

Amendment No. 1151

Senate Amendment to Assembly Bill No. 422 Third Reprint (BDR 40-983)

Proposed by: Senator Ford

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

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	☐	Lost	☐	_____	Adopted	☐	Lost	☐	_____
Concurred In	☐	Not	☐	_____	Concurred In	☐	Not	☐	_____
Receded	☐	Not	☐	_____	Receded	☐	Not	☐	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added 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 proposed to be retained in this amendment.

AAK/BJE



Date: 6/5/2017

A.B. No. 422—Revises provisions relating to the use of marijuana. (BDR 40-983)



ASSEMBLY BILL NO. 422—ASSEMBLYMAN ARAUJO

MARCH 27, 2017

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to the use of marijuana. (BDR 40-983)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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

AN ACT relating to marijuana; revising various provisions relating to the medical use of marijuana; transferring responsibility for the regulation of medical marijuana establishments from the Division of Public and Behavioral Health of the Department of Health and Human Services to the Department of Taxation; revising provisions relating to registry identification cards and letters of approval; revising provisions relating to the authorization of nonresidents to engage in the medical use of marijuana; prohibiting the Department of Taxation from requiring a medical marijuana dispensary to determine whether a person has exceeded the legal limits for possession of marijuana for medical use; revising provisions relating to medical marijuana establishment agents; prohibiting the use of a vending machine to dispense marijuana; requiring each marijuana establishment and medical marijuana establishment to submit to the Department of Taxation a report of information concerning the production and sale of marijuana; establishing limitations on the regulation and taxation of a marijuana establishment or medical marijuana establishment by a city, town or county; ~~revising the distribution of excise taxes on sales of marijuana for medical purposes;~~ providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law exempts a person who holds a valid registry identification card or letter of approval from state prosecution for the use, possession, delivery and production of marijuana. (NRS 453A.200, 453A.205) Existing law also exempts a person who holds a valid medical marijuana establishment registration certificate or medical marijuana establishment agent registration card from state prosecution for possession, delivery and production of marijuana and provides for the registration and regulation of such persons and establishments. (NRS 453A.200, 453A.320-453A.370) **Sections 2, 8, 9, 11, 13-15, 27-42, 44-48, 51 and 66-68** of this bill transfer the responsibility for the regulation of medical marijuana establishments from the Division of Public and Behavioral Health of the Department of Health and Human Services to the Department of Taxation. **Section 38** of this bill prohibits a medical marijuana establishment from dispensing or otherwise selling marijuana using a vending machine.

Section 56.7 of this bill establishes a similar prohibition for recreational marijuana establishments after January 1, 2020.

Existing law requires a person who wishes to engage in the medical use of marijuana to apply to the Division of Public and Behavioral Health of the Department of Health and Human Services for a registry identification card or letter of approval, as applicable, and grants the holder of such a card or letter an exemption from state prosecution for certain crimes relating to marijuana. (NRS 453A.200, 453A.205) Existing law requires such an application to be accompanied by valid, written documentation from the applicant's attending physician. (NRS 453A.210) **Section 19** of this bill instead requires the applicant's attending provider of health care to: (1) maintain such written documentation and make such written documentation available to the Division upon request; and (2) sign the application to affirm that the requirements of such written documentation have been met. **Section 20** of this bill provides that such written documentation may be valid for either 1 year or 2 years and that a registry identification card or letter of approval based on such written documentation is valid for the same period of time. **Section 55** of this bill reduces the maximum fee that the Division may charge for issuing a registry identification card or letter of approval from \$75 per year to \$50 per year.

Existing law requires a medical marijuana establishment that wishes to retain as a volunteer or employ or contract with a person to provide labor to the medical marijuana establishment to submit an application to register the person as a medical marijuana establishment agent. (NRS 453A.332) **Section 31** of this bill allows such a person to submit an application for registration as a medical marijuana establishment agent on his or her own behalf. **Section 31** also provides for the temporary registration of a person as a medical marijuana establishment agent upon submission of a complete application for registration or renewal of registration. Finally, **section 31** allows an independent contractor or employee of an independent contractor who is registered as a medical marijuana establishment agent to provide labor to any medical marijuana establishment and any other person who is registered as a medical marijuana establishment agent to work or volunteer at any medical marijuana establishment for which the category of the person's medical marijuana establishment agent card is valid.

Existing law limits the exemption from state prosecution for the medical use of marijuana to the possession of not more than 2.5 ounces of usable marijuana in a 14-day period, 12 marijuana plants and a quantity of edible marijuana products and marijuana-infused products established by regulation. (NRS 453A.200) Existing law also prohibits a medical marijuana dispensary from selling marijuana in excess of these limits to a person. (NRS 453A.358) **Section 41** of this bill instead: (1) prohibits a medical marijuana dispensary from selling more than 1 ounce of marijuana in a transaction; and (2) prohibits the Department of Taxation from requiring a medical marijuana dispensary to track the purchases of a person or determine whether a person has exceeded the legal limits for possession of marijuana for medical use. **Section 41** further provides that only persons who are 21 years of age or more or hold a registry identification card or letter of approval are allowed to enter a medical marijuana dispensary.

Existing law allows a medical marijuana dispensary to recognize a nonresident card for the purpose of dispensing marijuana for medical use if the nonresident card meets certain requirements that make it the functional equivalent of a registry identification card. Existing law also requires, as of April 1, 2018, a nonresident card to be verified by the use of certain databases. (NRS 453A.364) **Section 43** of this bill instead: (1) deems a nonresident who is authorized to engage in the medical use of marijuana under the laws of his or her state or jurisdiction of residence to be listed in the medical marijuana registry for the purpose of exemption from state prosecution, if the person abides by the legal limits on the possession, delivery and production of marijuana in this State; and (2) authorizes a medical marijuana dispensary to dispense marijuana to such a person if the person presents a document which is valid proof of exemption under the laws of the state or jurisdiction of which the person is a resident. **Section 69** of this bill eliminates the prospective requirement to verify a nonresident authorization by the use of certain databases.

Sections 65.6-65.85 of this bill limit the regulations and license taxes that a city, town or county may impose on a marijuana establishment or medical marijuana establishment.

Section 65.95 of this bill requires each marijuana establishment and medical marijuana establishment to submit a report to the Department of Taxation that includes certain information concerning the production and sale of marijuana by the establishment.

~~Existing law distributes 75 percent of the proceeds of the excise taxes on medical marijuana establishments to the State Distributive School Account in the State General Fund and 25 percent to pay the costs of the Division of Public and Behavioral Health of the Department of Health and Human Services in carrying out the laws of this State relating to medical marijuana establishments. (NRS 372A.290) Section 65.98 of this bill, consistent with sections 2, 8, 9, 11, 13-15, 27-42, 44-48, 51 and 66-68 of this bill which transfer the responsibility for the regulation of medical marijuana establishments from the Division to the Department of Taxation, directs 25 percent of the proceeds of such excise taxes to the Department of Taxation.~~

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

Section 1. Chapter 453A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.

Sec. 2. ***"Department" means the Department of Taxation.***

Sec. 3. (Deleted by amendment.)

Sec. 4. (Deleted by amendment.)

Sec. 5. (Deleted by amendment.)

Sec. 6. NRS 453A.010 is hereby amended to read as follows:

453A.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 453A.020 to 453A.170, inclusive, ***and sections 2, 3 and 4 of this act*** have the meanings ascribed to them in those sections.

Sec. 7. (Deleted by amendment.)

Sec. 7.5. NRS 453A.030 is hereby amended to read as follows:

453A.030 "Attending ~~physician~~ ***provider of health care***" means a ~~physician~~ ***provider of health care, as defined in NRS 629.031,*** who:

1. Is licensed ***or certified*** to practice ~~+~~

~~(a) Medicine pursuant to the provisions of chapter 630 of NRS; or~~

~~(b) Osteopathic medicine pursuant to the provisions of chapter 633 of NRS; and~~ ***a profession which authorizes the person to write a prescription for a medication to treat a chronic or debilitating medical condition; and***

2. Has responsibility for the care and treatment of a person diagnosed with a chronic or debilitating medical condition.

Sec. 8. NRS 453A.056 is hereby amended to read as follows:

453A.056 "Cultivation facility" means a business that:

1. Is registered with the ~~Division~~ ***Department*** pursuant to NRS 453A.322; 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 marijuana-infused products; or

(c) Other cultivation facilities.

Sec. 8.5. NRS 453A.080 is hereby amended to read as follows:

453A.080 1. "Designated primary caregiver" means a person who:

(a) Is 18 years of age or older;

(b) Has significant responsibility for managing the well-being of a person diagnosed with a chronic or debilitating medical condition; and

(c) Is designated as such in the manner required pursuant to NRS 453A.250.
2. The term does not include the attending ~~physician~~ *provider of health care* of a person diagnosed with a chronic or debilitating medical condition.

Sec. 9. NRS 453A.102 is hereby amended to read as follows:

453A.102 “Electronic verification system” means an electronic database that:

1. Keeps track of data in real time; and
2. Is accessible by the Division *and the Department* and by registered medical marijuana establishments.

Sec. 10. (Deleted by amendment.)

Sec. 11. NRS 453A.105 is hereby amended to read as follows:

453A.105 “Facility for the production of edible marijuana products or marijuana-infused products” means a business that:

1. Is registered with the ~~Division~~ *Department* pursuant to NRS 453A.322; and
2. Acquires, possesses, manufactures, delivers, transfers, transports, supplies or sells edible marijuana products or marijuana-infused products to medical marijuana dispensaries.

Sec. 12. (Deleted by amendment.)

Sec. 13. NRS 453A.115 is hereby amended to read as follows:

453A.115 “Medical marijuana dispensary” means a business that:

1. Is registered with the ~~Division~~ *Department* pursuant to NRS 453A.322; and
2. Acquires, possesses, delivers, transfers, transports, supplies, sells or dispenses marijuana or related supplies and educational materials to the holder of a valid registry identification card ~~or to another medical marijuana dispensary~~.

Sec. 14. NRS 453A.118 is hereby amended to read as follows:

453A.118 “Medical marijuana establishment agent registration card” means a registration card that is issued by the ~~Division~~ *Department* pursuant to NRS 453A.332 to authorize a person to volunteer or work at a medical marijuana establishment.

Sec. 15. NRS 453A.119 is hereby amended to read as follows:

453A.119 “Medical marijuana establishment registration certificate” means a registration certificate that is issued by the ~~Division~~ *Department* pursuant to NRS 453A.322 to authorize the operation of a medical marijuana establishment.

Sec. 16. (Deleted by amendment.)

Sec. 17. (Deleted by amendment.)

Sec. 17.5. NRS 453A.170 is hereby amended to read as follows:

453A.170 “Written documentation” means:

1. A statement signed by the attending ~~physician~~ *provider of health care* of a person diagnosed with a chronic or debilitating medical condition; or
2. Copies of the relevant medical records of a person diagnosed with a chronic or debilitating medical condition.

Sec. 18. NRS 453A.200 is hereby amended to read as follows:

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

- (a) Possession, delivery or production of marijuana;
- (b) Possession or delivery of paraphernalia;
- (c) Aiding and abetting another in the possession, delivery or production of marijuana;
- (d) Aiding and abetting another in the possession or delivery of paraphernalia;

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

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

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

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

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

(b) Do not, at any one time, collectively possess with another who is authorized to possess, deliver or produce more than:

(1) Two and one-half ounces of usable marijuana in any one 14-day period;

(2) Twelve marijuana plants, irrespective of whether the marijuana plants are mature or immature; and

(3) A maximum allowable quantity of edible marijuana products and marijuana-infused products as established by regulation of the Division.

➤ The persons described in this subsection must ensure that the usable marijuana and marijuana plants described in this subsection are safeguarded in an enclosed, secure location.

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

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

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

5. A person who holds a valid medical marijuana establishment registration certificate issued to the person pursuant to NRS 453A.322 or a valid medical marijuana establishment agent registration card issued to the person pursuant to NRS 453A.332, and who confines his or her activities to those authorized by NRS 453A.320 to 453A.370, inclusive, and the regulations adopted by the ~~Division~~ **Department** pursuant thereto, is exempt from state prosecution for:

(a) Possession, delivery or production of marijuana;

(b) Possession or delivery of paraphernalia;

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

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

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

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

6. Notwithstanding any other provision of law and except as otherwise provided in this subsection, after a medical marijuana dispensary opens in the county of residence of a person who holds a registry identification card, including, without limitation, a designated primary caregiver, such a person is not authorized

to cultivate, grow or produce marijuana. The provisions of this subsection do not apply if:

(a) The person who holds the registry identification card was cultivating, growing or producing marijuana in accordance with this chapter on or before July 1, 2013;

(b) All the medical marijuana dispensaries in the county of residence of the person who holds the registry identification card close or are unable to supply the quantity or strain of marijuana necessary for the medical use of the person to treat his or her specific medical condition;

(c) Because of illness or lack of transportation, the person who holds the registry identification card is unable reasonably to travel to a medical marijuana dispensary; or

(d) No medical marijuana dispensary was operating within 25 miles of the residence of the person who holds the registry identification card at the time the person first applied for his or her registry identification card.

7. As used in this section, "marijuana" includes, without limitation, edible marijuana products and marijuana-infused products.

Sec. 19. NRS 453A.210 is hereby amended to read as follows:

453A.210 1. The Division shall establish and maintain a program for the issuance of registry identification cards and letters of approval to persons who meet the requirements of this section.

2. Except as otherwise provided in subsections 3 and 5 and NRS 453A.225, the Division or its designee shall issue a registry identification card to a person who is a resident of this State and who submits an application on a form prescribed by the Division accompanied by the following:

(a) ~~Valid, written documentation~~ *A signature* from the person's attending ~~physician stating~~ *provider of health care affirming* that:

(1) The person has been diagnosed with a chronic or debilitating medical condition;

(2) The medical use of marijuana may mitigate the symptoms or effects of that condition; ~~and~~

(3) The attending ~~physician~~ *provider of health care* has explained the possible risks and benefits of the medical use of marijuana; ~~and~~

(4) The attending provider of health care will keep, in the files maintained by the attending provider of health care for the person, valid, written documentation and make such written documentation available to the Division upon request;

(b) The name, address, telephone ~~number, social security~~ number and date of birth of the person;

(c) Proof satisfactory to the Division that the person is a resident of this State;

(d) The name, address and telephone number of the person's attending ~~physician~~ *provider of health care*;

(e) If the person elects to designate a primary caregiver at the time of application:

(1) The name, address ~~and~~ *and* telephone number ~~and social security number~~ of the designated primary caregiver; and

(2) A ~~written, signed statement~~ *signature* from the person's attending ~~physician in which~~ *provider of health care affirming* that the attending ~~physician~~ *provider of health care* approves of the designation of the primary caregiver; and

(f) If the person elects to designate a medical marijuana dispensary at the time of application, the name of the medical marijuana dispensary.

3. The Division or its designee shall issue a registry identification card to a person who is at least 10 years of age but less than 18 years of age or a letter of approval to a person who is less than 10 years of age if:

(a) The person submits the materials required pursuant to subsection 2; and

(b) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age signs a written statement setting forth that:

(1) The attending ~~physician~~ *provider of health care* of the person under 18 years of age *is a physician licensed pursuant to chapter 630 or 633 of NRS and* has explained to that person and to the custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age the possible risks and benefits of the medical use of marijuana;

(2) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age consents to the use of marijuana by the person under 18 years of age for medical purposes;

(3) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to serve as the designated primary caregiver for the person under 18 years of age; and

(4) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to control the acquisition of marijuana and the dosage and frequency of use by the person under 18 years of age.

4. ~~{The form prescribed by the Division to be used by a person applying for a registry identification card or letter of approval pursuant to this section must be a form that is in quintuplicate.}~~ Upon receipt of an application that is completed and submitted pursuant to this section, the Division shall:

(a) Record on the application the date on which it was received;

(b) Retain one copy of the application for the records of the Division; and

(c) Distribute ~~{the other four}~~ copies of the application in the following manner:

(1) One copy to the person who submitted the application;

(2) One copy to the applicant's designated primary caregiver, if any; *and*

(3) ~~{One copy to the Central Repository for Nevada Records of Criminal History; and~~

~~—(4)} One copy to {~~

~~(I) If the attending physician of the applicant is licensed to practice medicine pursuant to the provisions of chapter 630 of NRS, the Board of Medical Examiners; or~~

~~—(II) If the attending physician of the applicant is licensed to practice osteopathic medicine pursuant to the provisions of chapter 633 of NRS, the State Board of Osteopathic Medicine.}~~ *the professional licensing board that has issued a license or certification to the attending provider of health care.*

~~{The Central Repository for Nevada Records of Criminal History shall report to the Division its findings as to the criminal history, if any, of an applicant within 15 days after receiving a copy of an application pursuant to subparagraph (3) of paragraph (c).}~~ The ~~{Board of Medical Examiners or the State Board of Osteopathic Medicine, as}~~ applicable *{}* *professional licensing board* shall report to the Division its findings as to the licensure *or certification, as applicable*, and standing of the applicant's attending ~~physician~~ *provider of health care* within 15 days after receiving a copy of an application pursuant to subparagraph ~~{(4)}~~ (3) of paragraph (c).

5. The Division shall verify the information contained in an application submitted pursuant to this section and shall approve or deny an application within

~~{30 days after receiving the application.}~~ *the period of time specified by the Division by regulation.* The Division may contact an applicant, the applicant's attending ~~{physician}~~ *provider of health care* and designated primary caregiver, if any, by telephone to determine that the information provided on or accompanying the application is accurate. The Division may deny an application only on the following grounds:

(a) The applicant failed to provide the information required pursuant to subsections 2 and 3 ; ~~to:~~

~~— (1) Establish the applicant's chronic or debilitating medical condition; or~~
~~— (2) Document the applicant's consultation with an attending physician regarding the medical use of marijuana in connection with that condition;}~~

(b) The applicant failed to comply with regulations adopted by the Division, including, without limitation, the regulations adopted by the Administrator *of the Division* pursuant to NRS 453A.740;

(c) The Division determines that the information provided by the applicant was falsified;

(d) The Division determines that the attending ~~{physician}~~ *provider of health care* of the applicant is not licensed ~~{to practice medicine or osteopathic medicine}~~ *or certified* in this State or is not in good standing, as reported by the ~~{Board of Medical Examiners or the State Board of Osteopathic Medicine, as}~~ applicable ~~{}~~ *professional licensing board;*

(e) ~~{The Division determines that the applicant, or the applicant's designated primary caregiver, if applicable, has been convicted of knowingly or intentionally selling a controlled substance;}~~

~~{}~~ (f) The Division has prohibited the applicant from obtaining or using a registry identification card or letter of approval pursuant to subsection 2 of NRS 453A.300;

~~{e}~~ (f) The Division determines that the applicant, or the applicant's designated primary caregiver, if applicable, has had a registry identification card or letter of approval revoked pursuant to NRS 453A.225; or

~~{h}~~ (g) In the case of a person under 18 years of age, the custodial parent or legal guardian with responsibility for health care decisions for the person has not signed the written statement required pursuant to paragraph (b) of subsection 3.

6. The decision of the Division to deny an application for a registry identification card or letter of approval is a final decision for the purposes of judicial review. Only the person whose application has been denied or, in the case of a person under 18 years of age whose application has been denied, the person's parent or legal guardian, has standing to contest the determination of the Division. A judicial review authorized pursuant to this subsection must be limited to a determination of whether the denial was arbitrary, capricious or otherwise characterized by an abuse of discretion and must be conducted in accordance with the procedures set forth in chapter 233B of NRS for reviewing a final decision of an agency.

7. A person whose application has been denied may not reapply for 6 months after the date of the denial, unless the Division or a court of competent jurisdiction authorizes reapplication in a shorter time.

8. Except as otherwise provided in this subsection, if a person has applied for a registry identification card or letter of approval pursuant to this section and the Division has not yet approved or denied the application, the person, and the person's designated primary caregiver, if any, shall be deemed to hold a registry identification card or letter of approval ~~{upon the presentation to a law enforcement officer of the}~~ *and may present a copy of the application provided to him or her pursuant to subsection 4* ~~{}~~ *as proof that the person is deemed to hold a registry*

1 *identification card to any person, including, without limitation, a law*
2 *enforcement officer or a medical marijuana establishment agent at a medical*
3 *marijuana dispensary.*

4 9. *An attending provider of health care who signs an application pursuant*
5 *to subsection 2 for a patient shall maintain valid, written documentation in the*
6 *file the attending provider of health care maintains for the patient and make such*
7 *written documentation available to the Division upon request.*

8 10. As used in this section, "resident" has the meaning ascribed to it in NRS
9 483.141.

10 Sec. 20. NRS 453A.220 is hereby amended to read as follows:

11 453A.220 1. If the Division approves an application pursuant to subsection
12 5 of NRS 453A.210, the Division or its designee shall, as soon as practicable after
13 the Division approves the application:

14 (a) Issue a letter of approval or serially numbered registry identification card,
15 as applicable, to the applicant; and

16 (b) If the applicant has designated a primary caregiver, issue a serially
17 numbered registry identification card to the designated primary caregiver.

18 2. A registry identification card issued pursuant to paragraph (a) of subsection
19 1 must set forth:

20 (a) The name, address, photograph and date of birth of the applicant;

21 (b) The date of issuance and date of expiration of the registry identification
22 card;

23 (c) The name and address of the applicant's designated primary caregiver, if
24 any;

25 (d) The name of the applicant's designated medical marijuana dispensary, if
26 any;

27 (e) Whether the applicant is authorized to cultivate, grow or produce marijuana
28 pursuant to subsection 6 of NRS 453A.200; and

29 (f) Any other information prescribed by regulation of the Division.

30 3. A letter of approval issued pursuant to paragraph (a) of subsection 1 must
31 set forth:

32 (a) The name, address and date of birth of the applicant;

33 (b) The date of issuance and date of expiration of the registry identification
34 card of the designated primary caregiver;

35 (c) The name and address of the applicant's designated primary caregiver;

36 (d) The name of the applicant's designated medical marijuana dispensary, if
37 any; and

38 (e) Any other information prescribed by regulation of the Division.

39 4. A registry identification card issued pursuant to paragraph (b) of subsection
40 1 must set forth:

41 (a) The name, address and photograph of the designated primary caregiver;

42 (b) The date of issuance and date of expiration of the registry identification
43 card;

44 (c) The name and address of the applicant for whom the person is the
45 designated primary caregiver;

46 (d) The name of the designated primary caregiver's designated medical
47 marijuana dispensary, if any;

48 (e) Whether the designated primary caregiver is authorized to cultivate, grow
49 or produce marijuana pursuant to subsection 6 of NRS 453A.200; and

50 (f) Any other information prescribed by regulation of the Division.

51 5. Except as otherwise provided in NRS 453A.225, subsection 3 of NRS
52 453A.230 and subsection 2 of NRS 453A.300, a registry identification card or letter
53 of approval issued pursuant to this section is valid for a period of *either 1 year or 2*

1 *years, as specified by the attending provider of health care on the application for*
2 *the issuance or renewal of the registry identification card or letter of approval,*
3 and may be renewed in accordance with regulations adopted by the Division.

4 **Sec. 21.** NRS 453A.225 is hereby amended to read as follows:

5 453A.225 1. If, at any time after the Division or its designee has issued a
6 registry identification card or letter of approval to a person pursuant to paragraph
7 (a) of subsection 1 of NRS 453A.220, the Division determines, on the basis of
8 official documents or records or other credible evidence, that the person ~~+~~
9 ~~—(a) Provided~~ *provided* falsified information on his or her application to the
10 Division or its designee, as described in paragraph (c) of subsection 5 of NRS
11 453A.210, ~~+~~ ~~or~~

12 ~~—(b) Has been convicted of knowingly or intentionally selling a controlled~~
13 ~~substance, as described in paragraph (c) of subsection 5 of NRS 453A.210;~~
14 ~~→~~ the Division shall immediately revoke the registry identification card or letter of
15 approval issued to that person and shall immediately revoke the registry
16 identification card issued to that person's designated primary caregiver, if any.

17 2. ~~If, at any time after the Division or its designee has issued a registry~~
18 ~~identification card to a person pursuant to paragraph (b) of subsection 1 of NRS~~
19 ~~453A.220 or pursuant to NRS 453A.250, the Division determines, on the basis of~~
20 ~~official documents or records or other credible evidence, that the person has been~~
21 ~~convicted of knowingly or intentionally selling a controlled substance, as described~~
22 ~~in paragraph (c) of subsection 5 of NRS 453A.210, the Division shall immediately~~
23 ~~revoke the registry identification card issued to that person.~~

24 ~~—3—~~ Upon the revocation of a registry identification card or letter of approval
25 pursuant to this section:

26 (a) The Division shall send, by certified mail, return receipt requested, notice
27 to the person whose registry identification card or letter of approval has been
28 revoked, advising the person of the requirements of paragraph (b); and

29 (b) The person shall return his or her registry identification card or letter of
30 approval to the Division within 7 days after receiving the notice sent pursuant to
31 paragraph (a).

32 ~~14—~~ 3. The decision of the Division to revoke a registry identification card or
33 letter of approval pursuant to this section is a final decision for the purposes of
34 judicial review.

35 ~~15—~~ 4. A person whose registry identification card or letter of approval has
36 been revoked pursuant to this section may not reapply for a registry identification
37 card or letter of approval pursuant to NRS 453A.210 for 12 months after the date of
38 the revocation, unless the Division or a court of competent jurisdiction authorizes
39 reapplication in a shorter time.

40 **Sec. 22.** NRS 453A.230 is hereby amended to read as follows:

41 453A.230 1. A person to whom the Division or its designee has issued a
42 registry identification card or letter of approval pursuant to paragraph (a) of
43 subsection 1 of NRS 453A.220 shall, in accordance with regulations adopted by the
44 Division:

45 (a) Notify the Division of any change in the person's name, address, telephone
46 number, designated medical marijuana dispensary, attending ~~physician~~ *provider*
47 *of health care* or designated primary caregiver, if any; and

48 (b) Submit ~~annually~~ to the *Division, on a form prescribed by the* Division:

49 (1) ~~Updated written documentation~~ *On or before the date specified by*
50 *the attending provider of health care on the application for the issuance or*
51 *renewal of the registry identification card or letter of approval pursuant to*
52 *subsection 5 of NRS 453A.220, a signature* from the person's attending ~~physician~~
53 *in which the attending physician sets forth* *provider of health care affirming* that:

(I) The person continues to suffer from a chronic or debilitating medical condition;

(II) The medical use of marijuana may mitigate the symptoms or effects of that condition; and

(III) The attending ~~physician~~ *provider of health care* has explained to the person the possible risks and benefits of the medical use of marijuana; and

(2) If the person elects to designate a primary caregiver for the subsequent year and the primary caregiver so designated was not the person's designated primary caregiver during the previous year:

(I) The name, address ~~and~~ and telephone number ~~and social security number~~ of the designated primary caregiver; and

(II) A ~~written, signed statement~~ *signature* from the person's attending ~~physician in which~~ *provider of health care affirming that* the attending ~~physician~~ *provider of health care* approves of the designation of the primary caregiver.

2. A person to whom the Division or its designee has issued a registry identification card pursuant to paragraph (b) of subsection 1 of NRS 453A.220 or pursuant to NRS 453A.250 shall, in accordance with regulations adopted by the Division, notify the Division of any change in the person's name, address, telephone number, designated medical marijuana dispensary or the identity of the person for whom he or she acts as designated primary caregiver.

3. If a person fails to comply with the provisions of subsection 1 or 2, the registry identification card or letter of approval issued to the person shall be deemed expired. If the registry identification card or letter of approval of a person to whom the Division or its designee issued the card or letter pursuant to paragraph (a) of subsection 1 of NRS 453A.220 is deemed expired pursuant to this subsection, a registry identification card issued to the person's designated primary caregiver, if any, shall also be deemed expired. Upon the deemed expiration of a registry identification card or letter of approval pursuant to this subsection:

(a) The Division shall send, by certified mail, return receipt requested, notice to the person whose registry identification card or letter of approval has been deemed expired, advising the person of the requirements of paragraph (b); and

(b) The person shall return his or her registry identification card or letter of approval to the Division within 7 days after receiving the notice sent pursuant to paragraph (a).

Sec. 23. (Deleted by amendment.)

Sec. 23.5. NRS 453A.240 is hereby amended to read as follows:

453A.240 If a person to whom the Division or its designee has issued a registry identification card or letter of approval pursuant to paragraph (a) of subsection 1 of NRS 453A.220 is diagnosed by the person's attending ~~physician~~ *provider of health care* as no longer having a chronic or debilitating medical condition, the person shall return his or her registry identification card or letter of approval and his or her designated primary caregiver, if any, shall return his or her registry identification card to the Division within 7 days after notification of the diagnosis.

Sec. 24. NRS 453A.250 is hereby amended to read as follows:

453A.250 1. If a person who applies to the Division for a registry identification card or letter of approval or to whom the Division or its designee has issued a registry identification card or letter of approval pursuant to paragraph (a) of subsection 1 of NRS 453A.220 desires or is required to designate a primary caregiver, the person must:

(a) To designate a primary caregiver at the time of application, submit to the Division, *on a form prescribed by the Division*, the information required pursuant to paragraph (e) of subsection 2 of NRS 453A.210; or

(b) To designate a primary caregiver after the Division or its designee has issued a registry identification card or letter of approval to the person, submit to the Division, *on a form prescribed by the Division*, the information required pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 453A.230.

2. A person may have only one designated primary caregiver at any one time.

3. If a person designates a primary caregiver after the time that the person initially applies for a registry identification card or letter of approval, the Division or its designee shall, except as otherwise provided in subsection 5 of NRS 453A.210, issue a registry identification card to the designated primary caregiver as soon as practicable after receiving the information submitted pursuant to paragraph (b) of subsection 1.

4. A person who is the parent or legal guardian of one or more children who are listed in the medical marijuana registry may be the designated primary caregiver for each such child regardless of whether the person is also listed in the medical marijuana registry as a patient.

Sec. 25. (Deleted by amendment.)

Sec. 26. (Deleted by amendment.)

Sec. 26.5. NRS 453A.310 is hereby amended to read as follows:

453A.310 1. Except as otherwise provided in this section and NRS 453A.300, it is an affirmative defense to a criminal charge of possession, delivery or production of marijuana, or any other criminal offense in which possession, delivery or production of marijuana is an element, that the person charged with the offense:

(a) Is a person who:

(1) Has been diagnosed with a chronic or debilitating medical condition within the 12-month period preceding his or her arrest and has been advised by his or her attending ~~physician~~ *provider of health care* that the medical use of marijuana may mitigate the symptoms or effects of that chronic or debilitating medical condition;

(2) Is engaged in the medical use of marijuana; and

(3) Possesses, delivers or produces marijuana only in the amount described in paragraph (b) of subsection 3 of NRS 453A.200 or in excess of that amount if the person proves by a preponderance of the evidence that the greater amount is medically necessary as determined by the person's attending ~~physician~~ *provider of health care* to mitigate the symptoms or effects of the person's chronic or debilitating medical condition; or

(b) Is a person who:

(1) Is assisting a person described in paragraph (a) in the medical use of marijuana; and

(2) Possesses, delivers or produces marijuana only in the amount described in paragraph (b) of subsection 3 of NRS 453A.200 or in excess of that amount if the person proves by a preponderance of the evidence that the greater amount is medically necessary as determined by the assisted person's attending ~~physician~~ *provider of health care* to mitigate the symptoms or effects of the assisted person's chronic or debilitating medical condition.

2. A person need not hold a registry identification card or letter of approval issued to the person by the Division or its designee pursuant to NRS 453A.220 or 453A.250 to assert an affirmative defense described in this section.

3. Except as otherwise provided in this section and in addition to the affirmative defense described in subsection 1, a person engaged or assisting in the

1 medical use of marijuana who is charged with a crime pertaining to the medical use
2 of marijuana is not precluded from:

3 (a) Asserting a defense of medical necessity; or
4 (b) Presenting evidence supporting the necessity of marijuana for treatment of
5 a specific disease or medical condition,

6 ➤ if the amount of marijuana at issue is not greater than the amount described in
7 paragraph (b) of subsection 3 of NRS 453A.200 and the person has taken steps to
8 comply substantially with the provisions of this chapter.

9 4. A defendant who intends to offer an affirmative defense described in this
10 section shall, not less than 5 days before trial or at such other time as the court
11 directs, file and serve upon the prosecuting attorney a written notice of the
12 defendant's intent to claim the affirmative defense. The written notice must:

13 (a) State specifically why the defendant believes he or she is entitled to assert
14 the affirmative defense; and

15 (b) Set forth the factual basis for the affirmative defense.

16 ➤ A defendant who fails to provide notice of his or her intent to claim an
17 affirmative defense as required pursuant to this subsection may not assert the
18 affirmative defense at trial unless the court, for good cause shown, orders
19 otherwise.

20 **Sec. 27.** NRS 453A.322 is hereby amended to read as follows:

21 453A.322 1. Each medical marijuana establishment must register with the
22 ~~{Division}~~ **Department**.

23 2. A person who wishes to operate a medical marijuana establishment must
24 submit to the ~~{Division}~~ **Department** an application on a form prescribed by the
25 ~~{Division}~~ **Department**.

26 3. Except as otherwise provided in NRS 453A.324, 453A.326, 453A.328 and
27 453A.340, not later than 90 days after receiving an application to operate a medical
28 marijuana establishment, the ~~{Division}~~ **Department** shall register the medical
29 marijuana establishment and issue a medical marijuana establishment registration
30 certificate and a random 20-digit alphanumeric identification number if:

31 (a) The person who wishes to operate the proposed medical marijuana
32 establishment has submitted to the ~~{Division}~~ **Department** all of the following:

33 (1) The application fee, as set forth in NRS 453A.344;

34 (2) An application, which must include:

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

36 (II) The physical address where the proposed medical marijuana
37 establishment will be located and the physical address of any co-owned additional
38 or otherwise associated medical marijuana establishments, the locations of which
39 may not be within 1,000 feet of a public or private school that provides formal
40 education traditionally associated with preschool or kindergarten through grade 12
41 and that existed on the date on which the application for the proposed medical
42 marijuana establishment was submitted to the ~~{Division}~~ **Department**, or within
43 300 feet of a community facility that existed on the date on which the application
44 for the proposed medical marijuana establishment was submitted to the ~~{Division}~~ **Department**;

45 **Department**;

46 (III) Evidence that the applicant controls not less than \$250,000 in
47 liquid assets to cover the initial expenses of opening the proposed medical
48 marijuana establishment and complying with the provisions of NRS 453A.320 to
49 453A.370, inclusive;

50 (IV) Evidence that the applicant owns the property on which the
51 proposed medical marijuana establishment will be located or has the written
52 permission of the property owner to operate the proposed medical marijuana
53 establishment on that property;

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

(VI) The name, address and date of birth of each person who is proposed to be an owner, officer or board member of the proposed medical marijuana establishment; and

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

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

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

(II) The use of an electronic verification system and an inventory control system, pursuant to NRS 453A.354 and 453A.356;

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

(5) If the city, town or county in which the proposed medical marijuana establishment will be located has enacted zoning restrictions, proof of licensure with the applicable local governmental authority or a letter from the applicable local governmental authority certifying that the proposed medical marijuana establishment is in compliance with those restrictions and satisfies all applicable building requirements; and

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

(b) None of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment have been convicted of an excluded felony offense;

(c) None of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment have:

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

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

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

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

5. Except as otherwise provided in subsection 6, if an application for registration as a medical marijuana establishment satisfies the requirements of this section and the establishment is not disqualified from being registered as a medical marijuana establishment pursuant to this section or other applicable law, the

~~{Division}~~ **Department** shall issue to the establishment a medical marijuana establishment registration certificate. A medical marijuana establishment registration certificate expires 1 year after the date of issuance and may be renewed upon:

(a) Resubmission of the information set forth in this section ~~{H}~~, *except that the fingerprints of each person who is an owner, officer or board member of a medical marijuana establishment required to be submitted pursuant to subsection 4 must only be submitted:*

(1) If such a person holds 5 percent or less of the ownership interest in any one medical marijuana establishment or an ownership interest in more than one medical marijuana establishment of the same kind that, when added together, equals 5 percent or less, once in any 5-year period; and

(2) If such a person holds more than 5 percent of the ownership interest in any one medical marijuana establishment or an ownership interest in more than one medical marijuana establishment of the same kind that, when added together, equals more than 5 percent, or is an officer or board member of a medical marijuana establishment, once in any 3-year period; ~~and~~

(b) Payment of the renewal fee set forth in NRS 453A.344 ~~{H}~~; and

(c) If the medical marijuana establishment is an independent testing laboratory, submission of proof that the independent testing laboratory is accredited pursuant to standard ISO/IEC 17025 of the International Organization for Standardization.

6. In determining whether to issue a medical marijuana establishment registration certificate pursuant to this section, the ~~{Division}~~ **Department** shall consider the criteria of merit set forth in NRS 453A.328.

7. **The Department:**

(a) Shall not require an applicant for registration as a medical marijuana establishment or for the renewal of a medical marijuana establishment registration certificate to submit a financial statement with the application for registration or renewal; and

(b) May require a medical marijuana establishment to submit a financial statement as determined to be necessary by the Department to ensure the collection of any taxes which may be owed by the medical marijuana establishment.

8. As used in this section, "community facility" means:

(a) A facility that provides day care to children.

(b) A public park.

(c) A playground.

(d) A public swimming pool.

(e) A center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents.

(f) A church, synagogue or other building, structure or place used for religious worship or other religious purpose.

Sec. 28. NRS 453A.324 is hereby amended to read as follows:

453A.324 1. Except as otherwise provided in this section and NRS 453A.326, the ~~{Division}~~ **Department** shall issue medical marijuana establishment registration certificates for medical marijuana dispensaries in the following quantities for applicants who qualify pursuant to NRS 453A.322:

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

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

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

(d) In each other county, one certificate.

2. Notwithstanding the provisions of subsection 1, the ~~{Division}~~ **Department**:

(a) Shall not issue medical marijuana establishment registration certificates for medical marijuana dispensaries in such a quantity as to cause the existence within the applicable county of more than one medical marijuana dispensary for every ten pharmacies that have been licensed in the county pursuant to chapter 639 of NRS. The ~~{Division}~~ **Department** may issue medical marijuana establishment registration certificates for medical marijuana dispensaries in excess of the ratio otherwise allowed pursuant to this paragraph if to do so is necessary to ensure that the ~~{Division}~~ **Department** issues at least one medical marijuana establishment registration certificate in each county of this State in which the ~~{Division}~~ **Department** has approved an application for such an establishment to operate.

(b) Shall, for any county for which no applicants qualify pursuant to NRS 453A.322, within 2 months after the end of the period during which the ~~{Division}~~ **Department** accepts applications pursuant to subsection 4, reallocate the certificates provided for that county pursuant to subsection 1 to the other counties specified in subsection 1 in the same proportion as provided in subsection 1.

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

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

Sec. 29. NRS 453A.326 is hereby amended to read as follows:

453A.326 1. Except as otherwise provided in this subsection, in a county whose population is 100,000 or more, the ~~{Division}~~ **Department** shall ensure that not more than 25 percent of the total number of medical marijuana dispensaries that may be certified in the county, as set forth in NRS 453A.324, are located in any one local governmental jurisdiction within the county. The board of county commissioners of the county may increase the percentage described in this subsection if it determines that to do so is necessary to ensure that the more populous areas of the county have access to sufficient distribution of marijuana for medical use.

2. To prevent monopolistic practices, the ~~{Division}~~ **Department** shall ensure, in a county whose population is 100,000 or more, that it does not issue, to any one person, group of persons or entity, the greater of:

(a) One medical marijuana establishment registration certificate; or

(b) More than 10 percent of the medical marijuana establishment registration certificates otherwise allocable in the county.

3. In a local governmental jurisdiction that issues business licenses, the issuance by the ~~{Division}~~ **Department** of a medical marijuana establishment registration certificate shall be deemed to be provisional until such time as:

(a) The establishment is in compliance with all applicable local governmental ordinances or rules; and

(b) The local government has issued a business license for the operation of the establishment.

4. As used in this section, "local governmental jurisdiction" means a city, town, township or unincorporated area within a county.

1 **Sec. 30.** NRS 453A.328 is hereby amended to read as follows:

2 453A.328 In determining whether to issue a medical marijuana establishment
3 registration certificate pursuant to NRS 453A.322, the ~~{Division}~~ **Department** shall,
4 in addition to the factors set forth in that section, consider the following criteria of
5 merit:

6 1. The total financial resources of the applicant, both liquid and illiquid;

7 2. The previous experience of the persons who are proposed to be owners,
8 officers or board members of the proposed medical marijuana establishment at
9 operating other businesses or nonprofit organizations;

10 3. The educational achievements of the persons who are proposed to be
11 owners, officers or board members of the proposed medical marijuana
12 establishment;

13 4. Any demonstrated knowledge or expertise on the part of the persons who
14 are proposed to be owners, officers or board members of the proposed medical
15 marijuana establishment with respect to the compassionate use of marijuana to treat
16 medical conditions;

17 5. Whether the proposed location of the proposed medical marijuana
18 establishment would be convenient to serve the needs of persons who are
19 authorized to engage in the medical use of marijuana;

20 6. The likely impact of the proposed medical marijuana establishment on the
21 community in which it is proposed to be located;

22 7. The adequacy of the size of the proposed medical marijuana establishment
23 to serve the needs of persons who are authorized to engage in the medical use of
24 marijuana;

25 8. Whether the applicant has an integrated plan for the care, quality and
26 safekeeping of medical marijuana from seed to sale;

27 9. The amount of taxes paid to, or other beneficial financial contributions
28 made to, the State of Nevada or its political subdivisions by the applicant or the
29 persons who are proposed to be owners, officers or board members of the proposed
30 medical marijuana establishment; ~~and~~

31 10. *The diversity on the basis of race, ethnicity or gender of the applicant or*
32 *the persons who are proposed to be owners, officers or board members of the*
33 *proposed medical marijuana establishment; and*

34 11. Any other criteria of merit that the ~~{Division}~~ **Department** determines to
35 be relevant.

36 **Sec. 31.** NRS 453A.332 is hereby amended to read as follows:

37 453A.332 1. Except as otherwise provided in this section, a person shall not
38 volunteer or work at, contract to provide labor to or be employed by an independent
39 contractor to provide labor to a medical marijuana establishment as a medical
40 marijuana establishment agent unless the person is registered with the ~~{Division}~~
41 **Department** pursuant to this section.

42 2. *A person who wishes to volunteer or work at a medical marijuana*
43 *establishment, or a medical marijuana establishment that wishes to retain as a*
44 *volunteer or employ ~~{a medical marijuana establishment agent}~~ such a person,* shall
45 submit to the ~~{Division}~~ **Department** an application on a form prescribed by the
46 ~~{Division}~~ **Department**. The application must be accompanied by:

47 (a) The name, address and date of birth of the prospective medical marijuana
48 establishment agent;

49 (b) A statement signed by the prospective medical marijuana establishment
50 agent pledging not to dispense or otherwise divert marijuana to any person who is
51 not authorized to possess marijuana in accordance with the provisions of this
52 chapter;

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

(d) A complete set of the fingerprints and written permission of the prospective medical marijuana establishment agent authorizing the ~~{Division}~~ Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;

(e) The application fee, as set forth in NRS 453A.344; and

(f) Such other information as the ~~{Division}~~ Department may require by regulation.

3. A *person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment, or a medical marijuana establishment that wishes to contract with ~~an independent contractor to provide labor as a medical marijuana establishment agent~~ such a person*, shall submit to the ~~{Division}~~ Department an application on a form prescribed by the ~~{Division}~~ Department for the registration of the independent contractor and each employee of the independent contractor who will provide labor as a medical marijuana establishment agent. The application must be accompanied by:

(a) The name, address and, if the prospective medical marijuana establishment agent has a state business registration, the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS;

(b) The name, address and date of birth of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent;

(c) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert marijuana to, or allow any of its employees to dispense or otherwise divert marijuana to, any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(d) A statement signed by the prospective medical marijuana establishment agent asserting that it has not previously had a medical marijuana establishment agent registration card revoked and that none of its employees who will provide labor as a medical marijuana establishment agent have previously had a medical marijuana establishment agent registration card revoked;

(e) A complete set of the fingerprints of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent and written permission of the prospective medical marijuana establishment agent and each employee of the prospective medical marijuana establishment agent authorizing the ~~{Division}~~ Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;

(f) The application fee, as set forth in NRS 453A.344; and

(g) Such other information as the ~~{Division}~~ Department may require by regulation.

4. A medical marijuana establishment shall notify the ~~{Division}~~ Department within 10 days after a medical marijuana establishment agent ceases to be employed by, volunteer at or provide labor as a medical marijuana establishment agent to the medical marijuana establishment.

5. A person who:

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

(b) Is less than 21 years of age,

➤ shall not serve as a medical marijuana establishment agent.

6. The ~~Division~~ Department shall submit the fingerprints of an applicant for registration as a medical marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to determine the criminal history of the applicant.

7. The provisions of this section do not require a person who is an owner, officer or board member of a medical marijuana establishment to resubmit information already furnished to the ~~Division~~ Department at the time the establishment was registered with the ~~Division~~ Department.

8. If an applicant for registration as a medical marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the ~~Division~~ Department shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a medical marijuana establishment agent, a medical marijuana establishment agent registration card. If the ~~Division~~ Department does not act upon an application for a medical marijuana establishment agent registration card within 30 days after the date on which the application is received, the application shall be deemed conditionally approved until such time as the ~~Division~~ Department acts upon the application. A medical marijuana establishment agent registration card expires 1 year after the date of issuance and may be renewed upon:

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

(b) Payment of the renewal fee set forth in NRS 453A.344.

9. A medical marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an employee of an independent contractor authorizes the independent contractor or employee to provide labor to any medical marijuana establishment in this State.

10. A medical marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a medical marijuana establishment authorizes the person to volunteer or work at any medical marijuana establishment in this State for which the category of the medical marijuana establishment agent registration card authorizes the person to volunteer or work.

11. Except as otherwise prescribed by regulation of the Department, an applicant for registration or renewal of registration as a medical marijuana establishment agent is deemed temporarily registered as a medical marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a medical marijuana establishment agent expires 30 days after the date upon which the application is received.

Sec. 32. NRS 453A.334 is hereby amended to read as follows:

453A.334 1. Except as otherwise provided in subsection 2, the following are nontransferable:

(a) A medical marijuana establishment agent registration card.

(b) A medical marijuana establishment registration certificate.

2. A medical marijuana establishment may, *upon submission of a statement signed by a person authorized to submit such a statement by the governing documents of the medical marijuana establishment*, transfer all or any portion of its ownership to another party, and the ~~Division~~ Department shall transfer the medical marijuana establishment registration certificate issued to the establishment to the party acquiring ownership, if the party who will acquire the ownership of the medical marijuana establishment submits:

(a) ~~If the party will acquire the entirety of the ownership interest in the medical marijuana establishment, evidence~~ satisfactory to the ~~Division~~ **Department** that the party has complied with the provisions of sub-subparagraph (III) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322 for the purpose of operating the medical marijuana establishment.

(b) For the party and each person who is proposed to be an owner, officer or board member of the proposed medical marijuana establishment, the name, address and date of birth of the person, a complete set of the person's fingerprints and written permission of the person authorizing the ~~Division~~ **Department** to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

(c) Proof satisfactory to the ~~Division~~ **Department** that, as a result of the transfer of ownership, no person, group of persons or entity will, in a county whose population is 100,000 or more, hold more than one medical marijuana establishment registration certificate or more than 10 percent of the medical marijuana establishment registration certificates allocated to the county, whichever is greater.

Sec. 33. NRS 453A.336 is hereby amended to read as follows:

453A.336 1. In addition to any other requirements set forth in this chapter, an applicant for the issuance or renewal of a medical marijuana establishment agent registration card or medical marijuana establishment registration certificate shall:

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

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

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

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

(b) A separate form prescribed by the ~~Division~~ **Department**.

3. A medical marijuana establishment agent registration card or medical marijuana establishment registration certificate may not be issued or renewed by the ~~Division~~ **Department** if the applicant:

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

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

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

Sec. 34. NRS 453A.338 is hereby amended to read as follows:

453A.338 1. If the ~~Division~~ **Department** receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person

who is the holder of a medical marijuana establishment agent registration card or medical marijuana establishment registration certificate, the ~~Division~~ Department shall deem the card or certificate issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the ~~Division~~ Department receives a letter issued to the holder of the card or certificate by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the card or certificate has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

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

Sec. 35. NRS 453A.340 is hereby amended to read as follows:

453A.340 The following acts constitute grounds for immediate revocation of a medical marijuana establishment registration certificate:

1. Dispensing, delivering or otherwise transferring marijuana to a person other than a medical marijuana establishment agent, another medical marijuana establishment or a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver.

2. Acquiring usable marijuana or mature marijuana plants from any person other than a medical marijuana establishment agent, another medical marijuana establishment or a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver.

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

4. Failure to pay a fee imposed pursuant to NRS 453A.330.

Sec. 36. NRS 453A.342 is hereby amended to read as follows:

453A.342 The following acts constitute grounds for the immediate revocation of the medical marijuana establishment agent registration card of a medical marijuana establishment agent:

1. Having committed or committing any excluded felony offense.

2. Dispensing, delivering or otherwise transferring marijuana to a person other than a medical marijuana establishment agent, another medical marijuana establishment or a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver.

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

Sec. 37. NRS 453A.344 is hereby amended to read as follows:

453A.344 1. Except as otherwise provided in subsection 2, the ~~Division~~ Department shall collect not more than the following maximum fees:

For the initial issuance of a medical marijuana establishment registration certificate for a medical marijuana dispensary	\$30,000
For the renewal of a medical marijuana establishment registration certificate for a medical marijuana dispensary	5,000

For the initial issuance of a medical marijuana establishment registration certificate for a cultivation facility.....	3,000
For the renewal of a medical marijuana establishment registration certificate for a cultivation facility.....	1,000
For the initial issuance of a medical marijuana establishment registration certificate for a facility for the production of edible marijuana products or marijuana-infused products	3,000
For the renewal of a medical marijuana establishment registration certificate for a facility for the production of edible marijuana products or marijuana-infused products	1,000
For each person identified in an application for the initial issuance of a medical marijuana establishment agent registration card	75
For each person identified in an application for the renewal of a medical marijuana establishment agent registration card	75
For the initial issuance of a medical marijuana establishment registration certificate for an independent testing laboratory	5,000
For the renewal of a medical marijuana establishment registration certificate for an independent testing laboratory.....	3,000

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

- (a) A one-time, nonrefundable application fee of \$5,000; and
- (b) The actual costs incurred by the ~~Division~~ **Department** 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~~ **Department** in carrying out the provisions of NRS 453A.320 to 453A.370, inclusive; 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. 37.5. NRS 453A.350 is hereby amended to read as follows:
453A.350 1. Each medical marijuana establishment must:

- (a) Be located in a separate building or facility that is located in a commercial or industrial zone or overlay;
- (b) Comply with all local ordinances and rules pertaining to zoning, land use and signage;
- (c) Have an appearance, both as to the interior and exterior, that is professional, orderly, dignified and consistent with the traditional style of pharmacies and medical offices; and
- (d) Have discreet and professional signage that is consistent with the traditional style of signage for pharmacies and medical offices.

2. A medical marijuana establishment may move to a new location under the jurisdiction of the same local government as its original location and regardless of the distance from its original location if the operation of the medical marijuana establishment at the new location has been approved by the local government. A

1 local government may approve a new location pursuant to this subsection only in a
2 public hearing for which written notice is given at least 7 working days before the
3 hearing.

4 *3. If a medical marijuana establishment is operated by a dual licensee, as*
5 *defined in NRS 453D.030, any provision of this section which is determined by*
6 *the Department to be unreasonably impracticable pursuant to subsection 9 of*
7 *NRS 453A.370 does not apply to the medical marijuana establishment.*

8 **Sec. 38.** NRS 453A.352 is hereby amended to read as follows:

9 453A.352 1. The operating documents of a medical marijuana establishment
10 must include procedures:

11 (a) For the oversight of the medical marijuana establishment; and

12 (b) To ensure accurate recordkeeping, including, without limitation, the
13 provisions of NRS 453A.354 and 453A.356.

14 2. Except as otherwise provided in this subsection, a medical marijuana
15 establishment:

16 (a) That is a medical marijuana dispensary must have a single entrance for
17 patrons, which must be secure, and shall implement strict security measures to deter
18 and prevent the theft of marijuana and unauthorized entrance into areas containing
19 marijuana.

20 (b) That is not a medical marijuana dispensary must have a single secure
21 entrance and shall implement strict security measures to deter and prevent the theft
22 of marijuana and unauthorized entrance into areas containing marijuana.

23 ➤ The provisions of this subsection do not supersede any state or local
24 requirements relating to minimum numbers of points of entry or exit, or any state or
25 local requirements relating to fire safety.

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

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

31 (b) Assist patients who possess valid registry identification cards or letters of
32 approval by way of those patients' designated primary caregivers ~~and~~; *and*

33 *(c) Return for a refund marijuana, edible marijuana products or marijuana-*
34 *infused products to the medical marijuana establishment from which the*
35 *marijuana, edible marijuana products or marijuana-infused products were*
36 *acquired.*

37 ➤ For the purposes of this subsection, a person shall be deemed to be a patient who
38 possesses a valid registry identification card or letter of approval if he or she
39 qualifies for nonresident reciprocity pursuant to NRS 453A.364.

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

48 5. A medical marijuana dispensary and a cultivation facility may acquire
49 usable marijuana or marijuana plants from a person who holds a valid registry
50 identification card, including, without limitation, a designated primary caregiver.
51 Except as otherwise provided in this subsection, the patient or caregiver, as
52 applicable, must receive no compensation for the marijuana. A patient who holds a
53 valid registry identification card, and the designated primary caregiver of such a

1 patient, or the designated primary caregiver of a person who holds a letter of
2 approval may sell usable marijuana to a medical marijuana dispensary one time and
3 may sell marijuana plants to a cultivation facility one time.

4 6. A medical marijuana establishment shall not allow any person to consume
5 marijuana on the property or premises of the establishment.

6 7. Medical marijuana establishments are subject to reasonable inspection by
7 the Division at any time, and a person who holds a medical marijuana establishment
8 registration certificate must make himself or herself, or a designee thereof,
9 available and present for any inspection by the Division of the establishment.

10 8. *A dual licensee, as defined in NRS 453D.030:*

11 (a) *Shall comply with the regulations adopted by the Department pursuant to*
12 *paragraph (k) of subsection 1 of NRS 453D.200 with respect to the medical*
13 *marijuana establishment operated by the dual licensee; and*

14 (b) *May, to the extent authorized by such regulations, combine the location*
15 *or operations of the medical marijuana establishment operated by the dual*
16 *licensee with the marijuana establishment, as defined in NRS 453D.030, operated*
17 *by the dual licensee.*

18 9. *Each medical marijuana establishment shall install a video monitoring*
19 *system which must, at a minimum:*

20 (a) *Allow for the transmission and storage, by digital or analog means, of a*
21 *video feed which displays the interior and exterior of the medical marijuana*
22 *establishment; and*

23 (b) *Be capable of being accessed remotely by a law enforcement agency in*
24 *real-time upon request.*

25 10. *A medical marijuana establishment shall not dispense or otherwise sell*
26 *marijuana, edible marijuana products or marijuana-infused products from a*
27 *vending machine or allow such a vending machine to be installed at the interior*
28 *or exterior of the premises of the medical marijuana establishment.*

29 11. *If a medical marijuana establishment is operated by a dual licensee, as*
30 *defined in NRS 453D.030, any provision of this section which is determined by*
31 *the Department to be unreasonably impracticable pursuant to subsection 9 of*
32 *NRS 453A.370 does not apply to the medical marijuana establishment.*

33 Sec. 39. NRS 453A.354 is hereby amended to read as follows:

34 453A.354 1. Each medical marijuana establishment, in consultation with the
35 ~~Division~~ Department, shall maintain an electronic verification system.

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

38 (a) In the case of a medical marijuana dispensary, for each person who holds a
39 valid registry identification card and who purchased marijuana from the dispensary
40 in the immediately preceding 60-day period:

41 (1) The number of the card;

42 (2) The date on which the card was issued; and

43 (3) The date on which the card will expire.

44 (b) For each medical marijuana establishment agent who is employed by or
45 volunteers at the medical marijuana establishment, the number of the person's
46 medical marijuana establishment agent registration card.

47 (c) In the case of a medical marijuana dispensary, such information as may be
48 required by the ~~Division~~ Department by regulation regarding persons who are not
49 residents of this State and who have purchased marijuana from the dispensary.

50 (d) Verification of the identity of a person to whom marijuana, edible
51 marijuana products or marijuana-infused products are sold or otherwise distributed.

52 (e) Such other information as the ~~Division~~ Department may require.

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

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

Sec. 40. NRS 453A.356 is hereby amended to read as follows:

~~453A.356~~ 1. Each medical marijuana establishment, in consultation with the ~~Division~~ **Department**, shall maintain an inventory control system.

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

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

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

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

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

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

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

Sec. 41. NRS 453A.358 is hereby amended to read as follows:

~~453A.358~~ 1. Each medical marijuana dispensary shall ensure all of the following:

~~1.1~~ (a) The weight, concentration and content of THC in all marijuana, edible marijuana products and marijuana-infused products that the dispensary sells is clearly and accurately stated on the product sold.

~~1.2~~ (b) That the dispensary does not sell to a person, in any one ~~14-day period, an amount~~ **transaction, more than 1 ounce** of marijuana. ~~For medical purposes that exceeds the limits set forth in NRS 453A.200.~~

~~3.1~~ (c) That, posted clearly and conspicuously within the dispensary, are the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200.

~~1.4~~ (d) That, posted clearly and conspicuously within the dispensary, is a sign stating unambiguously the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200.

~~1.5~~ (e) *That only persons who are at least 21 years of age or hold a registry identification card or letter of approval are allowed to enter the premises of the medical marijuana dispensary.*

2. *A medical marijuana dispensary may, but is not required to, track the purchases of marijuana for medical purposes by any person to ensure that the*

1 *person does not exceed the legal limits on the possession of marijuana for*
2 *medical purposes, as set forth in NRS 453A.200. The Department shall not adopt*
3 *a regulation or in any other way require a medical marijuana dispensary to track*
4 *the purchases of a person or determine whether the person has exceeded the legal*
5 *limits on the possession of marijuana for medical purposes, as set forth in NRS*
6 *453A.200.*

7 *3. A medical marijuana dispensary which is a dual licensee, as defined in*
8 *NRS 453D.030, may, to the extent authorized by the regulations adopted by the*
9 *Department pursuant to paragraph (k) of subsection 1 of NRS 453D.200, allow*
10 *any person who is at least 21 years of age to enter the premises of the medical*
11 *marijuana dispensary, regardless of whether such a person holds a valid registry*
12 *identification card or letter of approval.*

13 **Sec. 42.** NRS 453A.360 is hereby amended to read as follows:

14 453A.360 Each medical marijuana dispensary and facility for the production
15 of edible marijuana products or marijuana-infused products shall, in consultation
16 with the ~~Division,~~ **Department,** cooperate to ensure that all edible marijuana
17 products and marijuana-infused products offered for sale:

- 18 1. Are labeled clearly and unambiguously as medical marijuana.
- 19 2. Are not presented in packaging that is appealing to children.
- 20 3. Are regulated and sold on the basis of the concentration of THC in the
- 21 products and not by weight.
- 22 4. Are packaged and labeled in such a manner as to allow tracking by way of
- 23 an inventory control system.

24 **Sec. 43.** NRS 453A.364 is hereby amended to read as follows:

25 453A.364 ~~1. The State of Nevada and the medical marijuana dispensaries~~
26 ~~in this State which hold valid medical marijuana establishment registration~~
27 ~~certificates will recognize a nonresident card only under the following~~
28 ~~circumstances:~~

29 ~~—(a) The state or jurisdiction from which the holder or bearer obtained the~~
30 ~~nonresident card grants an exemption from criminal prosecution for the medical use~~
31 ~~of marijuana;~~

32 ~~—(b) The state or jurisdiction from which the holder or bearer obtained the~~
33 ~~nonresident card requires, as a prerequisite to the issuance of such a card, that a~~
34 ~~physician advise the person that the medical use of marijuana may mitigate the~~
35 ~~symptoms or effects of the person's medical condition;~~

36 ~~—(c) The nonresident card has an expiration date and has not yet expired;~~

37 ~~—(d) The holder or bearer of the nonresident card signs an affidavit in a form~~
38 ~~prescribed by the Division which sets forth that the holder or bearer is entitled to~~
39 ~~engage in the medical use of marijuana in his or her state or jurisdiction of~~
40 ~~residence; and~~

41 ~~—(e) The holder or bearer of the nonresident card agrees to abide by, and does~~
42 ~~abide by, the legal limits on the possession of marijuana for medical purposes in~~
43 ~~this State, as set forth in NRS 453A.200.~~

44 ~~2. For the purposes of the reciprocity described in this section:~~

45 ~~—(a) The amount of medical marijuana that the holder or bearer of a nonresident~~
46 ~~card is entitled to possess in his or her state or jurisdiction of residence is not~~
47 ~~relevant; and~~

48 ~~—(b) Under no circumstances, while in this State, may the holder or bearer of a~~
49 ~~nonresident card possess marijuana for medical purposes in excess of the limits set~~
50 ~~forth in NRS 453A.200.~~

51 ~~3. As used in this section, "nonresident card" means a card or other~~
52 ~~identification that:~~

53 ~~—(a) Is issued by a state or jurisdiction other than Nevada; and~~

~~(b) Is the functional equivalent of a registry identification card or letter of approval, as determined by the Division.~~

1. A person who is not a resident of this State, but who is authorized to engage in the medical use of marijuana under the laws of his or her state or jurisdiction of residence, is deemed to hold a valid registry identification card for the purpose of the exemption from state prosecution described in subsection 1 of NRS 453A.200 if the person abides by the legal limits on the possession, delivery and production of marijuana for medical purposes in this State, as set forth in NRS 453A.200.

2. A medical marijuana dispensary may dispense marijuana to a person described in subsection 1 if the person presents to the medical marijuana dispensary any document which is valid to prove the authorization of the person to engage in the medical use of marijuana under the laws of his or her state or jurisdiction of residence. Such documentation may include, without limitation, written documentation from a physician or other provider of health care if, under the laws of the person's state or jurisdiction of residence, written documentation from a physician or other provider of health care is sufficient to exempt the person from prosecution for engaging in the medical use of marijuana.

Sec. 44. NRS 453A.366 is hereby amended to read as follows:

453A.366 1. A patient who holds a valid registry identification card or letter of approval and his or her designated primary caregiver, if any, may select one medical marijuana dispensary to serve as his or her designated medical marijuana dispensary at any one time.

2. A patient who designates a medical marijuana dispensary as described in subsection 1:

(a) Shall communicate the designation to the Division *and the Department* within the time specified by the ~~Division~~ *Department*.

(b) May change his or her designation not more than once in a 30-day period.

Sec. 45. NRS 453A.368 is hereby amended to read as follows:

453A.368 1. The ~~Division~~ *Department* shall establish standards for and certify one or more private and independent testing laboratories to test marijuana, edible marijuana products and marijuana-infused products that are to be sold in this State.

2. Such an independent testing laboratory must be able to ~~determine~~ :

(a) *Determine* accurately, with respect to marijuana, edible marijuana products and marijuana-infused products that are sold or will be sold at medical marijuana dispensaries in this State:

~~(a)~~ (1) The concentration therein of THC and cannabidiol.

~~(b)~~ (2) The presence and identification of molds and fungus.

~~(c)~~ (3) The composition of the tested material.

~~(d)~~ (4) The presence of chemicals in the tested material, including, without limitation, pesticides, herbicides or growth regulators.

(b) *Demonstrate the validity and accuracy of the methods used by the independent testing laboratory to test marijuana, edible marijuana products and marijuana-infused products.*

3. To obtain certification by the ~~Division~~ *Department* on behalf of an independent testing laboratory, an applicant must:

(a) Apply successfully as required pursuant to NRS 453A.322.

(b) Pay the fees required pursuant to NRS 453A.344.

(c) *Agree to become accredited pursuant to standard ISO/IEC 17025 of the International Organization for Standardization within 1 year after certification.*

1 **Sec. 46.** NRS 453A.369 is hereby amended to read as follows:
2 453A.369 The ~~{Division}~~ **Department** may enter into an interlocal agreement
3 pursuant to NRS 277.080 to 277.180, inclusive, to carry out the provisions of NRS
4 453A.320 to 453A.370, inclusive.

5 **Sec. 47.** NRS 453A.370 is hereby amended to read as follows:
6 453A.370 The ~~{Division}~~ **Department** shall adopt such regulations as it
7 determines to be necessary or advisable to carry out the provisions of NRS
8 453A.320 to 453A.370, inclusive. Such regulations are in addition to any
9 requirements set forth in statute and must, without limitation:

10 1. Prescribe the form and any additional required content of registration and
11 renewal applications submitted pursuant to NRS 453A.322 and 453A.332.

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

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

17 (b) Minimum requirements for the oversight of medical marijuana
18 establishments.

19 (c) Minimum requirements for the keeping of records by medical marijuana
20 establishments.

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

24 (e) Procedures pursuant to which medical marijuana dispensaries must use the
25 services of an independent testing laboratory to ensure that any marijuana, edible
26 marijuana products and marijuana-infused products sold by the dispensaries to end
27 users are tested for content, quality and potency in accordance with standards
28 established by the ~~{Division}~~ **Department**.

29 (f) Procedures pursuant to which a medical marijuana dispensary will be
30 notified by the ~~{Division}~~ **Department** if a patient who holds a valid registry
31 identification card or letter of approval has chosen the dispensary as his or her
32 designated medical marijuana dispensary, as described in NRS 453A.366.

33 3. Establish circumstances and procedures pursuant to which the maximum
34 fees set forth in NRS 453A.344 may be reduced over time ~~+~~

35 ~~—(a) To~~ **to** ensure that the fees imposed pursuant to NRS 453A.344 are, insofar
36 as may be practicable, revenue neutral. ~~+~~ **and**

37 ~~—(b) To reflect gifts and grants received by the Division pursuant to NRS~~
38 ~~453A.720.~~

39 4. Set forth the amount of usable marijuana that a medical marijuana
40 dispensary may dispense to a person who holds a valid registry identification card,
41 including, without limitation, a designated primary caregiver, in any one 14-day
42 period. Such an amount must not exceed the limits set forth in NRS 453A.200.

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

46 6. In cooperation with the ~~{Board of Medical Examiners and the State Board~~
47 ~~of Osteopathic Medicine,~~ **applicable professional licensing boards**, establish a
48 system to:

49 (a) Register and track attending ~~{physicians}~~ **providers of health care** who
50 advise their patients that the medical use of marijuana may mitigate the symptoms
51 or effects of the patient's medical condition;

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

(c) Provide for the progressive discipline of attending ~~physicians~~ *providers of health care* who advise the medical use of marijuana at a rate at which the *Department, in consultation with the* Division , and ~~Board~~ *applicable board* determine and agree to be unreasonably high.

7. Establish different categories of medical marijuana establishment agent registration cards, including, without limitation, criteria for training and certification, for each of the different types of medical marijuana establishments at which such an agent may be employed or volunteer or provide labor as a medical marijuana establishment agent.

8. Provide for the maintenance of a log by the *Department, in consultation with the* Division , of each person who is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200. The ~~Division~~ *Department* shall ensure that the contents of the log are available for verification by law enforcement personnel 24 hours a day.

9. *Determine whether any provision of NRS 453A.350 or 453A.352 would make the operation of a medical marijuana establishment or marijuana establishment, as defined in NRS 453D.030, by a dual licensee, as defined in NRS 453D.030, unreasonably impracticable, as defined in NRS 453D.030.*

10. Address such other matters as may assist in implementing the program of dispensation contemplated by NRS 453A.320 to 453A.370, inclusive.

Sec. 48. NRS 453A.400 is hereby amended to read as follows:

453A.400 1. The fact that a person possesses a registry identification card or letter of approval 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~~ *Department* or its designee pursuant to NRS 453A.322 or a medical marijuana establishment agent registration card issued to the person by the ~~Division~~ *Department* or its designee pursuant to NRS 453A.332 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, 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, 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, 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:

(1) A decision not to prosecute;

(2) The dismissal of charges; or

(3) Acquittal,

the law enforcement agency shall, to the extent permitted by law, return to that person any usable marijuana, marijuana plants, 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.

1 **Sec. 49.** NRS 453A.500 is hereby amended to read as follows:

2 453A.500 The ~~{Board of Medical Examiners or the State Board of~~
3 ~~Osteopathic Medicine, as~~ applicable ~~{}~~ *professional licensing boards* shall not
4 take any disciplinary action against an attending ~~{physician}~~ *provider of health*
5 *care* on the basis that the attending ~~{physician}~~ *provider of health care*:

6 1. ~~{Advised}~~ *Regardless of whether the person is a resident of this State,*
7 *advised* a person whom the attending ~~{physician}~~ *provider of health care* has
8 diagnosed as having a chronic or debilitating medical condition, or a person whom
9 the attending ~~{physician}~~ *provider of health care* knows has been so diagnosed by
10 another ~~{physician}~~ *provider of health care* licensed ~~{to practice medicine}~~ *or*
11 *certified* pursuant to the ~~{provisions of chapter 630 of NRS or licensed to practice~~
12 ~~osteopathic medicine pursuant to the provisions of chapter 633 of NRS}~~ *law of this*
13 *State*:

14 (a) About the possible risks and benefits of the medical use of marijuana; or

15 (b) That the medical use of marijuana may mitigate the symptoms or effects of
16 the person's chronic or debilitating medical condition,

17 ↪ if the advice is based on the attending ~~{physician's}~~ *provider of health care's*
18 personal assessment of the person's medical history and current medical condition.

19 2. Provided *or maintained* the written documentation *or signature, as*
20 *applicable*, required pursuant to paragraph (a) of subsection 2 of NRS 453A.210 for
21 the issuance of a registry identification card or letter of approval or pursuant to
22 subparagraph (1) of paragraph (b) of subsection 1 of NRS 453A.230 for the renewal
23 of a registry identification card or letter of approval, *or any similar documentation*
24 *required for the person to be authorized to engage in the medical use of*
25 *marijuana pursuant to the laws of another state or jurisdiction*, if:

26 (a) Such documentation is based on the attending ~~{physician's}~~ *provider of*
27 *health care's* personal assessment of the person's medical history and current
28 medical condition; and

29 (b) The ~~{physician}~~ *attending provider of health care* has advised the person
30 about the possible risks and benefits of the medical use of marijuana.

31 **Sec. 50.** (Deleted by amendment.)

32 **Sec. 51.** NRS 453A.700 is hereby amended to read as follows:

33 453A.700 1. Except as otherwise provided in this section, NRS 239.0115
34 and subsection 4 of NRS 453A.210, the Division *and the Department* shall not
35 disclose:

36 (a) The contents of any tool used by the ~~{Division}~~ *Department* to evaluate an
37 applicant or its affiliate.

38 (b) Any information, documents or communications provided to the ~~{Division}~~
39 *Department* by an applicant or its affiliate pursuant to the provisions of this
40 chapter, without the prior written consent of the applicant or affiliate or pursuant to
41 a lawful court order after timely notice of the proceedings has been given to the
42 applicant or affiliate.

43 (c) The name or any other identifying information of:

44 (1) An attending ~~{physician}~~ *provider of health care*; or

45 (2) A person who has applied for or to whom the Division or its designee
46 has issued a registry identification card or letter of approval.

47 ↪ Except as otherwise provided in NRS 239.0115, the items of information
48 described in this subsection are confidential, not subject to subpoena or discovery
49 and not subject to inspection by the general public.

50 2. Notwithstanding the provisions of subsection 1, the Division or its designee
51 may release the name and other identifying information of a person to whom the
52 Division or its designee has issued a registry identification card or letter of approval
53 to:

(a) Authorized employees of the Division or its designee as necessary to perform official duties of the Division; and

(b) Authorized employees of state and local law enforcement agencies, only as necessary to verify that a person is the lawful holder of a registry identification card or letter of approval issued to him or her pursuant to NRS 453A.220 or 453A.250.

Sec. 52. (Deleted by amendment.)

Sec. 53. NRS 453A.720 is hereby amended to read as follows:

453A.720 1. The Administrator of the Division *or his or her designee* may apply for or accept any gifts, grants, donations or contributions from any source to carry out the provisions of this chapter *† governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters.*

2. Any money the Administrator *or his or her designee* receives pursuant to subsection 1 must be deposited in the State Treasury pursuant to NRS 453A.730.

Sec. 54. NRS 453A.730 is hereby amended to read as follows:

453A.730 1. Any money the Administrator of the Division *or his or her designee* receives pursuant to NRS 453A.720 or that is appropriated to carry out the provisions of this chapter *† governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters:*

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund;

(b) May only be used to carry out:

(1) The provisions of this chapter *† governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters,* including the dissemination of information concerning ~~the~~ *those* provisions ~~of this chapter~~ and such other information as determined appropriate by the Administrator; ~~and~~

(2) Alcohol and drug abuse programs pursuant to NRS 458.094; and

(3) *Research performed by an institution of the Nevada System of Higher Education on services relating to alcohol and drug abuse; and*

(c) Does not revert to the State General Fund at the end of any fiscal year.

2. The Administrator of the Division shall administer the account. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid as other claims against the State are paid.

Sec. 55. 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 *† governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters.* The regulations must set forth, without limitation:

1. Procedures pursuant to which the Division will issue a registry identification card or letter of approval or, 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 or letter of approval to a qualified person; 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. That if the Division issues a registry identification card pursuant to subsection 1, the Division may charge and collect any fee authorized for the issuance of an identification card described in NRS 483.810 to 483.890, inclusive.

3. Fees for ~~+~~

~~(a) Providing to an applicant an application for a registry identification card or letter of approval, which fee must not exceed \$25; and~~

~~(b) Processing~~ *processing* and issuing a registry identification card or letter of approval, which ~~fee~~ must not exceed ~~1\$75.1~~ :

(a) For a registry identification card or letter of approval which is valid for 1 year, \$50.

(b) For a registry identification card or letter of approval which is valid for 2 years, \$100.

Sec. 56. (Deleted by amendment.)

Sec. 56.5. Chapter 453D of NRS is hereby amended by adding thereto the provisions set forth as sections 56.7 and 56.9 of this act.

Sec. 56.7. *A marijuana establishment shall not dispense or otherwise sell marijuana or marijuana products from a vending machine or allow such a vending machine to be installed at the interior or exterior of the premises of the marijuana establishment.*

Sec. 56.9. *1. When conducting a background check pursuant to subsection 6 of NRS 453D.200, the Department may require each prospective owner, officer and board member of a marijuana establishment license applicant to submit a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.*

2. When determining the criminal history of a person pursuant to paragraph (c) of subsection 1 of NRS 453D.300, a marijuana establishment may require the person to submit to the Department a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

Sec. 57. (Deleted by amendment.)

Sec. 58. (Deleted by amendment.)

Sec. 58.5. NRS 212.160 is hereby amended to read as follows:

212.160 1. A person, who is not authorized by law, who knowingly furnishes, attempts to furnish, or aids or assists in furnishing or attempting to furnish to a prisoner confined in an institution of the Department of Corrections, or any other place where prisoners are authorized to be or are assigned by the Director of the Department, any deadly weapon, explosive, a facsimile of a firearm or an explosive, any controlled substance or intoxicating liquor, shall be punished:

(a) Where a deadly weapon, controlled substance, explosive or a facsimile of a firearm or explosive is involved, for a category B felony by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.

(b) Where an intoxicant is involved, for a gross misdemeanor.

2. Knowingly leaving or causing to be left any deadly weapon, explosive, facsimile of a firearm or explosive, controlled substance or intoxicating liquor where it may be obtained by any prisoner constitutes, within the meaning of this section, the furnishing of the article to the prisoner.

3. A prisoner confined in an institution of the Department of Corrections, or any other place where prisoners are authorized to be or are assigned by the Director of the Department, who possesses a controlled substance without lawful authorization *or marijuana or marijuana paraphernalia, regardless of whether the person holds a valid registry identification card to engage in the medical use of marijuana pursuant to chapter 453A of NRS*, is guilty of a category D felony and shall be punished as provided in NRS 193.130.

Sec. 59. (Deleted by amendment.)

Sec. 60. (Deleted by amendment.)

Sec. 61. (Deleted by amendment.)

Sec. 62. (Deleted by amendment.)

Sec. 63. (Deleted by amendment.)

Sec. 64. (Deleted by amendment.)

Sec. 65. (Deleted by amendment.)

Sec. 65.5. (Deleted by amendment.)

Sec. 65.6. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this section, a board of county commissioners shall not fix, impose or collect a license tax for revenue or for regulation, or for both revenue and regulation, on a marijuana establishment or medical marijuana establishment located in the county.

2. Except as otherwise provided in subsection 3, a board of county commissioners may fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on a marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns as a:

(a) Flat fee;

(b) Percentage of the gross revenue of the marijuana establishment or medical marijuana establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the marijuana establishment or medical marijuana establishment.

3. The total amount of a license tax imposed on a marijuana establishment or medical marijuana establishment pursuant to subsection 2, regardless of whether the license tax is imposed in the form described in paragraph (a), (b) or (c) of subsection 2, must not exceed 3 percent of the gross revenue of the marijuana establishment or medical marijuana establishment, as applicable.

4. In addition to any amount of money collected as a license tax pursuant to subsection 2, a board of county commissioners may fix, impose and collect:

(a) Any fees required pursuant to chapter 278 of NRS;

(b) A one-time flat fee for an application for the issuance of a business license for a marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns in an amount that does not exceed any similar fee imposed on a business pursuant to this chapter and chapter 369 of NRS; and

(c) A licensing tax for a business activity engaged in by a marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns for which registration pursuant to chapter 453A of NRS or licensing pursuant to chapter 453D of NRS is not required only if:

1 (1) *The board of county commissioners is granted the authority to*
2 *require such a license by some other provision of law; and*

3 (2) *The amount of the licensing tax does not exceed the amount imposed*
4 *by the board of county commissioners on other similar businesses.*

5 5. *A board of county commissioners shall not enact or enforce any*
6 *ordinance which is more restrictive than or conflicts with a law or regulation of*
7 *this State relating to:*

8 (a) *The packaging, labeling, testing, dosage or potency of marijuana, edible*
9 *marijuana products, marijuana products or marijuana-infused products;*

10 (b) *The kinds of edible marijuana products, marijuana products and*
11 *marijuana-infused products authorized to be sold pursuant to chapters 453A and*
12 *453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;*

13 (c) *The use of pesticides in the cultivation of marijuana;*

14 (d) *The tracking of marijuana from seed to sale;*

15 (e) *The transportation of marijuana, edible marijuana products, marijuana*
16 *products or marijuana-infused products other than the direct transportation of*
17 *marijuana, edible marijuana products, marijuana products or marijuana-infused*
18 *products to a consumer and a requirement to notify the county of any*
19 *transportation of marijuana, edible marijuana products, marijuana products or*
20 *marijuana-infused products;*

21 (f) *The issuance or verification of a registry identification card, letter of*
22 *approval or written documentation;*

23 (g) *The training or certification of medical marijuana establishment agents*
24 *or employees of a marijuana establishment; or*

25 (h) *The creation or maintenance of a registry or other system to obtain and*
26 *track information relating to customers of marijuana establishments or holders*
27 *of a registry identification card or letter of approval.*

28 6. *A person who obtains a business license described in this section is*
29 *subject to all other licensing and permitting requirements of the State and any*
30 *other counties and cities in which the person does business.*

31 7. *As used in this section:*

32 (a) *“Edible marijuana products” has the meaning ascribed to it in NRS*
33 *453A.101.*

34 (b) *“Letter of approval” has the meaning ascribed to it in NRS 453A.109.*

35 (c) *“Marijuana establishment” has the meaning ascribed to it in NRS*
36 *453D.030.*

37 (d) *“Marijuana products” has the meaning ascribed to it in NRS 453D.030.*

38 (e) *“Marijuana-infused products” has the meaning ascribed to it in NRS*
39 *453A.112.*

40 (f) *“Medical marijuana establishment” has the meaning ascribed to it in*
41 *NRS 453A.116.*

42 (g) *“Medical marijuana establishment agent” has the meaning ascribed to it*
43 *in NRS 453A.117.*

44 (h) *“Registry identification card” has the meaning ascribed to it in NRS*
45 *453A.140.*

46 (i) *“Written documentation” has the meaning ascribed to it in NRS*
47 *453A.170.*

48 **Sec. 65.65.** NRS 244.335 is hereby amended to read as follows:

49 244.335 1. Except as otherwise provided in subsections 2, 3 and 4, and NRS
50 244.33501, **and section 65.6 of this act**, a board of county commissioners may:

51 (a) Except as otherwise provided in NRS 244.331 to 244.3345, inclusive,
52 598D.150 and 640C.100, regulate all character of lawful trades, callings, industries,

1 occupations, professions and business conducted in its county outside of the limits
2 of incorporated cities and towns.

3 (b) Except as otherwise provided in NRS 244.3359 and 576.128, fix, impose
4 and collect a license tax for revenue or for regulation, or for both revenue and
5 regulation, on such trades, callings, industries, occupations, professions and
6 business.

7 2. The county license boards have the exclusive power in their respective
8 counties to regulate entertainers employed by an entertainment by referral service
9 and the business of conducting a dancing hall, escort service, entertainment by
10 referral service or gambling game or device permitted by law, outside of an
11 incorporated city. The county license boards may fix, impose and collect license
12 taxes for revenue or for regulation, or for both revenue and regulation, on such
13 employment and businesses.

14 3. A board of county commissioners shall not require that a person who is
15 licensed as a contractor pursuant to chapter 624 of NRS obtain more than one
16 license to engage in the business of contracting or pay more than one license tax
17 related to engaging in the business of contracting, regardless of the number of
18 classifications or subclassifications of licensing for which the person is licensed
19 pursuant to chapter 624 of NRS.

20 4. The board of county commissioners or county license board shall not
21 require a person to obtain a license or pay a license tax on the sole basis that the
22 person is a professional. As used in this subsection, "professional" means a person
23 who:

24 (a) Holds a license, certificate, registration, permit or similar type of
25 authorization issued by a regulatory body as defined in NRS 622.060 or who is
26 regulated pursuant to the Nevada Supreme Court Rules; and

27 (b) Practices his or her profession for any type of compensation as an
28 employee.

29 5. The county license board shall provide upon request an application for a
30 state business registration pursuant to chapter 76 of NRS. No license to engage in
31 any type of business may be granted unless the applicant for the license:

32 (a) Signs an affidavit affirming that the business has complied with the
33 provisions of chapter 76 of NRS; or

34 (b) Provides to the county license board the business identification number of
35 the applicant assigned by the Secretary of State pursuant to NRS 225.082 which the
36 county may use to validate that the applicant is currently in good standing with the
37 State and has complied with the provisions of chapter 76 of NRS.

38 6. No license to engage in business as a seller of tangible personal property
39 may be granted unless the applicant for the license:

40 (a) Presents written evidence that:

41 (1) The Department of Taxation has issued or will issue a permit for this
42 activity, and this evidence clearly identifies the business by name; or

43 (2) Another regulatory agency of the State has issued or will issue a license
44 required for this activity; or

45 (b) Provides to the county license board the business identification number of
46 the applicant assigned by the Secretary of State pursuant to NRS 225.082 which the
47 county may use to validate that the applicant is currently in good standing with the
48 State and has complied with the provisions of paragraph (a).

49 7. Any license tax levied for the purposes of NRS 244.3358 or 244A.597 to
50 244A.655, inclusive, constitutes a lien upon the real and personal property of the
51 business upon which the tax was levied until the tax is paid. The lien has the same
52 priority as a lien for general taxes. The lien must be enforced:

(a) By recording in the office of the county recorder, within 6 months after the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:

- (1) The amount of tax due and the appropriate year;
- (2) The name of the record owner of the property;
- (3) A description of the property sufficient for identification; and
- (4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and

(b) By an action for foreclosure against the property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

8. The board of county commissioners may delegate the authority to enforce liens from taxes levied for the purposes of NRS 244A.597 to 244A.655, inclusive, to the county fair and recreation board. If the authority is so delegated, the board of county commissioners shall revoke or suspend the license of a business upon certification by the county fair and recreation board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 239.0115 and 244.3357, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of such license taxes or as the result of any audit or examination of the books by any authorized employee of a county fair and recreation board of the county for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, officer or employee of the county fair and recreation board or the county imposing the license tax unless the disclosure is authorized by the affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the Department of Taxation or Secretary of State for the exchange of information concerning taxpayers.

Sec. 65.7. Chapter 268 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this section, the governing body of an incorporated city, whether organized under general law or special charter, shall not fix, impose or collect for revenues or for regulation, or both, a license tax on a marijuana establishment or medical marijuana establishment located within its corporate limits.

2. Except as otherwise provided in subsection 3, the governing body of an incorporated city, whether organized under general law or special charter, may fix, impose and collect for revenues or for regulation, or both, a license tax on a marijuana establishment or medical marijuana establishment located within its corporate limits as a:

- (a) Flat fee;*
- (b) Percentage of the gross revenue of the marijuana establishment or medical marijuana establishment; or*
- (c) Combination of a flat fee and a percentage of gross revenue of the marijuana establishment or medical marijuana establishment.*

3. The total amount of a license tax imposed on a marijuana establishment or medical marijuana establishment pursuant to subsection 2, regardless of whether the license tax is imposed in the form described in paragraph (a), (b) or (c) of subsection 2, must not exceed 3 percent of the gross revenue of the marijuana establishment or medical marijuana establishment, as applicable.

1 4. *In addition to any amount of money collected as a license tax pursuant to*
2 *subsection 2, the governing body of an incorporated city, whether organized*
3 *under general law or special charter, may fix, impose and collect:*

4 (a) *Any fees required pursuant to chapter 278 of NRS;*

5 (b) *A one-time flat fee for an application for the issuance of a business*
6 *license for a marijuana establishment or medical marijuana establishment*
7 *located within its corporate limits in an amount that does not exceed any similar*
8 *fee imposed on a business pursuant to this chapter and chapter 369 of NRS; and*

9 (c) *A licensing tax for a business activity engaged in by a marijuana*
10 *establishment or medical marijuana establishment located within its corporate*
11 *limits for which registration pursuant to chapter 453A of NRS or licensing*
12 *pursuant to chapter 453D of NRS is not required only if:*

13 (1) *The governing body is granted the authority to require such a license*
14 *by some other provision of law; and*

15 (2) *The amount of the licensing tax does not exceed the amount imposed*
16 *by the governing body on other similar businesses.*

17 5. *The governing body of an incorporated city, whether organized under*
18 *general law or special charter, shall not enact or enforce any ordinance which is*
19 *more restrictive than or conflicts with a law or regulation of this State relating to:*

20 (a) *The packaging, labeling, testing, dosage or potency of marijuana, edible*
21 *marijuana products, marijuana products or marijuana-infused products;*

22 (b) *The kinds of edible marijuana products, marijuana products and*
23 *marijuana-infused products authorized to be sold pursuant to chapters 453A and*
24 *453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;*

25 (c) *The use of pesticides in the cultivation of marijuana;*

26 (d) *The tracking of marijuana from seed to sale;*

27 (e) *The transportation of marijuana, edible marijuana products, marijuana*
28 *products or marijuana-infused products other than the direct transportation of*
29 *marijuana, edible marijuana products, marijuana products or marijuana-infused*
30 *products to a consumer and a requirement to notify the city of any transportation*
31 *of marijuana, edible marijuana products, marijuana products or marijuana-*
32 *infused products;*

33 (f) *The issuance or verification of a registry identification card, letter of*
34 *approval or written documentation;*

35 (g) *The training or certification of medical marijuana establishment agents*
36 *or employees of a marijuana establishment; or*

37 (h) *The creation or maintenance of a registry or other system to obtain and*
38 *track information relating to customers of marijuana establishments or holders*
39 *of a registry identification card or letter of approval.*

40 6. *A person who obtains a business license described in this section is*
41 *subject to all other licensing and permitting requirements of the State and any*
42 *other counties and cities in which the person does business.*

43 7. *As used in this section:*

44 (a) *"Edible marijuana products" has the meaning ascribed to it in NRS*
45 *453A.101.*

46 (b) *"Letter of approval" has the meaning ascribed to it in NRS 453A.109.*

47 (c) *"Marijuana establishment" has the meaning ascribed to it in NRS*
48 *453D.030.*

49 (d) *"Marijuana products" has the meaning ascribed to it in NRS 453D.030.*

50 (e) *"Marijuana-infused products" has the meaning ascribed to it in NRS*
51 *453A.112.*

52 (f) *"Medical marijuana establishment" has the meaning ascribed to it in*
53 *NRS 453A.116.*

1 (g) *“Medical marijuana establishment agent” has the meaning ascribed to it*
2 *in NRS 453A.117.*

3 (h) *“Registry identification card” has the meaning ascribed to it in NRS*
4 *453A.140.*

5 (i) *“Written documentation” has the meaning ascribed to it in NRS*
6 *453A.170.*

7 **Sec. 65.75.** NRS 268.095 is hereby amended to read as follows:

8 268.095 1. Except as otherwise provided in subsection 4 and NRS
9 268.0951, *and section 65.7 of this act*, the city council or other governing body of
10 each incorporated city in this State, whether organized under general law or special
11 charter, may:

12 (a) Except as otherwise provided in subsection 2 and NRS 268.0968 and
13 576.128, fix, impose and collect for revenues or for regulation, or both, a license
14 tax on all character of lawful trades, callings, industries, occupations, professions
15 and businesses conducted within its corporate limits.

16 (b) Assign the proceeds of any one or more of such license taxes to the county
17 within which the city is situated for the purpose or purposes of making the proceeds
18 available to the county:

19 (1) As a pledge as additional security for the payment of any general
20 obligation bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive;

21 (2) For redeeming any general obligation bonds issued pursuant to NRS
22 244A.597 to 244A.655, inclusive;

23 (3) For defraying the costs of collecting or otherwise administering any
24 such license tax so assigned, of the county fair and recreation board and of officers,
25 agents and employees hired thereby, and of incidentals incurred thereby;

26 (4) For operating and maintaining recreational facilities under the
27 jurisdiction of the county fair and recreation board;

28 (5) For improving, extending and bettering recreational facilities
29 authorized by NRS 244A.597 to 244A.655, inclusive; and

30 (6) For constructing, purchasing or otherwise acquiring such recreational
31 facilities.

32 (c) Pledge the proceeds of any tax imposed on the revenues from the rental of
33 transient lodging pursuant to this section for the payment of any general or special
34 obligations issued by the city for a purpose authorized by the laws of this State.

35 (d) Use the proceeds of any tax imposed pursuant to this section on the
36 revenues from the rental of transient lodging:

37 (1) To pay the principal, interest or any other indebtedness on any general
38 or special obligations issued by the city pursuant to the laws of this State;

39 (2) For the expense of operating or maintaining, or both, any facilities of
40 the city; and

41 (3) For any other purpose for which other money of the city may be used.

42 2. The city council or other governing body of an incorporated city shall not
43 require that a person who is licensed as a contractor pursuant to chapter 624 of NRS
44 obtain more than one license to engage in the business of contracting or pay more
45 than one license tax related to engaging in the business of contracting, regardless of
46 the number of classifications or subclassifications of licensing for which the person
47 is licensed pursuant to chapter 624 of NRS.

48 3. The proceeds of any tax imposed pursuant to this section that are pledged
49 for the repayment of general obligations may be treated as “pledged revenues” for
50 the purposes of NRS 350.020.

51 4. The city council or other governing body of an incorporated city shall not
52 require a person to obtain a license or pay a license tax on the sole basis that the

1 person is a professional. As used in this subsection, "professional" means a person
2 who:

3 (a) Holds a license, certificate, registration, permit or similar type of
4 authorization issued by a regulatory body as defined in NRS 622.060 or who is
5 regulated pursuant to the Nevada Supreme Court Rules; and

6 (b) Practices his or her profession for any type of compensation as an
7 employee.

8 5. The city licensing agency shall provide upon request an application for a
9 state business registration pursuant to chapter 76 of NRS. No license to engage in
10 any type of business may be granted unless the applicant for the license:

11 (a) Signs an affidavit affirming that the business has complied with the
12 provisions of chapter 76 of NRS; or

13 (b) Provides to the city licensing agency the business identification number of
14 the applicant assigned by the Secretary of State pursuant to NRS 225.082 which the
15 city may use to validate that the applicant is currently in good standing with the
16 State and has complied with the provisions of chapter 76 of NRS.

17 6. No license to engage in business as a seller of tangible personal property
18 may be granted unless the applicant for the license:

19 (a) Presents written evidence that:

20 (1) The Department of Taxation has issued or will issue a permit for this
21 activity, and this evidence clearly identifies the business by name; or

22 (2) Another regulatory agency of the State has issued or will issue a license
23 required for this activity; or

24 (b) Provides to the city licensing agency the business identification number of
25 the applicant assigned by the Secretary of State pursuant to NRS 225.082 which the
26 city may use to validate that the applicant is currently in good standing with the
27 State and has complied with the provisions of paragraph (a).

28 7. Any license tax levied under the provisions of this section constitutes a lien
29 upon the real and personal property of the business upon which the tax was levied
30 until the tax is paid. The lien has the same priority as a lien for general taxes. The
31 lien must be enforced:

32 (a) By recording in the office of the county recorder, within 6 months
33 following the date on which the tax became delinquent or was otherwise
34 determined to be due and owing, a notice of the tax lien containing the following:

35 (1) The amount of tax due and the appropriate year;

36 (2) The name of the record owner of the property;

37 (3) A description of the property sufficient for identification; and

38 (4) A verification by the oath of any member of the board of county
39 commissioners or the county fair and recreation board; and

40 (b) By an action for foreclosure against such property in the same manner as an
41 action for foreclosure of any other lien, commenced within 2 years after the date of
42 recording of the notice of the tax lien, and accompanied by appropriate notice to
43 other lienholders.

44 8. The city council or other governing body of each incorporated city may
45 delegate the power and authority to enforce such liens to the county fair and
46 recreation board. If the authority is so delegated, the governing body shall revoke or
47 suspend the license of a business upon certification by the board that the license tax
48 has become delinquent, and shall not reinstate the license until the tax is paid.
49 Except as otherwise provided in NRS 239.0115 and 268.0966, all information
50 concerning license taxes levied by an ordinance authorized by this section or other
51 information concerning the business affairs or operation of any licensee obtained as
52 a result of the payment of those license taxes or as the result of any audit or
53 examination of the books of the city by any authorized employee of a county fair

and recreation board for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, official or employee of the county fair and recreation board or the city imposing the license tax unless the disclosure is authorized by the affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the Department of Taxation or the Secretary of State for the exchange of information concerning taxpayers.

9. The powers conferred by this section are in addition and supplemental to, and not in substitution for, and the limitations imposed by this section do not affect the powers conferred by, any other law. No part of this section repeals or affects any other law or any part thereof, it being intended that this section provide a separate method of accomplishing its objectives, and not an exclusive one.

Sec. 65.8. Chapter 269 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this section, the town board or board of county commissioners in any unincorporated town shall not fix or collect a license tax on a marijuana establishment or medical marijuana establishment located within the town.

2. Except as otherwise provided in subsection 3, the town board or board of county commissioners in any unincorporated town may fix and collect a license tax on a marijuana establishment or medical marijuana establishment located within the town as a:

(a) Flat fee;

(b) Percentage of the gross revenue of the marijuana establishment or medical marijuana establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the marijuana establishment or medical marijuana establishment.

3. The total amount of a license tax imposed on a marijuana establishment or medical marijuana establishment pursuant to subsection 2, regardless of whether the license tax is imposed in the form described in paragraph (a), (b) or (c) of subsection 2, must not exceed 3 percent of the gross revenue of the marijuana establishment or medical marijuana establishment, as applicable.

4. In addition to any amount of money collected as a license tax pursuant to subsection 2, the town board or board of county commissioners in any unincorporated town may fix and collect:

(a) Any fees required pursuant to chapter 278 of NRS;

(b) A one-time flat fee for an application for the issuance of a business license for a marijuana establishment or medical marijuana establishment located within the town in an amount that does not exceed any similar fee imposed on a business pursuant to this chapter and chapter 369 of NRS; and

(c) A licensing tax for a business activity engaged in by a marijuana establishment or medical marijuana establishment located within the town for which registration pursuant to chapter 453A of NRS or licensing pursuant to chapter 453D of NRS is not required only if:

(1) The town board or board of county commissioners is granted the authority to require such a license by some other provision of law; and

(2) The amount of the licensing tax does not exceed the amount imposed by the town board or board of county commissioners on other similar businesses.

5. The town board or board of county commissioners in any unincorporated town shall not enact or enforce any ordinance which is more restrictive than or conflicts with a law or regulation of this State relating to:

1 (a) *The packaging, labeling, testing, dosage or potency of marijuana, edible*
2 *marijuana products, marijuana products or marijuana-infused products;*

3 (b) *The kinds of edible marijuana products, marijuana products and*
4 *marijuana-infused products authorized to be sold pursuant to chapters 453A and*
5 *453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;*

6 (c) *The use of pesticides in the cultivation of marijuana;*

7 (d) *The tracking of marijuana from seed to sale;*

8 (e) *The transportation of marijuana, edible marijuana products, marijuana*
9 *products or marijuana-infused products other than the direct transportation of*
10 *marijuana, edible marijuana products, marijuana products or marijuana-infused*
11 *products to a consumer and a requirement to notify the town of any*
12 *transportation of marijuana, edible marijuana products, marijuana products or*
13 *marijuana-infused products;*

14 (f) *The issuance or verification of a registry identification card, letter of*
15 *approval or written documentation;*

16 (g) *The training or certification of medical marijuana establishment agents*
17 *or employees of a marijuana establishment; or*

18 (h) *The creation or maintenance of a registry or other system to obtain and*
19 *track information relating to customers of marijuana establishments or holders*
20 *of a registry identification card or letter of approval.*

21 6. *A person who obtains a business license described in this section is*
22 *subject to all other licensing and permitting requirements of the State and any*
23 *other counties and cities in which the person does business.*

24 7. *As used in this section:*

25 (a) *“Edible marijuana products” has the meaning ascribed to it in NRS*
26 *453A.101.*

27 (b) *“Letter of approval” has the meaning ascribed to it in NRS 453A.109.*

28 (c) *“Marijuana establishment” has the meaning ascribed to it in NRS*
29 *453D.030.*

30 (d) *“Marijuana products” has the meaning ascribed to it in NRS 453D.030.*

31 (e) *“Marijuana-infused products” has the meaning ascribed to it in NRS*
32 *453A.112.*

33 (f) *“Medical marijuana establishment” has the meaning ascribed to it in*
34 *NRS 453A.116.*

35 (g) *“Medical marijuana establishment agent” has the meaning ascribed to it*
36 *in NRS 453A.117.*

37 (h) *“Registry identification card” has the meaning ascribed to it in NRS*
38 *453A.140.*

39 (i) *“Written documentation” has the meaning ascribed to it in NRS*
40 *453A.170.*

41 **Sec. 65.85.** NRS 269.170 is hereby amended to read as follows:

42 269.170 1. Except as otherwise provided in subsection 5 and NRS 576.128,
43 598D.150 and 640C.100, **and section 65.8 of this act**, the town board or board of
44 county commissioners may, in any unincorporated town:

45 (a) Fix and collect a license tax on, and regulate, having due regard to the
46 amount of business done by each person so licensed, and all places of business and
47 amusement so licensed, as follows:

48 (1) Artisans, artists, assayers, auctioneers, bakers, banks and bankers,
49 barbers, boilermakers, cellars and places where soft drinks are kept or sold, clothes
50 cleaners, foundries, laundries, lumberyards, manufacturers of soap, soda, borax or
51 glue, markets, newspaper publishers, pawnbrokers, funeral directors and wood and
52 coal dealers.

53 (2) Bootmakers, cobblers, dressmakers, milliners, shoemakers and tailors.

(3) Boardinghouses, hotels, lodging houses, restaurants and refreshment saloons.

(4) Barrooms, gaming, manufacturers of liquors and other beverages, and saloons.

(5) Billiard tables, bowling alleys, caravans, circuses, concerts and other exhibitions, dance houses, melodeons, menageries, shooting galleries, skating rinks and theaters.

(6) Corrals, hay yards, livery and sale stables and wagon yards.

(7) Electric light companies, illuminating gas companies, power companies, telegraph companies, telephone companies and water companies.

(8) Carts, drays, express companies, freight companies, job wagons, omnibuses and stages.

(9) Brokers, commission merchants, factors, general agents, mercantile agents, merchants, traders and stockbrokers.

(10) Drummers, hawkers, peddlers and solicitors.

(11) Insurance agents, brokers, analysts, adjusters and managing general agents within the limitations and under the conditions prescribed in NRS 680B.020.

(b) Fix and collect a license tax upon all professions, trades or business within the town not specified in paragraph (a).

2. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents written evidence that:

(a) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(b) Another regulatory agency of the State has issued or will issue a license required for this activity.

3. Any license tax levied for the purposes of NRS 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien must be enforced in the same manner as liens for ad valorem taxes on real and personal property. The town board or other governing body of the unincorporated town may delegate the power to enforce such liens to the county fair and recreation board.

4. The governing body or the county fair and recreation board may agree with the Department of Taxation for the continuing exchange of information concerning taxpayers.

5. The town board or board of county commissioners shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. As used in this subsection, "professional" means a person who:

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060, or who is regulated pursuant to the Nevada Supreme Court Rules; and

(b) Practices his or her profession for any type of compensation as an employee.

Sec. 65.9. Chapter 372A of NRS is hereby amended by adding thereto the provisions set forth as sections 65.93 and 65.95 of this act.

Sec. 65.93. 1. "Sales price" means the total amount for which tangible property is sold, valued in money, whether paid in money or otherwise, without any deduction on account of any of the following:

(a) The cost of the property sold.

(b) The cost of materials used, labor or service cost, interest charged, losses or any other expenses.

(c) The cost of transportation of the property before its purchase.

2. The total amount for which property is sold includes all of the following:

(a) Any services that are a part of the sale.

(b) Any amount for which credit is given to the purchaser by the seller.

3. "Sales price" does not include any of the following:

(a) Cash discounts allowed and taken on sales.

(b) The amount charged for property returned by customers when the entire amount charged therefor is refunded either in cash or credit, except that this exclusion does not apply in any instance when the customer, to obtain the refund, is required to purchase other property at a price greater than the amount charged for the property that is returned.

(c) The amount of any tax, not including any manufacturers' or importers' excise tax, imposed by the United States upon or with respect to retail sales, whether imposed upon the retailer or the consumer.

Sec. 65.95. 1. Each cultivation facility and each marijuana cultivation facility shall submit a report to the Department that includes the following information, reported separately for each calendar month included in the report:

(a) The current production of the cultivation facility or marijuana cultivation facility;

(b) Sales by product type;

(c) Prices by product type; and

(d) Such other information as the Department may require.

2. Each facility for the production of edible marijuana products or marijuana-infused products and each marijuana product manufacturing facility shall submit a report to the Department that includes the following information, reported separately for each calendar month included in the report:

(a) The amount of marijuana purchased;

(b) The amount of edible marijuana products, marijuana-infused products and marijuana products produced;

(c) Sales by product type;

(d) Prices by product type; and

(e) Such other information as the Department may require.

3. Each medical marijuana dispensary and each retail marijuana store shall submit a report to the Department that includes the following information, reported separately for each calendar month included in the report:

(a) The amount of marijuana purchased by the dispensary or store from cultivation facilities, marijuana cultivation facilities, facilities for the production of edible marijuana products or marijuana-infused products or marijuana product manufacturing facilities;

(b) Sales to consumers by product type;

(c) Prices by product type; and

(d) Such other information as the Department may require.

4. The Department shall adopt regulations prescribing the frequency of the reports required pursuant to this section which must be submitted not less frequently than quarterly and not more frequently than monthly.

5. As used in this section:

(a) "Cultivation facility" has the meaning ascribed to it in NRS 453A.056.

(b) "Edible marijuana products" has the meaning ascribed to it in NRS 453A.101.

(c) "Facility for the production of edible marijuana products or marijuana-infused products" has the meaning ascribed to it in NRS 453A.105.

(d) "Marijuana cultivation facility" has the meaning ascribed to it in NRS 453D.030.

(e) "Marijuana product manufacturing facility" has the meaning ascribed to it in NRS 453D.030.

(f) "Marijuana products" has the meaning ascribed to it in NRS 453D.030.

(g) *“Marijuana-infused products”* has the meaning ascribed to it in NRS 453A.112.

(h) *“Medical marijuana dispensary”* has the meaning ascribed to it in NRS 453A.115.

Sec. 65.97. NRS 372A.200 is hereby amended to read as follows:

372A.200 As used in NRS 372A.200 to 372A.380, inclusive, *and sections 65.93 and 65.95 of this act*, unless the context otherwise requires, the words and terms defined in NRS 372A.210 to 372A.250, inclusive, *and section 65.93 of this act* have the meanings ascribed to them in those sections.

Sec. 65.98. ~~NRS 372A.290 is hereby amended to read as follows:~~

~~372A.290 1. An excise tax is hereby imposed on each wholesale sale in this State of marijuana by a cultivation facility to another medical marijuana establishment at the rate of 2 percent of the sales price of the marijuana. The excise tax imposed pursuant to this subsection is the obligation of the cultivation facility.~~

~~2. An excise tax is hereby imposed on each wholesale sale in this State of edible marijuana products or marijuana infused products by a facility for the production of edible marijuana products or marijuana infused products to another medical marijuana establishment at the rate of 2 percent of the sales price of those products. The excise tax imposed pursuant to this subsection is the obligation of the facility for the production of edible marijuana products or marijuana infused products which sells the edible marijuana products or marijuana infused products to the other medical marijuana establishment.~~

~~3. An excise tax is hereby imposed on each retail sale in this State of marijuana, edible marijuana products or marijuana infused products by a medical marijuana dispensary at the rate of 2 percent of the sales price of the marijuana, edible marijuana products or marijuana infused products. The excise tax imposed pursuant to this subsection:~~

~~(a) Is the obligation of the medical marijuana dispensary.~~

~~(b) Is separate from and in addition to any general state and local sales and use taxes that apply to retail sales of tangible personal property.~~

~~(c) Must be considered part of the total retail price to which general state and local sales and use taxes apply.~~

~~4. The revenues collected from the excise taxes imposed pursuant to subsections 1, 2 and 3 must be distributed as follows:~~

~~(a) Seventy five percent must be paid over as collected to the State Treasurer to be deposited to the credit of the State Distributive School Account in the State General Fund.~~

~~(b) Twenty five percent must be expended to pay the costs of the [Division of Public and Behavioral Health of the Department of Health and Human Services] Department in carrying out the provisions of NRS 453A.320 to 453A.370, inclusive.~~

~~5. As used in this section:~~

~~(a) “Edible marijuana products” has the meaning ascribed to it in NRS 453A.101.~~

~~(b) “Marijuana infused products” has the meaning ascribed to it in NRS 453A.112.~~

~~(c) “Medical marijuana establishment” has the meaning ascribed to it in NRS 453A.116.~~ **(Deleted by amendment.)**

Sec. 65.99. NRS 586.550 is hereby amended to read as follows:

586.550 1. A *marijuana establishment or* medical marijuana establishment may use a pesticide in the cultivation and production of marijuana, edible marijuana products, *marijuana products* and marijuana-infused products if the pesticide:

(a) Is exempt from registration pursuant to 40 C.F.R. § 152.25 or allowed to be used on Crop Group 19, as defined in 40 C.F.R. § 180.41(c)26, hops or unspecified crops or plants;

(b) Has affixed a label which allows the pesticide to be used at the intended site of application; and

(c) Has affixed a label which allows the pesticide to be used on crops and plants intended for human consumption.

2. The State Department of Agriculture shall, in accordance with the provisions of this chapter, establish and publish a list of pesticides allowed to be used on *marijuana or* medical marijuana pursuant to this section and accept requests from pesticide manufacturers, *marijuana establishments* and medical marijuana establishments, or a representative thereof, to add pesticides to the list.

3. As used in this section:

(a) “Edible marijuana products” has the meaning ascribed to it in NRS 453A.101.

(b) “Marijuana” has the meaning ascribed to it in NRS 453A.110.

(c) *“Marijuana establishment” has the meaning ascribed to it in NRS 453D.030.*

(d) *“Marijuana products” has the meaning ascribed to it in NRS 453D.030.*

(e) “Marijuana-infused products” has the meaning ascribed to it in NRS 453A.112.

~~(f)~~ (f) “Medical marijuana establishment” has the meaning ascribed to it in NRS 453A.116.

Sec. 66. 1. The amendatory provisions of this act do not affect the validity of an unexpired medical marijuana establishment registration certificate or medical marijuana establishment agent registration card that was issued by the Division of Public and Behavioral Health of the Department of Health and Human Services before July 1, 2017. However, upon the expiration of such a medical marijuana establishment registration certificate or medical marijuana establishment agent registration card, a person who wishes to retain the limited exemption from state prosecution which is set forth in NRS 453A.200 must:

(a) Reapply to the Department of Taxation for a new medical marijuana establishment registration certificate or medical marijuana establishment agent registration card issued by that agency.

(b) Pay any necessary fees as set forth in NRS 453A.344, as amended by section 37 of this act, or any regulations adopted pursuant to chapter 453A of NRS.

2. As used in this section:

(a) “Medical marijuana establishment agent registration card” has the meaning ascribed to it in NRS 453A.118.

(b) “Medical marijuana establishment registration certificate” has the meaning ascribed to it in NRS 453A.119.

Sec. 66.5. 1. Notwithstanding the provisions of NRS 453A.322, as amended by section 27 of this act, a person who obtains a medical marijuana establishment registration certificate for the operation of an independent testing laboratory before July 1, 2017:

(a) May renew his or her medical marijuana establishment registration certificate upon:

(1) Resubmission of the information set forth in NRS 453A.322; and

(2) Payment of the renewal fee set forth in NRS 453A.344; and

(b) Shall obtain accreditation pursuant to standard ISO/IEC 17025 of the International Organization for Standardization on or before January 1, 2019.

2. The Department of Taxation shall revoke the medical marijuana establishment registration certificate of an independent testing laboratory described

1 in subsection 1 which fails to obtain the accreditation described in paragraph (b) of
2 subsection 1 on or before January 1, 2019.

3 **Sec. 67.** 1. The administrative regulations adopted by the Division of
4 Public and Behavioral Health of the Department of Health and Human Services
5 pursuant to chapter 453A of NRS governing the licensing and regulation of medical
6 marijuana establishments remain in force and are hereby transferred to become the
7 administrative regulations of the Department of Taxation on July 1, 2017. On and
8 after July 1, 2017, these regulations must be interpreted in a manner so that all
9 references to the Division of Public and Behavioral Health of the Department of
10 Health and Human Services and its constituent parts are read and interpreted as
11 being references to the Department of Taxation and its constituent parts, regardless
12 of whether those references have been conformed pursuant to section 68 of this act
13 at the time of interpretation.

14 2. Any contracts or other agreements entered into by the Division of Public
15 and Behavioral Health of the Department of Health and Human Services and its
16 constituent parts pursuant to chapter 453A of NRS governing the licensing and
17 regulation of medical marijuana establishments are binding upon the Department of
18 Taxation on and after July 1, 2017, rather than the Division of Public and
19 Behavioral Health of the Department of Health and Human Services and its
20 constituent parts. Such contracts and other agreements may be enforced by the
21 Department of Taxation on and after July 1, 2017.

22 3. Any action taken by the Division of Public and Behavioral Health of the
23 Department of Health and Human Services or its constituent parts pursuant to
24 chapter 453A of NRS governing the licensing and regulation of medical marijuana
25 establishments before July 1, 2017, remains in effect as if taken by the Department
26 of Taxation or its constituent parts on and after July 1, 2017.

27 4. As used in this section, "medical marijuana establishment" has the meaning
28 ascribed to it in NRS 453A.116.

29 **Sec. 68.** The Legislative Counsel shall:

30 1. In preparing the reprint and supplements to the Nevada Revised Statutes,
31 appropriately change any references to an officer, agency or other entity whose
32 name is changed or whose responsibilities are transferred pursuant to the provisions
33 of this act to refer to the appropriate officer, agency or other entity.

34 2. In preparing supplements to the Nevada Administrative Code,
35 appropriately change any references to an officer, agency or other entity whose
36 name is changed or whose responsibilities are transferred pursuant to the provisions
37 of this act to refer to the appropriate officer, agency or other entity.

38 **Sec. 69.** Sections 22.3 and 24.9 of chapter 547, Statutes of Nevada 2013, at
39 pages 3718 and 3728, respectively, are hereby repealed.

40 **Sec. 70.** 1. This section and sections 56.5 and 56.9 of this act become
41 effective upon passage and approval.

42 2. Sections 1 to 56, inclusive, and 57 to 69, inclusive, of this act become
43 effective:

44 (a) Upon passage and approval for the purposes of adopting any regulations
45 and performing any preparatory administrative tasks necessary to carry out the
46 provisions of this act; and

47 (b) On July 1, 2017, for all other purposes.

48 3. Section 56.7 of this act becomes effective on January 1, 2020.

TEXT OF REPEALED SECTIONS OF STATUTES OF NEVADA

Section 22.3 of chapter 547, Statutes of Nevada 2013, at page 3718:

Sec. 22.3. NRS 453A.200 is hereby amended to read as follows:

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

- (a) Possession, delivery or production of marijuana;
- (b) Possession or delivery of paraphernalia;
- (c) Aiding and abetting another in the possession, delivery or production of marijuana;
- (d) Aiding and abetting another in the possession or delivery of paraphernalia;
- (e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and
- (f) Any other criminal offense in which the possession, delivery or production of marijuana or the possession or delivery of paraphernalia is an element.

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

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

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

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

(1) Two and one-half ounces of usable marijuana in any one 14-day period;

(2) Twelve marijuana plants, irrespective of whether the marijuana plants are mature or immature; and

(3) A maximum allowable quantity of edible marijuana products and marijuana-infused products as established by regulation of the Division.

↪ The persons described in this subsection must ensure that the usable marijuana and marijuana plants described in this subsection are safeguarded in an enclosed, secure location.

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

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

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

5. A person who holds a valid medical marijuana establishment registration certificate issued to the person pursuant to section 10 of this act or a valid medical marijuana establishment agent registration card issued to the person pursuant to section 13 of this act, and who confines his or her activities to those authorized by sections 10 to 20, inclusive, of this act and the regulations adopted by the Division pursuant thereto, is exempt from state prosecution for:

- (a) Possession, delivery or production of marijuana;
- (b) Possession or delivery of paraphernalia;
- (c) Aiding and abetting another in the possession, delivery or production of marijuana;
- (d) Aiding and abetting another in the possession or delivery of paraphernalia;
- (e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and
- (f) Any other criminal offense in which the possession, delivery or production of marijuana or the possession or delivery of paraphernalia is an element.

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

(a) ~~The person who holds the registry identification card or his or her designated primary caregiver, if any, was cultivating, growing or producing marijuana in accordance with this chapter on or before July 1, 2013;~~

~~(b)~~ All the medical marijuana dispensaries in the county of residence of the person who holds the registry identification card or his or her designated primary caregiver, if any, close or are unable to supply the quantity or strain of marijuana necessary for the medical use of the person to treat his or her specific medical condition;

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

~~(d)~~ *(c)* No medical marijuana dispensary was operating within 25 miles of the residence of the person who holds the registry identification card at the time the person first applied for his or her registry identification card.

7. As used in this section, "marijuana" includes, without limitation, edible marijuana products and marijuana-infused products.

Section 24.9 of chapter 547, Statutes of Nevada 2013, at page 3728:

Sec. 24.9. Section 19.5 of this act is hereby amended to read as follows:

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

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

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

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

~~(d) The holder or bearer of the nonresident card signs an affidavit in a form prescribed by the Division which sets forth that the holder or bearer is entitled to engage in the medical use of marijuana in his or her state or jurisdiction of residence; and~~

~~—(e) state or jurisdiction from which the holder or bearer obtained the nonresident card maintains a database which preserves such information as may be necessary to verify the authenticity or validity of the nonresident card;~~

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

(f) The Division determines that the database described in paragraph (d) is able to provide to medical marijuana dispensaries in this State information that is sufficiently accurate, current and specific as to allow those dispensaries to verify that a person who holds or bears a nonresident card is entitled lawfully to do so; and

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

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

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

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

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

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

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