

**KENAI PENINSULA BOROUGH
PROPOSITION NO. 1**

**ADOPTION OF A LOCAL OPTION TO PROHIBIT OPERATION OF COMMERCIAL MARIJUANA
ESTABLISHMENTS OUTSIDE OF THE BOROUGH CITIES**

(To be voted on by all borough voters residing outside of the incorporated cities)

Citizen Initiative Ordinance 2016-01 entitled, "An Ordinance Placing a Question on the October 4, 2016 Election Ballot on whether the Kenai Peninsula Borough Shall Adopt a Local Option to Prohibit the Operation of any Commercial Marijuana Establishment in the Kenai Peninsula Borough Outside of the Borough Cities," was certified by the Borough Clerk on August 22, 2016 for inclusion on the October 3, 2017 regular election ballot.

During the November 4, 2014 election, a majority of the voters in the State of Alaska approved Proposition 2 which legalized the possession and commercial cultivation, manufacturing, testing and sale of marijuana in the State of Alaska. Proposition 2 was based on an initiative that amended Alaska Statutes, including adding a new statute at AS 17.38.210 that specifically authorized the local governing body by ordinance or the voters of the municipality by initiative to prohibit any or all commercial marijuana establishments from operating in their boundaries; this local option provision is also contained in 3 AAC 306.200. Any local option ordinance or initiative cannot prohibit the personal use and possession of marijuana and marijuana products, as provided by AS 17.38.020 and 3 AAC 306.200(d).

Pursuant to 3 AAC 306.250, if a majority of the qualified voters vote to approve this proposition, all licenses for a commercial marijuana establishment within the area of the Kenai Peninsula Borough outside of the cities in the Borough, are void 90 days after the date the results of the election are certified. A license that expires during the 90 days after the certification of this local option election may be extended until it is void under this section by payment of a prorated portion of the annual license fee.

BALLOT LANGUAGE

Shall the Kenai Peninsula Borough adopt a local option to prohibit the operation of any commercial marijuana establishment outside of the Borough cities, including all of the following license types:

- a) Retail marijuana store;
"Retail marijuana store" means an entity registered to purchase marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana products from marijuana product manufacturing facilities, and to sell marijuana and marijuana products to consumers.

- b) Marijuana cultivation facility;
"Marijuana cultivation facility" means an entity registered to cultivate, prepare, and package marijuana and to sell marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

- c) Marijuana product manufacturing facility; and
"Marijuana product manufacturing facility" means an entity registered to purchase marijuana; manufacture, prepare, and package marijuana products; and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.
- d) Marijuana testing facility.
"Marijuana testing facility" means an entity registered to analyze and certify the safety and potency of marijuana.

YES A "yes" vote means the commercial marijuana establishments will be prohibited in the area of the Borough outside of the cities.

NO A "no" vote means that commercial marijuana establishments will be allowed in the area of the Borough outside of the cities, subject to applicable legal requirements.