIJUANA STORES AND MARIJUANA PRODUCT MANUFACTURING
 22 FACILITIES IN THE STATE] during the preceding quarter [MONTH], setting out

23 [(1)] the total number of ounces, including fractional ounces, sold and
 24 the total value of the marijuana sold [OR TRANSFERRED];

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

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

29 (b) The retail marijuana store [CULTIVATION FACILITY] shall pay
 30 quarterly [MONTHLY] to the department [,] all taxes, computed at the rates
 31 prescribed in this chapter, on the respective total quantities of the marijuana sold [OR

1 TRANSFERRED] during the preceding quarter [MONTH]. The quarterly
2 [MONTHLY] return shall be filed and the tax paid on or before the last day of each
3 quarter [MONTH] to cover the preceding quarter [MONTH].

4 * **Sec. 31.** AS 43.61.030 is amended to read:

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

8 (b) If a retail marijuana store [CULTIVATION FACILITY] fails to pay the
9 tax to the state, the retail marijuana store's [CULTIVATION FACILITY'S]
10 registration may be revoked in accordance with procedures established under
11 AS 17.38.190(a)(1)."
12

13 Renumber the following bill sections accordingly.

14

15 Page 18, following line 2:

16 Insert a new bill section to read:

17 "* **Sec. 38.** AS 43.61.010(b) is repealed."
18

19 Renumber the following bill sections accordingly.

20

21 Page 18, line 3:

22 Delete "is"

23 Insert "and AS 43.61.010(a) are"
24

25 Page 18, line 6, following "APPLICABILITY.":

26 Insert "(a)"
27

28 Page 18, line 18:

29 Delete "sec. 16"

30 Insert "sec. 25"
31

1 Page 18, line 19:

2 Delete "sec. 17"

3 Insert "sec. 26"

4

5 Page 18, line 20:

6 Delete "sec. 23"

7 Insert "sec. 37"

8

9 Page 18, following line 20:

10 Insert new material to read:

11 "(b) AS 43.61.010(a), as amended by sec. 27 of this Act, applies to taxes accrued on
12 or after the effective date of sec. 27 of this Act.

13 * **Sec. 41.** Sections 11 - 19, 27, 28, and 38 of this Act take effect July 1, 2024."

14

15 Renumber the following bill section accordingly.

16

17 Page 18, line 21:

18 Delete "This"

19 Insert "Except as provided in sec. 41 of this Act, this"