

3 AAC 306.060. Protest by local government. (a) Not later than 60 days after the director sends notice of an application for a new marijuana establishment license, a new onsite consumption endorsement, renewal of a marijuana establishment license, renewal of an onsite consumption endorsement, license conversion, endorsement, transfer of a marijuana establishment license to another person, or transfer of a marijuana establishment license to another location, a local government with jurisdiction over the location of the proposed licensed premises may protest the application by sending the director and the applicant a written protest and the reasons for the protest. If an application for a transfer of a marijuana establishment license to another location proposes to relocate a licensed establishment within the jurisdiction of a different local government, the local government with jurisdiction over the proposed location may protest the application on the basis of taxes owed to the local government with jurisdiction over the current location of the licensed premises. The director may not accept a protest received after the 60-day period. If the protest is a conditional protest, the board will require the applicant to show, to the board's satisfaction, that the requirements of the local government have been met before the director may issue the marijuana establishment license. If the protest is not a conditional protest, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. (b) A local government may recommend that the board approve an application for a new marijuana establishment license, a new onsite consumption endorsement, renewal of a marijuana establishment license, renewal of an onsite consumption endorsement, license conversion, transfer of a marijuana establishment license to another person, or transfer of a marijuana establishment license to another location subject to a condition. If an application for a transfer of a marijuana establishment license to another location proposes to relocate a licensed establishment within the jurisdiction of a different local government, the local government with jurisdiction over the proposed location may recommend that the board approve the marijuana establishment license subject to a condition that is based on reasons identified by the local government with jurisdiction over the current location, if those reasons are still relevant to the proposed location. The board will impose a condition a local government recommends unless the board finds the recommended condition is arbitrary, capricious, and unreasonable. If the board imposes a condition a local government recommends, the local government shall assume responsibility for monitoring compliance with the condition unless the board provides otherwise. (c) If a local government with jurisdiction over the location of the licensed premises determines that a marijuana establishment has violated a provision of [AS 17.38](#), this chapter, or a condition the board has imposed on the licensee, the local government may notify the board. Unless the director finds that the local government's notice is arbitrary, capricious, and unreasonable, the director shall prepare the determination as an accusation against the licensee under [AS 44.62.360](#) and conduct proceedings to resolve the matter as provided under [3 AAC 306.820](#). (d) In this section, (1) "local government" means each local government with jurisdiction over the licensed premises; in case of an application for a transfer of a marijuana establishment license to another location, "local government" means the local government with jurisdiction over the proposed licensed premises; (2) "conditional protest" means a protest by a local government based on the local government's requirements that the applicant must meet before licensure, and that the applicant has not yet met but that the local government expects the applicant will be able to meet within a reasonable period of time. (e) Not later than 60 days after the director sends notice of an application for a transfer of a marijuana establishment license to another location where the local

government would be different, the local government with jurisdiction over the current licensed premises may protest the application upon the basis of taxes owed by the licensee to that local government by sending the director and the applicant a written protest and the reasons for the protest. The director may not accept and the board will not consider a protest received under this subsection after the 60-day period.