September 1, 2015

Mr. John Calder
Marijuana Control Board
550 W 7th Ave., Suite 1600
Anchorage, AK 99501

Dear Mr. Calder:

The City and Borough of Juneau respectfully provides the following comments to the Board’s proposed third set of regulations.

1. Given that the marijuana industry is primarily a cash-only industry, auditing sales tax returns will be difficult for municipalities. Access to the inventory tracking system would be a valuable tool to local government officials enforcing local sales tax laws. Such access would also allow local officials to provide feedback to the State in the case of state law violations. As proposed, 3 AAC 306.800 does not require licensees to give municipal officials (other than peace officers) this access, and we ask that you change this.

2. The proposed regulation at 3 AAC 306.810(c) allows a local governing body to notify the board in the case of violations of state law (statutory or regulatory) or failure of an establishment to abide by a license condition. As proposed, that does not include violating local laws or locally imposed permit/license conditions. We ask that violations of local law be added to the list identified in subsection (c).

3. The CBJ requests that the decision to allow or prohibit marijuana clubs be left to the municipalities (3 AAC 306.900). While the ballot measure did not allow the state to license commercial clubs, it did not remove home rule municipalities’ legal authority to decide about private clubs where marijuana products may be consumed.

4. As you consider enacting testing requirements that sufficiently ensure health and safety, the CBJ asks that you keep in mind the needs of communities outside the Railbelt, especially those not accessible by land-based traffic. Adopting overly stringent testing requirements requiring expensive equipment may leave some of the smaller communities without a testing facility. Communities not on the road system may not have the volume of business necessary to balance out the cost of testing equipment.
As stated in our earlier comments, we appreciate the work of the Board and its staff. Thank you again for the opportunity to comment.

Sincerely,

Rob Steedle
Deputy City Manager

cc: Borough Assembly