

## Amendment No. 849

Senate Amendment to Senate Bill No. 374 First Reprint (BDR 15-89)

Proposed by: Senate Committee on Finance

Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of S.B. 374 R1 (§§ 12, 19.6).

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold underlining* is newly added transitory language.

EGO/BJE



Date: 5/27/2013

S.B. No. 374—Provides for the registration of medical marijuana establishments authorized to cultivate or dispense marijuana or manufacture products containing marijuana for sale to persons authorized to engage in the medical use of marijuana. (BDR 15-89)



SENATE BILL NO. 374—SENATORS  
SEGERBLOM; AND MANENDO

MARCH 18, 2013

JOINT SPONSORS: ASSEMBLYMEN  
AIZLEY; HOGAN AND SWANK

Referred to Committee on Judiciary

SUMMARY—Provides for the registration of medical marijuana establishments authorized to cultivate or dispense marijuana or manufacture products containing marijuana for sale to persons authorized to engage in the medical use of marijuana. (BDR 15-89)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.  
Effect on the State: Yes.

~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to medical marijuana; providing for the registration of medical marijuana establishments authorized to cultivate or dispense marijuana or manufacture products containing marijuana for sale to persons authorized to engage in the medical use of marijuana; setting forth the manner in which such establishments must register and operate; providing penalties; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Under existing law, the State of Nevada provides immunity from state and local prosecution for possessing, delivering and producing marijuana in certain limited amounts for patients with qualifying medical conditions, and their designated primary caregivers, who apply to and receive from the Health Division of the Department of Health and Human Services a registry identification card. Existing law does not specify the manner in which qualifying patients and their designated primary caregivers are to obtain marijuana. (Chapter 453A of NRS)

This bill: (1) states that it is an unlawful act, punishable as a category E felony, to forge, counterfeit or attempt to forge or counterfeit a registry identification card; (2) provides for the registration of medical marijuana establishments, the three types of which are cultivation facilities, facilities for the production of edible marijuana products and medical marijuana dispensaries; (3) provides for the registration of medical marijuana establishment agents; (4) sets forth the crimes and acts which disqualify a person from serving as the owner, officer, board member or agent of such an establishment; (5) enumerates the acts for which a medical marijuana establishment registration certificate and a medical marijuana establishment agent

registration card are immediately revocable; (6) establishes that it is a privilege and not a right to hold a medical marijuana establishment registration certificate or a medical marijuana establishment agent registration card; (7) sets forth the maximum fees which may be charged by the Health Division for the initial issuance and renewal of such certificates and cards; (8) sets forth the basic requirements for operating a medical marijuana establishment; and (9) directs the Health Division to adopt necessary regulations. This bill also increases the amounts of usable marijuana and live marijuana plants that a holder of a registry identification card and his or her designated primary caregiver are allowed to possess at any one time, matching the amounts allowed under the laws of the State of Arizona. This bill further authorizes the Director of the Department of Health and Human Services to request a temporary advance from the State General Fund to pay the costs of carrying out the registration requirements of this bill until sufficient revenues from registration fees are collected.

---

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 207 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. It is unlawful for any person to counterfeit or forge or attempt to counterfeit or forge a registry identification card.*

*2. Any person who violates the provisions of subsection 1 is guilty of a category E felony and shall be punished as provided in NRS 193.130.*

*3. As used in this section, "registry identification card" has the meaning ascribed to it in NRS 453A.140.*

**Sec. 2.** Chapter 453A of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to 20, inclusive, of this act.

**Sec. 3. "Crime of violence" means any felony:**

*1. Involving the use or threatened use of force or violence against the person or property of another; or*

*2. For which there is a substantial risk that force or violence may be used against the person or property of another in the commission of the felony.*

**Sec. 3.5. "Cultivation facility" means a business that:**

*1. Is registered with the Division pursuant to section 10 of this act; and*

*2. Acquires, possesses, cultivates, delivers, transfers, transports, supplies or sells marijuana and related supplies to:*

*(a) Medical marijuana dispensaries;*

*(b) Facilities for the production of edible marijuana products; or*

*(c) Other cultivation facilities.*

**Sec. 4.** (Deleted by amendment.)

**Sec. 5.** (Deleted by amendment.)

**Sec. 5.3. "Edible marijuana products" means products that:**

*1. Contain marijuana or an extract thereof;*

*2. Are intended for human consumption; and*

*3. Are presented in the form of foodstuffs, extracts, oils, tinctures and other similar products.*

**Sec. 5.5. "Electronic verification system" means an electronic database that:**

*1. Keeps track of data in real time; and*

*2. Is accessible by the Division and by registered medical marijuana establishments.*

1       Sec. 6. *“Enclosed, locked facility” means a closet, display case, room,*  
2 *greenhouse or other enclosed area that meets the requirements of section 19.4 of*  
3 *this act and is equipped with locks or other security devices which allow access*  
4 *only by a medical marijuana establishment agent and the holder of a valid*  
5 *registry identification card.*

6       Sec. 7. 1. *“Excluded felony offense” means:*

7       (a) *A crime of violence; or*

8       (b) *A violation of a state or federal law pertaining to controlled substances, if*  
9 *the law was punishable as a felony in the jurisdiction where the person was*  
10 *convicted.*

11       2. *The term does not include:*

12       (a) *A criminal offense for which the sentence, including any term of*  
13 *probation, incarceration or supervised release, was completed within the 10*  
14 *previous years; or*

15       (b) *An offense involving conduct that would be immune from arrest,*  
16 *prosecution or penalty pursuant to sections 10 to 20, inclusive, of this act, except*  
17 *that the conduct occurred before January 1, 2014, or was prosecuted by an*  
18 *authority other than the State of Nevada.*

19       Sec. 7.3. *“Facility for the production of edible marijuana products” means*  
20 *a business that:*

21       1. *Is registered with the Division pursuant to section 10 of this act; and*

22       2. *Acquires, possesses, manufactures, delivers, transfers, transports,*  
23 *supplies or sells edible marijuana products to medical marijuana dispensaries.*

24       Sec. 7.7. *“Inventory control system” means a process, device or other*  
25 *contrivance that may be used to monitor the chain of custody of marijuana used*  
26 *for medical purposes from the point of cultivation to the end consumer.*

27       Sec. 8. *“Medical marijuana dispensary” means a business that:*

28       1. *Is registered with the Division pursuant to section 10 of this act; and*

29       2. *Acquires, possesses, delivers, transfers, transports, supplies, sells or*  
30 *dispenses marijuana or related supplies and educational materials to the holder*  
31 *of a valid registry identification card.*

32       Sec. 8.3. *“Medical marijuana establishment” means:*

33       1. *A cultivation facility;*

34       2. *A facility for the production of edible marijuana products;*

35       3. *A medical marijuana dispensary; or*

36       4. *A business that has registered with the Division and paid the requisite*  
37 *fees to act as more than one of the types of businesses listed in subsections 1, 2*  
38 *and 3.*

39       Sec. 8.5. *“Medical marijuana establishment agent” means an owner,*  
40 *officer, board member, employee or volunteer of a medical marijuana*  
41 *establishment.*

42       Sec. 8.6. *“Medical marijuana establishment agent registration card”*  
43 *means a registration card that is issued by the Division pursuant to section 13 of*  
44 *this act to authorize a person to volunteer or work at a medical marijuana*  
45 *establishment.*

46       Sec. 8.7. *“Medical marijuana establishment registration certificate” means*  
47 *a registration certificate that is issued by the Division pursuant to section 10 of*  
48 *this act to authorize the operation of a medical marijuana establishment.*

49       Sec. 8.8. *“THC” means delta-9-tetrahydrocannabinol, which is the primary*  
50 *active ingredient in marijuana.*

51       Sec. 9. (Deleted by amendment.)

52       Sec. 10. 1. *Each medical marijuana establishment must register with the*  
53 *Division.*

1       2. *A person who wishes to operate a medical marijuana establishment:*  
2       (a) *Must submit to the Division an application on a form prescribed by the*  
3       *Division; and*

4       (b) *Must have been a resident of the State of Nevada for at least 3 years*  
5       *immediately preceding the date on which he or she submits the application.*

6       3. *Except as otherwise provided in sections 11 and 16 of this act, not later*  
7       *than 90 days after receiving an application to operate a medical marijuana*  
8       *establishment, the Division shall register the medical marijuana establishment*  
9       *and issue a medical marijuana establishment registration certificate and a*  
10       *random 20-digit alphanumeric identification number if:*

11       (a) *The person who wishes to operate the proposed medical marijuana*  
12       *establishment has submitted to the Division all of the following:*

13       (1) *The application fee, as set forth in section 12 of this act;*

14       (2) *An application, which must include:*

15       (I) *The legal name of the proposed medical marijuana establishment;*

16       (II) *The physical address where the proposed medical marijuana*  
17       *establishment will be located and the physical address of any co-owned additional*  
18       *or otherwise associated medical marijuana establishments, the locations of which*  
19       *may not be within 1,000 feet of a public or private school that provides formal*  
20       *education traditionally associated with preschool or kindergarten through grade*  
21       *12, and that existed on the date on which the application for the proposed*  
22       *medical marijuana establishment was submitted to the Division;*

23       (III) *Evidence that the applicant controls not less than \$150,000 in*  
24       *liquid assets to cover the initial expenses of opening the proposed medical*  
25       *marijuana establishment and complying with the provisions of sections 10 to 20,*  
26       *inclusive, of this act;*

27       (IV) *Evidence that the applicant owns the property on which the*  
28       *proposed medical marijuana establishment will be located or has the written*  
29       *permission of the property owner to operate the proposed medical marijuana*  
30       *establishment on that property;*

31       (V) *For the applicant and each person who will be an owner, officer*  
32       *or board member of the proposed medical marijuana establishment, a complete*  
33       *set of the person's fingerprints and written permission of the person authorizing*  
34       *the Division to forward the fingerprints to the Central Repository for Nevada*  
35       *Records of Criminal History for submission to the Federal Bureau of*  
36       *Investigation for its report;*

37       (VI) *The name, address and date of birth of each person who will be*  
38       *an owner, officer or board member of the proposed medical marijuana*  
39       *establishment; and*

40       (VII) *The name, address and date of birth of each person who will be*  
41       *employed by or otherwise provide labor at the proposed medical marijuana*  
42       *establishment as a medical marijuana establishment agent;*

43       (3) *Operating procedures consistent with rules of the Division for*  
44       *oversight of the proposed medical marijuana establishment, including, without*  
45       *limitation:*

46       (I) *Procedures to ensure the use of adequate security measures; and*

47       (II) *The use of an electronic verification system and an inventory*  
48       *control system, pursuant to sections 19.1 and 19.2 of this act;*

49       (4) *If the proposed medical marijuana establishment will sell or deliver*  
50       *edible marijuana products, proposed operating procedures for handling such*  
51       *products which must be preapproved by the Division;*

52       (5) *If the city, town or county in which the proposed medical marijuana*  
53       *establishment will be located has enacted zoning restrictions, a sworn statement*

1 *certifying that the proposed medical marijuana establishment is in compliance*  
2 *with those restrictions; and*

3 *(6) Such other information as the Division may require by regulation;*

4 *(b) None of the persons who would be owners, officers or board members of*  
5 *the proposed medical marijuana establishment have been convicted of an*  
6 *excluded felony offense;*

7 *(c) None of the persons who would be owners, officers or board members of*  
8 *the proposed medical marijuana establishment have:*

9 *(1) Served as an owner, officer or board member for a medical*  
10 *marijuana establishment that has had its medical marijuana establishment*  
11 *registration certificate revoked; or*

12 *(2) Previously had a medical marijuana establishment agent registration*  
13 *card revoked; and*

14 *(d) None of the persons who would be owners, officers or board members of*  
15 *the proposed medical marijuana establishment are under 21 years of age.*

16 *4. For each person who submits an application pursuant to this section, and*  
17 *each person who would be an owner, officer or board member of a proposed*  
18 *medical marijuana establishment, the Division shall submit the fingerprints of*  
19 *the person to the Central Repository for Nevada Records of Criminal History for*  
20 *submission to the Federal Bureau of Investigation to determine the criminal*  
21 *history of that person.*

22 *5. If an application for registration as a medical marijuana establishment*  
23 *satisfies the requirements of this section and the establishment is not disqualified*  
24 *from being registered as a medical marijuana establishment pursuant to this*  
25 *section or other applicable law, the Division shall issue to the establishment a*  
26 *medical marijuana establishment registration certificate. A medical marijuana*  
27 *establishment registration certificate expires 1 year after the date of issuance and*  
28 *may be renewed upon:*

29 *(a) Resubmission of the information set forth in this section; and*

30 *(b) Payment of the renewal fee set forth in section 12 of this act.*

31 **Sec. 10.5.** *Each medical marijuana establishment must:*

32 *1. Be located in a separate building or facility;*

33 *2. Comply with local zoning ordinances and rules;*

34 *3. Have an appearance, both as to the interior and exterior, that is*  
35 *professional, orderly, dignified and consistent with the traditional style of*  
36 *pharmacies and medical offices; and*

37 *4. Have discreet and professional signage that is consistent with the*  
38 *traditional style of signage for pharmacies and medical offices.*

39 **Sec. 11.** *1. Except as otherwise provided in this section, the Division shall*  
40 *issue medical marijuana establishment registration certificates for medical*  
41 *marijuana dispensaries in the following quantities for applicants who qualify*  
42 *pursuant to section 10 of this act:*

43 *(a) In a county whose population is 700,000 or more, 40 certificates;*

44 *(b) In a county whose population is 100,000 or more but less than 700,000,*  
45 *10 certificates;*

46 *(c) In a county whose population is 55,000 or more but less than 100,000, 2*  
47 *certificates; and*

48 *(d) In each other county, 1 certificate.*

49 *2. Notwithstanding the provisions of subsection 1, the Division shall not*  
50 *issue medical marijuana establishment registration certificates for medical*  
51 *marijuana dispensaries in such a quantity as to cause the existence within the*  
52 *applicable county of more than one medical marijuana dispensary for every 10*  
53 *pharmacies that have been licensed in the county pursuant to chapter 639 of*

*NRS. The Division may issue medical marijuana establishment registration certificates for medical marijuana dispensaries in excess of the ratio otherwise allowed pursuant to this subsection if to do so is necessary to ensure that the Division issues at least one medical marijuana establishment registration certificate in each county of this State in which the Division has approved an application for such an establishment to operate.*

*3. With respect to medical marijuana establishments that are not medical marijuana dispensaries, the Division shall determine the appropriate number of such establishments as are necessary to serve and supply the medical marijuana dispensaries to which the Division has granted medical marijuana establishment registration certificates.*

*4. The Division shall not, for more than a total of 10 business days in any 1 calendar year, accept applications to operate medical marijuana establishments.*

**Sec. 12. 1.** *Except as otherwise provided in subsection 2, the Division shall collect not more than the following maximum fees:*

<i>For the initial issuance of a medical marijuana establishment registration certificate for a medical marijuana dispensary.....</i>	<i>\$20,000</i>
<i>For the renewal of a medical marijuana establishment registration certificate for a medical marijuana dispensary.....</i>	<i>5,000</i>
<i>For the initial issuance of a medical marijuana establishment registration certificate for a cultivation facility .....</i>	<i>3,000</i>
<i>For the renewal of a medical marijuana establishment registration certificate for a cultivation facility .....</i>	<i>1,000</i>
<i>For the initial issuance of a medical marijuana establishment registration certificate for a facility for the production of edible marijuana products.....</i>	<i>2,000</i>
<i>For the renewal of a medical marijuana establishment registration certificate for a facility for the production of edible marijuana products.....</i>	<i>750</i>
<i>For the initial issuance of a medical marijuana establishment agent registration card.....</i>	<i>500</i>
<i>For the renewal of a medical marijuana establishment agent registration card.....</i>	<i>500</i>

*2. In addition to the fees described in subsection 1, each applicant for a medical marijuana establishment registration certificate must pay to the Division:*

*(a) A one-time, nonrefundable application fee of \$5,000; and*  
*(b) The actual costs incurred by the Division in processing the application, including, without limitation, conducting background checks.*

*3. Any revenue generated from the fees imposed pursuant to this section:*

*(a) Must be expended first to pay the costs of the Division in carrying out the provisions of sections 10 to 20, inclusive of this act; and*

*(b) If any excess revenue remains after paying the costs described in paragraph (a), such excess revenue must be paid over to the State Treasurer to be deposited to the credit of the State Distributive School Account in the State General Fund.*

**Sec. 13. 1.** *A person shall not volunteer or work at a medical marijuana establishment as a medical marijuana establishment agent unless the person is registered with the Division pursuant to this section.*

*2. A medical marijuana establishment that wishes to retain as a volunteer or employ a medical marijuana establishment agent shall submit to the Division*

1 *an application on a form prescribed by the Division. The application must be*  
2 *accompanied by:*

3 *(a) The name, address and date of birth of the prospective medical marijuana*  
4 *establishment agent;*

5 *(b) A statement signed by the prospective medical marijuana establishment*  
6 *agent pledging not to dispense or otherwise divert marijuana to any person who is*  
7 *not authorized to possess marijuana in accordance with the provisions of this*  
8 *chapter;*

9 *(c) A statement signed by the prospective medical marijuana establishment*  
10 *agent asserting that he or she has not previously had a medical marijuana*  
11 *establishment agent registration card revoked;*

12 *(d) A complete set of the fingerprints and written permission of the*  
13 *prospective medical marijuana establishment agent authorizing the Division to*  
14 *forward the fingerprints to the Central Repository for Nevada Records of*  
15 *Criminal History for submission to the Federal Bureau of Investigation for its*  
16 *report;*

17 *(e) The application fee, as set forth in section 12 of this act; and*

18 *(f) Such other information as the Division may require by regulation.*

19 *3. A medical marijuana establishment shall notify the Division within 10*  
20 *days after a medical marijuana establishment agent ceases to be employed by or*  
21 *volunteer at the medical marijuana establishment.*

22 *4. A person who:*

23 *(a) Has been convicted of an excluded felony offense; or*

24 *(b) Is less than 21 years of age,*

25 *↪ shall not serve as a medical marijuana establishment agent.*

26 *5. The Division shall submit the fingerprints of an applicant for registration*  
27 *as a medical marijuana establishment agent to the Central Repository for Nevada*  
28 *Records of Criminal History for submission to the Federal Bureau of*  
29 *Investigation to determine the criminal history of the applicant.*

30 *6. The provisions of this section do not require a person who is an owner,*  
31 *officer or board member of a medical marijuana establishment to resubmit*  
32 *information already furnished to the Division at the time the establishment was*  
33 *registered with the Division.*

34 *7. If an applicant for registration as a medical marijuana establishment*  
35 *agent satisfies the requirements of this section and is not disqualified from*  
36 *serving as such an agent pursuant to this section or any other applicable law, the*  
37 *Division shall issue to the person a medical marijuana establishment agent*  
38 *registration card. A medical marijuana establishment agent registration card*  
39 *expires 1 year after the date of issuance and may be renewed upon:*

40 *(a) Resubmission of the information set forth in this section; and*

41 *(b) Payment of the renewal fee set forth in section 12 of this act.*

42 *Sec. 14. 1. In addition to any other requirements set forth in this chapter,*  
43 *an applicant for the issuance or renewal of a medical marijuana establishment*  
44 *agent registration card or medical marijuana establishment registration*  
45 *certificate shall:*

46 *(a) Include the social security number of the applicant in the application*  
47 *submitted to the Division.*

48 *(b) Submit to the Division the statement prescribed by the Division of*  
49 *Welfare and Supportive Services of the Department of Health and Human*  
50 *Services pursuant to NRS 425.520. The statement must be completed and signed*  
51 *by the applicant.*

52 *2. The Division shall include the statement required pursuant to subsection*  
53 *1 in:*



1       (a) The application or any other forms that must be submitted for the  
2 issuance or renewal of the medical marijuana establishment agent registration  
3 card or medical marijuana establishment registration certificate; or

4       (b) A separate form prescribed by the Division.

5       3. A medical marijuana establishment agent registration card or medical  
6 marijuana establishment registration certificate may not be issued or renewed by  
7 the Division if the applicant:

8       (a) Fails to submit the statement required pursuant to subsection 1; or

9       (b) Indicates on the statement submitted pursuant to subsection 1 that the  
10 applicant is subject to a court order for the support of a child and is not in  
11 compliance with the order or a plan approved by the district attorney or other  
12 public agency enforcing the order for the repayment of the amount owed  
13 pursuant to the order.

14       4. If an applicant indicates on the statement submitted pursuant to  
15 subsection 1 that the applicant is subject to a court order for the support of a  
16 child and is not in compliance with the order or a plan approved by the district  
17 attorney or other public agency enforcing the order for the repayment of the  
18 amount owed pursuant to the order, the Division shall advise the applicant to  
19 contact the district attorney or other public agency enforcing the order to  
20 determine the actions that the applicant may take to satisfy the arrearage.

21       Sec. 15. 1. If the Division receives a copy of a court order issued pursuant  
22 to NRS 425.540 that provides for the suspension of all professional, occupational  
23 and recreational licenses, certificates and permits issued to a person who is the  
24 holder of a medical marijuana establishment agent registration card or medical  
25 marijuana establishment registration certificate, the Division shall deem the card  
26 or certificate issued to that person to be suspended at the end of the 30th day after  
27 the date on which the court order was issued unless the Division receives a letter  
28 issued to the holder of the card or certificate by the district attorney or other  
29 public agency pursuant to NRS 425.550 stating that the holder of the card or  
30 certificate has complied with the subpoena or warrant or has satisfied the  
31 arrearage pursuant to NRS 425.560.

32       2. The Division shall reinstate a medical marijuana establishment agent  
33 registration card or medical marijuana establishment registration certificate that  
34 has been suspended by a district court pursuant to NRS 425.540 if the Division  
35 receives a letter issued by the district attorney or other public agency pursuant to  
36 NRS 425.550 to the person whose card or certificate was suspended stating that  
37 the person whose card or certificate was suspended has complied with the  
38 subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

39       Sec. 16. The following acts constitute grounds for immediate revocation of  
40 a medical marijuana establishment registration certificate:

41       1. Dispensing, delivering or otherwise transferring marijuana to a person  
42 other than a medical marijuana establishment agent, another medical marijuana  
43 establishment, a patient who holds a valid registry identification card or the  
44 designated primary caregiver of such a patient.

45       2. Acquiring usable marijuana or mature marijuana plants from any  
46 person other than a medical marijuana establishment agent, another medical  
47 marijuana establishment, a patient who holds a valid registry identification card  
48 or the designated primary caregiver of such a patient.

49       3. Violating a regulation of the Division, the violation of which is stated to  
50 be grounds for immediate revocation of a medical marijuana establishment  
51 registration certificate.

1        **Sec. 17.** *The following acts constitute grounds for the immediate revocation*  
2 *of the medical marijuana establishment agent registration card of a medical*  
3 *marijuana establishment agent:*

4        1. *Having committed or committing any excluded felony offense.*

5        2. *Dispensing, delivering or otherwise transferring marijuana to a person*  
6 *other than a medical marijuana establishment agent, another medical marijuana*  
7 *establishment, a patient who holds a valid registry identification card or the*  
8 *designated primary caregiver of such a patient.*

9        3. *Violating a regulation of the Division, the violation of which is stated to*  
10 *be grounds for immediate revocation of a medical marijuana establishment agent*  
11 *registration card.*

12        **Sec. 18.** *The purpose for registering medical marijuana establishments and*  
13 *medical marijuana establishment agents is to protect the public health and safety*  
14 *and the general welfare of the people of this State. Any medical marijuana*  
15 *establishment registration certificate issued pursuant to section 10 of this act and*  
16 *any medical marijuana establishment agent registration card issued pursuant to*  
17 *section 13 of this act is a revocable privilege and the holder of such a certificate*  
18 *or card, as applicable, does not acquire thereby any vested right.*

19        **Sec. 19. 1.** *The operating documents of a medical marijuana*  
20 *establishment must include procedures:*

21        (a) *For the oversight of the medical marijuana dispensary; and*

22        (b) *To ensure accurate recordkeeping, including, without limitation, the*  
23 *provisions of sections 19.1 and 19.2 of this act.*

24        2. *A medical marijuana establishment must have a single secure entrance*  
25 *and shall implement strict security measures to deter and prevent the theft of*  
26 *marijuana and unauthorized entrance into areas containing marijuana.*

27        3. *A medical marijuana establishment is prohibited from acquiring,*  
28 *possessing, cultivating, manufacturing, delivering, transferring, transporting,*  
29 *supplying or dispensing marijuana for any purpose except to:*

30        (a) *Directly or indirectly assist patients who possess valid registry*  
31 *identification cards; and*

32        (b) *Assist patients who possess valid registry identification cards by way of*  
33 *those patients' designated primary caregivers.*

34        4. *All cultivation or production of marijuana that a cultivation facility*  
35 *carries out or causes to be carried out must take place in an enclosed, locked*  
36 *facility at the physical address provided to the Division during the registration*  
37 *process for the cultivation facility. Such an enclosed, locked facility must be*  
38 *accessible only by medical marijuana establishment agents who are lawfully*  
39 *associated with the cultivation facility, except that limited access by persons*  
40 *necessary to perform construction or repairs or provide other labor is permissible*  
41 *if such persons are supervised by a medical marijuana establishment agent.*

42        5. *A medical marijuana dispensary and a cultivation facility may acquire*  
43 *usable marijuana or marijuana plants from a patient who holds a valid registry*  
44 *identification card, or the designated primary caregiver of such a patient. Except*  
45 *as otherwise provided in this subsection, the patient or caregiver, as applicable,*  
46 *must receive no compensation for the marijuana. A patient who holds a valid*  
47 *registry identification card, and the designated primary caregiver of such a*  
48 *patient, may sell usable marijuana to a medical marijuana dispensary one time*  
49 *and may sell marijuana plants to a cultivation facility one time.*

50        6. *A medical marijuana establishment shall not allow any person to*  
51 *consume marijuana on the property or premises of the establishment.*

52        7. *Medical marijuana establishments are subject to reasonable inspection*  
53 *by the Division at any time, and a person who holds a medical marijuana*

1 *establishment registration certificate must make himself or herself, or a designee*  
2 *thereof, available and present for any inspection by the Division of the*  
3 *establishment.*

4 **Sec. 19.1.** 1. *Each medical marijuana establishment, in consultation with*  
5 *the Division, shall maintain an electronic verification system.*

6 2. *The electronic verification system required pursuant to subsection 1 must*  
7 *be able to monitor and report information, including, without limitation:*

8 (a) *Whether a person holds a valid registry identification card, including,*  
9 *without limitation:*

10 (1) *The date on which the card was issued;*

11 (2) *The date on which the card will expire; and*

12 (3) *The name and contact information of the attending physician who*  
13 *advised the person that the medical use of marijuana may mitigate the symptoms*  
14 *or effects of the person's medical condition;*

15 (b) *Whether a medical marijuana establishment agent holds a valid medical*  
16 *marijuana establishment agent registration card;*

17 (c) *Whether another medical marijuana establishment is registered validly in*  
18 *accordance with sections 10 to 20, inclusive, of this act;*

19 (d) *Whether the registry identification card, or equivalent thereof, possessed*  
20 *or presented by a person who is not a resident of Nevada, is genuine and valid;*  
21 *and*

22 (e) *Such other information as the Division may require.*

23 3. *Nothing in this section prohibits more than one medical marijuana*  
24 *establishment from co-owning an electronic verification system in cooperation*  
25 *with other medical marijuana establishments, or sharing the information*  
26 *obtained therefrom.*

27 4. *A medical marijuana establishment must exercise reasonable care to*  
28 *ensure that the personal identifying information of persons who hold registry*  
29 *identification cards which is contained in an electronic verification system is*  
30 *encrypted, protected and not divulged for any purpose not specifically authorized*  
31 *by law.*

32 **Sec. 19.2.** 1. *Each medical marijuana establishment, in consultation with*  
33 *the Division, shall maintain an inventory control system.*

34 2. *The inventory control system required pursuant to subsection 1 must be*  
35 *able to monitor and report information, including, without limitation:*

36 (a) *Insofar as is practicable, the chain of custody and current whereabouts,*  
37 *in real time, of medical marijuana from the point that it is harvested at a*  
38 *cultivation facility until it is sold at a medical marijuana dispensary and, if*  
39 *applicable, if it is processed at a facility for the production of edible marijuana*  
40 *products;*

41 (b) *The name of each person or other medical marijuana establishment, or*  
42 *both, to which the establishment sold marijuana;*

43 (c) *In the case of a medical marijuana dispensary, the date on which it sold*  
44 *marijuana to a person who holds a registry identification card and, if any, the*  
45 *quantity of edible marijuana products sold, measured both by weight and*  
46 *potency; and*

47 (d) *Such other information as the Division may require.*

48 3. *Nothing in this section prohibits more than one medical marijuana*  
49 *establishment from co-owning an inventory control system in cooperation with*  
50 *other medical marijuana establishments, or sharing the information obtained*  
51 *therefrom.*

52 4. *A medical marijuana establishment must exercise reasonable care to*  
53 *ensure that the personal identifying information of persons who hold registry*

1 *identification cards which is contained in an inventory control system is*  
2 *encrypted, protected and not divulged for any purpose not specifically authorized*  
3 *by law.*

4 **Sec. 19.3.** *Each medical marijuana dispensary shall ensure all of the*  
5 *following:*

6 *1. The weight, concentration and content of THC in all marijuana and*  
7 *edible marijuana products that the dispensary sells is clearly and accurately*  
8 *stated on the product sold.*

9 *2. That the dispensary does not sell to a person, in any one 14-day period,*  
10 *an amount of marijuana for medical purposes that exceeds the limits set forth in*  
11 *NRS 453A.200.*

12 *3. That, posted clearly and conspicuously within the dispensary, are the*  
13 *legal limits on the possession of marijuana for medical purposes, as set forth in*  
14 *NRS 453A.200.*

15 *4. That, posted clearly and conspicuously within the dispensary, is a sign*  
16 *stating unambiguously the legal limits on the possession of marijuana for*  
17 *medical purposes, as set forth in NRS 453A.200.*

18 **Sec. 19.4.** *1. At each medical marijuana establishment, medical*  
19 *marijuana must be stored only in an enclosed, locked facility.*

20 *2. Except as otherwise provided in subsection 3, at each medical marijuana*  
21 *dispensary, medical marijuana must be stored in a secure, locked device, display*  
22 *case, cabinet or room within the enclosed, locked facility. The secure, locked*  
23 *device, display case, cabinet or room must be protected by a lock or locking*  
24 *mechanism that meets at least the security rating established by Underwriters*  
25 *Laboratories for key locks.*

26 *3. At a medical marijuana dispensary, medical marijuana may be removed*  
27 *from the secure setting described in subsection 2:*

28 *(a) Only for the purpose of dispensing the marijuana;*

29 *(b) Only immediately before the marijuana is dispensed; and*

30 *(c) Only by a medical marijuana establishment agent who is employed by or*  
31 *volunteers at the dispensary.*

32 **Sec. 19.5.** *1. The State of Nevada and the medical marijuana dispensaries*  
33 *in this State which hold valid medical marijuana establishment registration*  
34 *certificates will recognize a nonresident card only under the following*  
35 *circumstances:*

36 *(a) The state or jurisdiction from which the holder or bearer obtained the*  
37 *nonresident card grants an exemption from criminal prosecution for the medical*  
38 *use of marijuana;*

39 *(b) The state or jurisdiction from which the holder or bearer obtained the*  
40 *nonresident card requires, as a prerequisite to the issuance of such a card, that a*  
41 *physician advise the person that the medical use of marijuana may mitigate the*  
42 *symptoms or effects of the person's medical condition;*

43 *(c) The nonresident card has an expiration date and has not yet expired;*

44 *(d) The state or jurisdiction from which the holder or bearer obtained the*  
45 *nonresident card maintains a database which preserves such information as may*  
46 *be necessary to verify the authenticity and validity of the nonresident card;*

47 *(e) The state or jurisdiction from which the holder or bearer obtained the*  
48 *nonresident card allows the Division and medical marijuana dispensaries in this*  
49 *State to access the database described in paragraph (d);*

50 *(f) The Division determines that the database described in paragraph (d) is*  
51 *able to provide to medical marijuana dispensaries in this State information that is*  
52 *sufficiently accurate, current and specific as to allow those dispensaries to verify*

1 *that a person who holds or bears a nonresident card is entitled lawfully to do so;*  
2 *and*

3 *(g) The holder or bearer of the nonresident card agrees to abide by, and does*  
4 *abide by, the legal limits on the possession of marijuana for medical purposes in*  
5 *this State, as set forth in NRS 453A.200.*

6 *2. For the purposes of the reciprocity described in this section:*

7 *(a) The amount of medical marijuana that the holder or bearer of a*  
8 *nonresident card is entitled to possess in his or her state of residence is not*  
9 *relevant; and*

10 *(b) Under no circumstances, while in this State, may the holder or bearer of*  
11 *a nonresident card possess marijuana for medical purposes in excess of the limits*  
12 *set forth in NRS 453A.200.*

13 *3. As used in this section, "nonresident card" means a card or other*  
14 *identification that:*

15 *(a) Is issued by a state or jurisdiction other than Nevada; and*

16 *(b) Is the functional equivalent of a registry identification card, as*  
17 *determined by the Division.*

18 **Sec. 19.6.** *1. Each medical marijuana dispensary shall, at the time of*  
19 *making a sale of marijuana or edible marijuana products, or both, collect a flat*  
20 *fee of \$10 for deposit in the State General Fund.*

21 *2. The fee described in subsection 1 is to be applied in addition to any*  
22 *overhead or administrative costs of the medical marijuana dispensary in making*  
23 *the sale, and in addition to any profit made by the medical marijuana dispensary*  
24 *on the sale.*

25 *3. As used in this section, "sale" means a single completed purchase,*  
26 *regardless of the number of individual items included in the purchase.*

27 **Sec. 19.7.** *Each medical marijuana dispensary and facility for the*  
28 *production of edible marijuana products shall, in consultation with the Division,*  
29 *cooperate to ensure that all edible marijuana products offered for sale:*

30 *1. Are labeled clearly and unambiguously as medical marijuana.*

31 *2. Are not presented in packaging that is appealing to children.*

32 *3. Are regulated and sold on the basis of the concentration of THC in the*  
33 *products and not by weight.*

34 *4. Are packaged and labeled in such a manner as to allow tracking by way*  
35 *of an inventory control system.*

36 **Sec. 19.8.** *1. If a law enforcement agency legally and justly seizes*  
37 *evidence from a medical marijuana establishment on a basis that, in*  
38 *consideration of due process and viewed in the manner most favorable to the*  
39 *establishment, would lead a reasonable person to believe that a crime has been*  
40 *committed, the relevant provisions of NRS 179.1156 to 179.121, inclusive, apply*  
41 *insofar as they do not conflict with the provisions of this chapter.*

42 *2. As used in this section, "law enforcement agency" has the meaning*  
43 *ascribed to it in NRS 239C.065.*

44 **Sec. 19.9.** *1. The Division shall establish or cause to be established an*  
45 *independent testing laboratory.*

46 *2. The independent testing laboratory must determine, with respect to*  
47 *marijuana and edible marijuana products that are sold or will be sold at medical*  
48 *marijuana dispensaries in this State:*

49 *(a) The concentration therein of THC and cannabidiol.*

50 *(b) Whether the tested material is organic or non-organic.*

51 *(c) The presence and identification of molds and fungus.*

52 *(d) The presence and concentration of fertilizers and other nutrients.*

1       3. *The cost of establishing the independent testing laboratory must be paid*  
2 *from the revenues described in paragraph (a) of subsection 3 of section 12 of this*  
3 *act.*

4       **Sec. 20.** *The Division shall adopt such regulations as it determines to be*  
5 *necessary or advisable to carry out the provisions of sections 10 to 20, inclusive,*  
6 *of this act. Such regulations are in addition to any requirements set forth in*  
7 *statute and must, without limitation:*

8       1. *Prescribe the form and any additional required content of registration*  
9 *and renewal applications submitted pursuant to sections 10 and 13 of this act.*

10      2. *Set forth rules pertaining to the safe and healthful operation of medical*  
11 *marijuana establishments, including, without limitation:*

12      (a) *The manner of protecting against diversion and theft without imposing*  
13 *an undue burden on medical marijuana establishments or compromising the*  
14 *confidentiality of the holders of registry identification cards.*

15      (b) *Minimum requirements for the oversight of medical marijuana*  
16 *establishments.*

17      (c) *Minimum requirements for the keeping of records by medical marijuana*  
18 *establishments.*

19      (d) *Provisions for the security of medical marijuana establishments,*  
20 *including, without limitation, requirements for the protection by a fully*  
21 *operational security alarm system of each medical marijuana establishment.*

22      3. *Establish circumstances and procedures pursuant to which the maximum*  
23 *fees set forth in section 12 of this act may be reduced over time:*

24      (a) *To ensure that the fees imposed pursuant to section 12 of this act are,*  
25 *insofar as may be practicable, revenue neutral; and*

26      (b) *To reflect gifts and grants received by the Division pursuant to NRS*  
27 *453A.720.*

28      4. *Set forth the amount of usable marijuana that a medical marijuana*  
29 *dispensary may dispense to a person who holds a valid registry identification*  
30 *card, or the designated primary caregiver of such a person, in any one 14-day*  
31 *period. Such an amount must not exceed the limits set forth in NRS 453A.200.*

32      5. *As far as possible while maintaining accountability, protect the identity*  
33 *and personal identifying information of each person who receives, facilitates or*  
34 *delivers services in accordance with this chapter.*

35      6. *In cooperation with the Board of Medical Examiners and the State Board*  
36 *of Osteopathic Medicine, establish a system to:*

37      (a) *Register and track attending physicians who advise their patients that the*  
38 *medical use of marijuana may mitigate the symptoms or effects of the patient's*  
39 *medical condition;*

40      (b) *Insofar as is possible, track and quantify the number of times an*  
41 *attending physician described in paragraph (a) makes such an advisement; and*

42      (c) *Provide for the progressive discipline of attending physicians who advise*  
43 *the medical use of marijuana at a rate at which the Division and Board determine*  
44 *and agree to be unreasonably high.*

45      7. *Establish different categories of medical marijuana establishment agent*  
46 *registration cards, including, without limitation, criteria for training and*  
47 *certification, for each of the different types of medical marijuana establishments*  
48 *at which such an agent may be employed or volunteer.*

49       **Sec. 21.** *NRS 453A.010 is hereby amended to read as follows:*

50       453A.010 *As used in this chapter, unless the context otherwise requires, the*  
51 *words and terms defined in NRS 453A.020 to 453A.170, inclusive, and sections 3*  
52 *to 9, inclusive, of this act have the meanings ascribed to them in those sections.*



1       **Sec. 21.5.** NRS 453A.100 is hereby amended to read as follows:

2       453A.100 ~~“Drug paraphernalia” has the meaning ascribed to it in NRS~~  
3 ~~453.554.~~ *“Paraphernalia” means accessories, devices and other equipment that*  
4 *is necessary or useful for a person to engage in the medical use of marijuana.*

5       **Sec. 22.** NRS 453A.200 is hereby amended to read as follows:

6       453A.200 1. Except as otherwise provided in this section and NRS  
7 453A.300, a person who holds a valid registry identification card issued to the  
8 person pursuant to NRS 453A.220 or 453A.250 is exempt from state prosecution  
9 for:

- 10       (a) Possession, delivery or production of marijuana;  
11       (b) Possession or delivery of ~~drug~~ paraphernalia;  
12       (c) Aiding and abetting another in the possession, delivery or production of  
13 marijuana;  
14       (d) Aiding and abetting another in the possession or delivery of ~~drug~~  
15 paraphernalia;  
16       (e) Any combination of the acts described in paragraphs (a) to (d), inclusive;  
17 and

18       (f) Any other criminal offense in which the possession, delivery or production  
19 of marijuana or the possession or delivery of ~~drug~~ paraphernalia is an element.

20       2. In addition to the provisions of ~~subsection~~ *subsections 1 and 5*, no  
21 person may be subject to state prosecution for constructive possession, conspiracy  
22 or any other criminal offense solely for being in the presence or vicinity of the  
23 medical use of marijuana in accordance with the provisions of this chapter.

24       3. The exemption from state prosecution set forth in subsection 1 applies only  
25 to the extent that a person who holds a registry identification card issued to the  
26 person pursuant to paragraph (a) of subsection 1 of NRS 453A.220 and the  
27 designated primary caregiver, if any, of such a person:

28       (a) Engage in or assist in, as applicable, the medical use of marijuana in  
29 accordance with the provisions of this chapter as justified to mitigate the symptoms  
30 or effects of the person’s chronic or debilitating medical condition; and

31       (b) Do not, at any one time, collectively possess, deliver or produce more than:

32       (1) ~~One ounce~~ *Two and one-half ounces* of usable marijuana ~~in~~ *in any*  
33 *one 14-day period; and*

34       (2) ~~Three mature~~ *Twelve* marijuana plants ~~; and~~

35 ~~(3) Four immature marijuana plants.~~ *, irrespective of whether the*  
36 *marijuana plants are mature or immature.*

37       *↪ The persons described in this subsection must ensure that the usable*  
38 *marijuana and marijuana plants described in this subsection are safeguarded in*  
39 *an enclosed, locked facility pursuant to the requirements of section 19.4 of this*  
40 *act.*

41       4. If the persons described in subsection 3 possess, deliver or produce  
42 marijuana in an amount which exceeds the amount described in paragraph (b) of  
43 that subsection, those persons:

44       (a) Are not exempt from state prosecution for possession, delivery or  
45 production of marijuana.

46       (b) May establish an affirmative defense to charges of possession, delivery or  
47 production of marijuana, or any combination of those acts, in the manner set forth  
48 in NRS 453A.310.

49       5. *A person who holds a valid medical marijuana establishment registration*  
50 *certificate issued to the person pursuant to section 10 of this act or a valid*  
51 *medical marijuana establishment agent registration card issued to the person*  
52 *pursuant to section 13 of this act, and who confines his or her activities to those*

1 *authorized by sections 10 to 20, inclusive, of this act and the regulations adopted*  
2 *by the Division pursuant thereto, is exempt from state prosecution for:*

3 *(a) Possession, delivery or production of marijuana;*

4 *(b) Possession or delivery of paraphernalia;*

5 *(c) Aiding and abetting another in the possession, delivery or production of*  
6 *marijuana;*

7 *(d) Aiding and abetting another in the possession or delivery of*  
8 *paraphernalia;*

9 *(e) Any combination of the acts described in paragraphs (a) to (d), inclusive;*  
10 *and*

11 *(f) Any other criminal offense in which the possession, delivery or*  
12 *production of marijuana or the possession or delivery of paraphernalia is an*  
13 *element.*

14 6. *Notwithstanding any other provision of law and except as otherwise*  
15 *provided in this subsection, after a medical marijuana dispensary opens in the*  
16 *county of residence of a person who holds a registry identification card or his or*  
17 *her designated primary caregiver, if any, such persons are not authorized to*  
18 *cultivate, grow or produce marijuana. The provisions of this subsection do not*  
19 *apply if:*

20 *(a) All the medical marijuana dispensaries in the county of residence of the*  
21 *person who holds the registry identification card or his or her designated primary*  
22 *caregiver, if any, close or are unable to supply marijuana for medical use.*

23 *(b) Because of illness or lack of transportation, the person who holds the*  
24 *registry identification card and his or her designated primary caregiver, if any,*  
25 *are unable reasonably to travel to a medical marijuana dispensary.*

26 7. *As used in this section, "marijuana" includes, without limitation, edible*  
27 *marijuana products.*

28 **Sec. 22.5.** NRS 453A.300 is hereby amended to read as follows:

29 453A.300 1. A person who holds a registry identification card issued to him  
30 or her pursuant to NRS 453A.220 or 453A.250 is not exempt from state prosecution  
31 for, nor may the person establish an affirmative defense to charges arising from,  
32 any of the following acts:

33 (a) Driving, operating or being in actual physical control of a vehicle or a  
34 vessel under power or sail while under the influence of marijuana.

35 (b) Engaging in any other conduct prohibited by NRS 484C.110, 484C.120,  
36 484C.130, 484C.430, subsection 2 of NRS 488.400, NRS 488.410, 488.420,  
37 488.425 or 493.130.

38 (c) Possessing a firearm in violation of paragraph (b) of subsection 1 of NRS  
39 202.257.

40 (d) Possessing marijuana in violation of NRS 453.336 or possessing ~~drug~~  
41 paraphernalia in violation of NRS 453.560 or 453.566, if the possession of the  
42 marijuana or ~~drug~~ paraphernalia is discovered because the person engaged or  
43 assisted in the medical use of marijuana in:

44 (1) Any public place or in any place open to the public or exposed to  
45 public view; or

46 (2) Any local detention facility, county jail, state prison, reformatory or  
47 other correctional facility, including, without limitation, any facility for the  
48 detention of juvenile offenders.

49 (e) Delivering marijuana to another person who he or she knows does not  
50 lawfully hold a registry identification card issued by the Division or its designee  
51 pursuant to NRS 453A.220 or 453A.250.



(f) Delivering marijuana for consideration to any person, regardless of whether the recipient lawfully holds a registry identification card issued by the Division or its designee pursuant to NRS 453A.220 or 453A.250.

2. Except as otherwise provided in NRS 453A.225 and in addition to any other penalty provided by law, if the Division determines that a person has willfully violated a provision of this chapter or any regulation adopted by the Division to carry out the provisions of this chapter, the Division may, at its own discretion, prohibit the person from obtaining or using a registry identification card for a period of up to 6 months.

**Sec. 23.** NRS 453A.400 is hereby amended to read as follows:

453A.400 1. The fact that a person possesses a registry identification card issued to the person by the Division or its designee pursuant to NRS 453A.220 or 453A.250, *a medical marijuana establishment registration certificate issued to the person by the Division or its designee pursuant to section 10 of this act or a medical marijuana establishment agent registration card issued to the person by the Division or its designee pursuant to section 13 of this act* does not, alone:

(a) Constitute probable cause to search the person or the person's property; or

(b) Subject the person or the person's property to inspection by any governmental agency.

2. Except as otherwise provided in this subsection, if officers of a state or local law enforcement agency seize marijuana, ~~drug~~ paraphernalia or other related property from a person engaged *in, facilitating* or assisting in the medical use of marijuana:

(a) The law enforcement agency shall ensure that the marijuana, ~~drug~~ paraphernalia or other related property is not destroyed while in the possession of the law enforcement agency.

(b) Any property interest of the person from whom the marijuana, ~~drug~~ paraphernalia or other related property was seized must not be forfeited pursuant to any provision of law providing for the forfeiture of property, except as part of a sentence imposed after conviction of a criminal offense.

(c) Upon a determination by the district attorney of the county in which the marijuana, ~~drug~~ paraphernalia or other related property was seized, or the district attorney's designee, that the person from whom the marijuana, ~~drug~~ paraphernalia or other related property was seized is engaging in or assisting in the medical use of marijuana in accordance with the provisions of this chapter, the law enforcement agency shall immediately return to that person any usable marijuana, marijuana plants, ~~drug~~ paraphernalia or other related property that was seized.

➤ The provisions of this subsection do not require a law enforcement agency to care for live marijuana plants.

3. For the purposes of paragraph (c) of subsection 2, the determination of a district attorney or the district attorney's designee that a person is engaging in or assisting in the medical use of marijuana in accordance with the provisions of this chapter shall be deemed to be evidenced by:

(a) A decision not to prosecute;

(b) The dismissal of charges; or

(c) Acquittal.

**Sec. 24.** NRS 453A.740 is hereby amended to read as follows:

453A.740 The Administrator of the Division shall adopt such regulations as the Administrator determines are necessary to carry out the provisions of this chapter. The regulations must set forth, without limitation:

1. Procedures pursuant to which the Division will, in cooperation with the Department of Motor Vehicles, cause a registry identification card to be prepared and issued to a qualified person as a type of identification card described in NRS

483.810 to 483.890, inclusive. The procedures described in this subsection must provide that the Division will:

(a) Issue a registry identification card to a qualified person after the card has been prepared by the Department of Motor Vehicles; or

(b) Designate the Department of Motor Vehicles to issue a registry identification card to a person if:

(1) The person presents to the Department of Motor Vehicles valid documentation issued by the Division indicating that the Division has approved the issuance of a registry identification card to the person; and

(2) The Department of Motor Vehicles, before issuing the registry identification card, confirms by telephone or other reliable means that the Division has approved the issuance of a registry identification card to the person.

2. ~~Criteria for determining whether a marijuana plant is a mature marijuana plant or an immature marijuana plant.~~

~~3.~~ Fees for:

(a) Providing to an applicant an application for a registry identification card, which fee must not exceed \$50; and

(b) Processing and issuing a registry identification card, which fee must not exceed \$150.

**Sec. 24.3.** NRS 453A.800 is hereby amended to read as follows:

453A.800 The provisions of this chapter do not:

1. Require an insurer, organization for managed care or any person or entity who provides coverage for a medical or health care service to pay for or reimburse a person for costs associated with the medical use of marijuana.

2. Require any employer to ~~accommodate~~ **allow** the medical use of marijuana in the workplace.

3. ***Require an employer to modify the job or working conditions of a person who engages in the medical use of marijuana that are based upon the reasonable business purposes of the employer but the employer must attempt to make reasonable accommodations for the medical needs of an employee who engages in the medical use of marijuana if the employee holds a valid registry identification card, provided that such reasonable accommodation would not pose a threat of harm or danger to persons or property or impose an undue hardship on the employer.***

**Sec. 24.5.** NRS 372A.060 is hereby amended to read as follows:

372A.060 1. This chapter does not apply to ~~any~~:

(a) ***Any*** person who is registered or exempt from registration pursuant to NRS 453.226 or any other person who is lawfully in possession of a controlled substance ~~or~~;

(b) ***Any person who acquires, possesses, cultivates, manufactures, delivers, transfers, transports, supplies, sells or dispenses marijuana for the medical use of marijuana as authorized pursuant to chapter 453A of NRS.***

2. Compliance with this chapter does not immunize a person from criminal prosecution for the violation of any other provision of law.

**Sec. 24.7.** NRS 372A.070 is hereby amended to read as follows:

372A.070 1. A person shall not sell, offer to sell or possess with the intent to sell a controlled substance unless he or she first:

(a) Registers with the Department as a dealer in controlled substances and pays an annual fee of \$250; and

(b) Pays a tax on:

(1) ~~Each gram of marijuana, or portion thereof, of \$100;~~

~~(2)~~ Each gram of ~~any other~~ a controlled substance, or portion thereof, of \$1,000; and

~~(3)~~ (2) Each 50 dosage units of a controlled substance that is not sold by weight, or portion thereof, of \$2,000.

2. For the purpose of calculating the tax imposed by ~~subparagraph~~ *subparagraph* (1) ~~and (2)~~ of paragraph (b) of subsection 1, the controlled substance must be measured by the weight of the substance in the dealer's possession, including the weight of any material, compound, mixture or preparation that is added to the controlled substance.

3. The Department shall not require a registered dealer to give his or her name, address, social security number or other identifying information on any return submitted with the tax.

4. Any person who violates subsection 1 is subject to a civil penalty of 100 percent of the tax in addition to the tax imposed by subsection 1. Any civil penalty imposed pursuant to this subsection must be collected as part of the tax.

5. The district attorney of any county in which a dealer resides may institute and conduct the prosecution of any action for violation of subsection 1.

6. Property forfeited or subject to forfeiture pursuant to NRS 453.301 must not be used to satisfy a fee, tax or penalty imposed by this section.

*7. As used in this section, "controlled substance" does not include marijuana.*

**Sec. 25.** On or before January 1, 2014, the Health Division of the Department of Health and Human Services shall adopt the regulations required pursuant to section 20 of this act.

**Sec. 25.5. 1. If the Director of the Department of Health and Human Services determines that the revenues from the fees collected pursuant to section 12 of this act are not sufficient in Fiscal Year 2013-2014 or Fiscal Year 2014-2015 to pay authorized expenditures necessary to carry out sections 10 to 20, inclusive of this act, the Director of the Department of Health and Human Services may request from the Director of the Department of Administration a temporary advance from the State General Fund for the payment of authorized expenditures to carry out sections 10 to 20, inclusive of this act.**

**2. The Director of the Department of Administration shall provide written notification to the State Controller and to the Senate and Assembly Fiscal Analysts of the Fiscal Analysis Division of the Legislative Counsel Bureau if the Director of the Department of Administration approves a request made pursuant to subsection 1. The State Controller shall draw a warrant upon receipt of the approval by the Director of the Department of Administration.**

**3. Any money which is temporarily advanced from the State General Fund to the Director of the Department of Health and Human Services pursuant to this section must be repaid on or before the last business day in August immediately following the end of Fiscal Year 2013-2014 and Fiscal Year 2014-2015, respectively.**

**Sec. 26. 1. This section and section 25.5 of this act become effective upon passage and approval.**

**2. Sections 1 to 25, inclusive, of this act ~~becomes~~ become effective upon passage and approval for the purpose of adopting regulations and carrying out other preparatory administrative acts,** and on January 1, 2014, for all other purposes.

~~2~~ **3. Sections 14 and 15 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:**

- 1 (a) Have failed to comply with a subpoena or warrant relating to a proceeding
- 2 to determine the paternity of a child or to establish or enforce an obligation for the
- 3 support of a child; or
- 4 (b) Are in arrears in the payment for the support of one or more children,
- 5 ➤ are repealed by the Congress of the United States.