

Amendment No. 328

Senate Amendment to Senate Bill No. 341

(BDR 40-1110)

Proposed by: Senate Committee on Judiciary

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

Adoption of this amendment will ADD a 2/3s majority vote requirement for final passage of S.B. 341 (§ 2).

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

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) 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: 4/22/2017

S.B. No. 341—Revises provisions relating to marijuana establishments and medical marijuana establishments. (BDR 40-1110)



SENATE BILL NO. 341—SENATORS FARLEY AND SEGERBLOM

MARCH 20, 2017

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to ~~the registration of additional medical marijuana dispensaries within the jurisdiction of the local government;~~ the registration of medical marijuana research facilities; revising the purposes for which the Division of Public and Behavioral Health of the Department of Health and Human Services may spend certain money relating to the medical use of marijuana collected by the Division; authorizing any institution of the Nevada System of Higher Education to seek the approval of the Federal Government to perform research relating to marijuana; ~~limiting the authority of a board of county commissioners or the governing body of an incorporated city to regulate or impose license taxes upon marijuana establishments and medical marijuana establishments;~~ and providing other matters properly relating thereto.

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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; authorizing ~~a local government to request the registration of additional medical marijuana dispensaries within the jurisdiction of the local government;~~ the registration of medical marijuana research facilities; revising the purposes for which the Division of Public and Behavioral Health of the Department of Health and Human Services may spend certain money relating to the medical use of marijuana collected by the Division; authorizing any institution of the Nevada System of Higher Education to seek the approval of the Federal Government to perform research relating to marijuana; ~~limiting the authority of a board of county commissioners or the governing body of an incorporated city to regulate or impose license taxes upon marijuana establishments and medical marijuana establishments;~~ and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~Existing law establishes certain limits on the number of medical marijuana dispensaries that may receive a medical marijuana establishment registration certificate in each county. (NRS 453A.224) Section 1 of this bill allows the governing body of a city, town, township or unincorporated area within a county to request the registration of additional medical marijuana dispensaries by the Division of Public and Behavioral Health of the Department of Health and Human Services in the city, town, township or unincorporated area.~~

Existing law exempts a person who holds a valid medical marijuana establishment registration certificate from state prosecution for possession, delivery and production of marijuana and provides for the registration and regulation of such establishments. (NRS 453A.320-453A.370) Sections 1.1-1.8 of this bill authorize the existence of medical marijuana research facilities. Section 1.3 of this bill establishes requirements for the certification and operation of a medical marijuana research facility. Section 1.5 of this bill requires the submission of proof of the approval by the scientific review panel established by the Division of Public and Behavioral Health of the Department of Health and Human Services of the program of research in which a medical marijuana research facility is engaged for renewal of the medical marijuana establishment registration certificate of the facility. Section 1.8 of this bill prohibits research not approved by the scientific review panel. Section 2 of this bill establishes the fees for the issuance and

renewal of a medical marijuana establishment registration certificate for a medical marijuana research facility.

Existing law requires that the money raised from applications for and the issuance and renewal of medical marijuana establishment registration certificates be expended first to pay the costs of the Division in carrying out the provisions of existing law relating to medical marijuana establishments, with any excess money deposited to the credit of the State Distributive School Account in the State General Fund, (NRS 453A.344) Existing law also requires that any money received by the Division as a gift, grant, donation or contribution or as an appropriation to carry out the provisions of existing law relating to the medical use of marijuana must be used to carry out those provisions or to carry out certain alcohol and drug abuse programs. (NRS 453A.730) **Sections 2 and 7** of this bill allow such money to also be spent to support programs to provide education and outreach relating to the safe usage of marijuana and to prevent the abuse of marijuana.

Existing law requires the University of Nevada School of Medicine to seek federal approval to establish a program of research relating to the medical use of marijuana and, upon receiving such approval, establish the program of research. (NRS 453A.600) **Sections 3-6** of this bill allow any institution of the Nevada System of Higher Education to also seek such approval and establish such a program of research.

~~Existing law generally authorizes counties and incorporated cities to: (1) regulate businesses located within their jurisdictions; and (2) fix, impose and collect a license tax on businesses located within their jurisdictions for revenue, regulation or both. (NRS 244.235, 268.095) Sections 8-11 of this bill prohibit counties and incorporated cities from imposing requirements upon marijuana establishments or medical marijuana establishments other than: (1) ordinances relating to zoning and land use; (2) ordinances establishing building requirements of general applicability; or (3) other requirements of general applicability to all businesses within the jurisdiction of the county or incorporated city. Sections 8-11 also limit the license tax that may be imposed by a county or an incorporated city upon a marijuana establishment or medical marijuana establishment to a total amount which does not exceed 2 percent of the gross revenue of the marijuana establishment or medical marijuana establishment.]~~

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

Section 1. ~~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 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:~~

- ~~(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 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 issues~~

1 at least one medical marijuana establishment registration certificate in each county
2 of this State in which the Division has approved an application for such an
3 establishment to operate.

4 ~~(b) Shall, for any county for which no applicants qualify pursuant to NRS~~
5 ~~453A.322, within 2 months after the end of the period during which the Division~~
6 ~~accepts applications pursuant to subsection [4.] 5, reallocate the certificates~~
7 ~~provided for that county pursuant to subsection 1 to the other counties specified in~~
8 ~~subsection 1 in the same proportion as provided in subsection 1.~~

9 ~~2. The governing body of a local governmental jurisdiction may request the~~
10 ~~Division to issue a certain number of medical marijuana establishment~~
11 ~~registration certificates for medical marijuana dispensaries located within the~~
12 ~~local governmental jurisdiction in addition to the medical marijuana~~
13 ~~establishment registration certificates issued pursuant to subsection 1. Upon~~
14 ~~receipt of such a request, the Division shall:~~

15 ~~(a) Determine whether the additional number of medical marijuana~~
16 ~~dispensaries are necessary to serve and supply the persons who hold valid registry~~
17 ~~identification cards in the local governmental jurisdiction; and~~

18 ~~(b) If the Division determines the additional number of medical marijuana~~
19 ~~dispensaries are necessary pursuant to paragraph (a), make a corresponding~~
20 ~~number of medical marijuana establishment registration certificates available~~
21 ~~during the next period in which the Division accepts applications pursuant to~~
22 ~~subsection 5.~~

23 ~~4. With respect to medical marijuana establishments that are not medical~~
24 ~~marijuana dispensaries, the Division shall determine the appropriate number of~~
25 ~~such establishments as are necessary to serve and supply the medical marijuana~~
26 ~~dispensaries to which the Division has granted medical marijuana establishment~~
27 ~~registration certificates.~~

28 ~~[4.] 5. The Division shall not, for more than a total of 10 business days in any~~
29 ~~1 calendar year, accept applications to operate medical marijuana establishments.~~

30 ~~6. As used in this section, "local governmental jurisdiction" means a city,~~
31 ~~town, township or unincorporated area within a county.] (Deleted by~~
32 ~~amendment.)~~

33 Sec. 1.1. Chapter 453A of NRS is hereby amended by adding thereto the
34 provisions set forth as sections 1.2 and 1.3 of this act.

35 Sec. 1.2. "Medical marijuana research facility" means a facility described
36 in section 1.3 of this act.

37 Sec. 1.3. 1. The Division shall establish standards for and certify one or
38 more medical marijuana research facilities to perform research relating to the
39 medical use of marijuana, including, without limitation, the possession,
40 cultivation and processing of marijuana, the creation of products containing
41 marijuana and the administration of products containing marijuana to persons
42 who may legally consume such products for scientific study.

43 2. To obtain certification by the Division as a medical marijuana research
44 facility, an applicant must:

45 (a) Be certified pursuant to this section.

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

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

48 3. The Division shall establish a scientific review panel composed of
49 persons with the experience, knowledge and ability to evaluate:

50 (a) A program of research proposed by a proposed medical marijuana
51 research facility;

52 (b) Revisions to a program of research proposed by a medical marijuana
53 research facility; and

(c) Whether a proposed medical marijuana research facility or medical marijuana research facility, as applicable, has the appropriate personnel, expertise, infrastructure, funding and any necessary approval from the Federal Government, this State or a local government to successfully perform a proposed or revised program of research, as applicable.

4. Before issuing a medical marijuana establishment registration certificate to a medical marijuana research facility, the Division shall:

(a) Require the proposed medical marijuana research facility to submit to the Division a description of the program of research that the proposed medical marijuana research facility intends to conduct and the capacity of the proposed medical marijuana research facility to conduct the proposed program of research; and

(b) If the program of research has not received approval from the Federal Government pursuant to 21 U.S.C. § 823 or other applicable provisions of federal law, transmit the information received pursuant to paragraph (a) to the scientific review panel for evaluation.

5. Before a medical marijuana research facility makes any change to its program of research which has not received approval from the Federal Government pursuant to 21 U.S.C. § 823 or other applicable provisions of federal law, the medical marijuana research facility must submit to the Division for transmittal to the scientific review panel a description of the revised program of research that the medical marijuana research facility intends to conduct and the capacity of the medical marijuana research facility to conduct the revised program of research.

6. The scientific review panel shall evaluate the information received from the Division pursuant to subsection 4 or 5 as soon as practicable and recommend to the Division whether the program of research should be approved.

7. If the scientific review panel recommends approval of a program of research or a program of research has received approval from the Federal Government pursuant to 21 U.S.C. § 823 or other applicable provisions of federal law, the Division may:

(a) Approve the issuance of a medical marijuana establishment registration certificate to the proposed medical marijuana research facility; or

(b) Authorize the medical marijuana research facility to change its program of research.

Sec. 1.4. 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 section 1.2 of this act have the meanings ascribed to them in those sections.

Sec. 1.5. NRS 453A.116 is hereby amended to read as follows:

453A.116 “Medical marijuana establishment” means:

1. An independent testing laboratory;
2. A cultivation facility;
3. A facility for the production of edible marijuana products or marijuana-infused products; ~~for~~

4. A medical marijuana dispensary; ~~or~~ or

5. A medical marijuana research facility.

Sec. 1.6. 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 section 1.3 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, 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. 1.7. NRS 453A.322 is hereby amended to read as follows:

453A.322 1. Each medical marijuana establishment must register with the Division.

2. A person who wishes to operate a medical marijuana establishment must submit to the Division an application on a form prescribed by the Division.

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

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

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

(2) An application, which must include:

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

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

(III) Evidence that the applicant controls not less than \$250,000 in liquid assets to cover the initial expenses of opening the proposed medical marijuana establishment and complying with the provisions of NRS 453A.320 to 453A.370, inclusive, **and section 1.3 of this act;**

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

(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 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 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 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; ~~and~~

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

(c) If the medical marijuana establishment is a medical marijuana research facility, submission of proof that the program of research, and any changes thereto, in which the medical marijuana research facility is engaged has been approved by the scientific review panel established by the Division pursuant to section 1.3 of this act.

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

7. 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. 1.8. 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, 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.

5. Engaging in research not approved by the scientific review panel established by the Division pursuant to section 1.3 of this act.

Sec. 2. NRS 453A.344 is hereby amended to read as follows:

453A.344 1. Except as otherwise provided in subsection 2, the Division 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	

1	the production of edible marijuana products or	
2	marijuana-infused products	3,000
3	For the renewal of a medical marijuana establishment	
4	registration certificate for a facility for the production	
5	of edible marijuana products or marijuana-infused	
6	products	1,000
7	For each person identified in an application for the initial	
8	issuance of a medical marijuana establishment agent	
9	registration card	75
10	For each person identified in an application for the renewal	
11	of a medical marijuana establishment agent registration	
12	card	75
13	For the initial issuance of a medical marijuana	
14	establishment registration certificate for an independent	
15	testing laboratory	5,000
16	For the renewal of a medical marijuana establishment	
17	registration certificate for an independent testing	
18	laboratory	3,000
19	<u>For the initial issuance of a medical marijuana</u>	
20	<u>establishment registration certificate for a medical</u>	
21	<u>marijuana research facility</u>	<u>5,000</u>
22	<u>For the renewal of a medical marijuana establishment</u>	
23	<u>registration certificate for a medical marijuana</u>	
24	<u>research facility</u>	<u>3,000</u>

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

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

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

- (a) Must be expended first to pay the costs of the Division in carrying out the provisions of NRS 453A.320 to 453A.370, inclusive ~~1- and~~, and section 1.3 of this act;

- (b) May be expended to support programs to provide education and outreach relating to the safe usage of marijuana and to prevent the abuse of marijuana; and

- (c) If any excess revenue remains after paying the costs described in ~~paragraph~~ paragraphs (a) ~~1- and~~ (b), 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. 3. NRS 453A.600 is hereby amended to read as follows:

453A.600 1. The University of Nevada School of Medicine shall, and any other institution of the Nevada System of Higher Education may, establish a program for the evaluation and research of the medical use of marijuana in the care and treatment of persons who have been diagnosed with a chronic or debilitating medical condition.

2. Before ~~the School of Medicine~~ an institution of the Nevada System of Higher Education establishes a program pursuant to subsection 1, the ~~School of Medicine~~ institution shall aggressively seek and must receive approval of the program by the Federal Government pursuant to 21 U.S.C. § 823 or other

1 applicable provisions of federal law, to allow the creation of a federally approved
2 research program for the use and distribution of marijuana for medical purposes.

3 3. A research program established pursuant to this section *by the University*
4 *of Nevada School of Medicine* must include residents of this state who volunteer to
5 act as participants and subjects, as determined by the School of Medicine.

6 4. A resident of this state who wishes to serve as a participant and subject in a
7 research program established pursuant to this section *by the University of Nevada*
8 *School of Medicine* may notify the School of Medicine and may apply to
9 participate by submitting an application on a form prescribed by the Department of
10 Administration of the School of Medicine.

11 5. The *University of Nevada* School of Medicine shall, on a quarterly basis,
12 report to the Interim Finance Committee with respect to:

13 (a) The progress made by the School of Medicine in obtaining federal approval
14 for the research program; and

15 (b) If the research program receives federal approval, the status of, activities of
16 and information received from the research program.

17 **Sec. 4.** NRS 453A.610 is hereby amended to read as follows:

18 453A.610 1. Except as otherwise provided in this section and NRS
19 239.0115, ~~the University of Nevada School of Medicine~~ *an institution of the*
20 *Nevada System of Higher Education* shall maintain the confidentiality of and shall
21 not disclose:

22 (a) The contents of any applications, records or other written materials that the
23 ~~School of Medicine~~ *institution* creates or receives pursuant to the research
24 program described in NRS 453A.600; or

25 (b) The name or any other identifying information of a person who has applied
26 to or who participates in the research program described in NRS 453A.600.

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

30 2. Notwithstanding the provisions of subsection 1, ~~the School of Medicine~~
31 *an institution of the Nevada System of Higher Education* may release the name
32 and other identifying information of a person who has applied to or who
33 participates in the research program described in NRS 453A.600 to:

34 (a) Authorized employees of the State of Nevada as necessary to perform
35 official duties related to the research program; and

36 (b) Authorized employees of state and local law enforcement agencies, only as
37 necessary to verify that a person is a lawful participant in the research program.

38 **Sec. 5.** NRS 453A.620 is hereby amended to read as follows:

39 453A.620 1. ~~The Department of Administration of the University of~~
40 ~~Nevada School of Medicine~~ *An institution of the Nevada System of Higher*
41 *Education* may apply for or accept any gifts, grants, donations or contributions
42 from any source to carry out the provisions of NRS 453A.600.

43 2. Any money ~~the Department of Administration~~ *an institution* receives
44 pursuant to subsection 1 must be deposited in the State Treasury pursuant to NRS
45 453A.630.

46 **Sec. 6.** NRS 453A.630 is hereby amended to read as follows:

47 453A.630 1. Any money ~~the Department of Administration of the~~
48 ~~University of Nevada School of Medicine~~ *an institution of the Nevada System of*
49 *Higher Education* receives pursuant to NRS 453A.620 or that is appropriated to
50 carry out the provisions of NRS 453A.600:

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

(b) May only be used to carry out the provisions of NRS 453A.600, including the dissemination of information concerning the provisions of that section and such other information as is determined appropriate by the ~~{Department of Administration;}~~ *institution*; and

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

2. The ~~{Department of Administration of the School of Medicine;}~~ *institution* 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. 7. NRS 453A.730 is hereby amended to read as follows:

453A.730 1. Any money the Administrator of the Division receives pursuant to NRS 453A.720 or that is appropriated to carry out the provisions of this chapter:

(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, including the dissemination of information concerning the provisions of this chapter and such other information as determined appropriate by the Administrator; ~~and;~~

(2) *Programs to provide education and outreach relating to the safe usage of marijuana and to prevent the abuse of marijuana; and*

(3) Alcohol and drug abuse programs pursuant to NRS 458.094; 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. 8. ~~{Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1. A board of county commissioners may enact ordinances relating to zoning and land use and ordinances establishing building requirements of general applicability and require a marijuana establishment or medical marijuana establishment located in its county outside of the limits of incorporated cities and towns to comply with such ordinances.~~

~~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 marijuana establishments and medical marijuana establishments located in its 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 the gross revenue of the marijuana establishment or medical marijuana establishment.~~

~~3. The total amount of a license tax imposed 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, shall not exceed 3 percent of the gross revenue of a marijuana establishment or medical marijuana establishment.~~

~~4. Except as otherwise provided in this section, a board of county commissioners shall not:~~

~~(a) Impose any tax or fee on a medical marijuana establishment operating within the scope of a medical marijuana establishment registration certificate issued pursuant to NRS 453A.320 to 453A.370, inclusive, or a marijuana~~

~~establishment operating within the scope of a license issued pursuant to chapter 453D of NRS.~~

~~(b) Require a medical marijuana establishment operating within the scope of a medical marijuana establishment registration certificate issued pursuant to NRS 453A.320 to 453A.370, inclusive, or a marijuana establishment operating within the scope of a license issued pursuant to chapter 453D of NRS to obtain from the county any certificate, license or permit to operate within that scope.~~

~~(c) Impose any other requirement upon a marijuana establishment or medical marijuana establishment which is not of general applicability to all businesses within the jurisdiction of the county.~~

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

~~(a) "Marijuana establishment" has the meaning ascribed to it in NRS 453D.030.~~

~~(b) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116-j. (Deleted by amendment.)~~

Sec. 9. [NRS 244.235 is hereby amended to read as follows:

~~244.235 1. Except as otherwise provided in subsections 2, 3 and 4, and NRS 244.23501, and section 8 of this act, a board of county commissioners may:~~

~~(a) Except as otherwise provided in NRS 244.231 to 244.2345, inclusive, 508D.150 and 640C.100, regulate all character of lawful trades, callings, industries, occupations, professions and business conducted in its county outside of the limits of incorporated cities and towns.~~

~~(b) Except as otherwise provided in NRS 244.2350 and 576.128, fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on such trades, callings, industries, occupations, professions and business.~~

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

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

~~4. The board of county commissioners or county license board 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.~~

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

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

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

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

~~(a) Presents written evidence that:~~

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

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

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

~~7. Any license tax levied for the purposes of NRS 244.3358 or 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 has the same 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. (Deleted~~

by amendment.)

1 **Sec. 10.** ~~[Chapter 268 of NRS is hereby amended by adding thereto a new~~
2 ~~section to read as follows:~~

3 ~~1. The city council or other governing body of an incorporated city, whether~~
4 ~~organized under general law or special charter, may enact ordinances relating to~~
5 ~~zoning and land use and ordinances establishing building requirements of~~
6 ~~general applicability and require a marijuana establishment or medical~~
7 ~~marijuana establishment located within its corporate limits to comply with such~~
8 ~~ordinances.~~

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

14 ~~(a) Flat fee;~~

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

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

19 ~~3. The total amount of a license tax imposed pursuant to subsection 2,~~
20 ~~regardless of whether the license tax is imposed in the form described in~~
21 ~~paragraph (a), (b) or (c) of subsection 2, shall not exceed 3 percent of the gross~~
22 ~~revenue of a marijuana establishment or medical marijuana establishment.~~

23 ~~4. Except as otherwise provided in this section, the governing body of an~~
24 ~~incorporated city, whether organized under general law or special charter, shall~~
25 ~~not:~~

26 ~~(a) Impose any tax or fee on a medical marijuana establishment operating~~
27 ~~within the scope of a medical marijuana establishment registration certificate~~
28 ~~issued pursuant to NRS 453A.320 to 453A.370, inclusive, or a marijuana~~
29 ~~establishment operating within the scope of a license issued pursuant to chapter~~
30 ~~453D of NRS.~~

31 ~~(b) Require a medical marijuana establishment operating within the scope of~~
32 ~~a medical marijuana establishment registration certificate issued pursuant to~~
33 ~~NRS 453A.320 to 453A.370, inclusive, or a marijuana establishment operating~~
34 ~~within the scope of a license issued pursuant to chapter 453D of NRS to obtain~~
35 ~~from the incorporated city any certificate, license or permit to operate within that~~
36 ~~scope.~~

37 ~~(c) Impose any other requirement upon a marijuana establishment or~~
38 ~~medical marijuana establishment which is not of general applicability to all~~
39 ~~businesses within the jurisdiction of the incorporated city.~~

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

41 ~~(a) "Marijuana establishment" has the meaning ascribed to it in NRS~~
42 ~~453D.030.~~

43 ~~(b) "Medical marijuana establishment" has the meaning ascribed to it in~~
44 ~~NRS 453A.116.j. (Deleted by amendment.)~~

45 **Sec. 11.** ~~[NRS 268.095 is hereby amended to read as follows:~~

46 ~~268.095 1. Except as otherwise provided in subsection 4 and NRS~~
47 ~~268.0951, and section 10 of this act, the city council or other governing body of~~
48 ~~each incorporated city in this State, whether organized under general law or special~~
49 ~~charter, may:~~

50 ~~(a) Except as otherwise provided in subsection 2 and NRS 268.0968 and~~
51 ~~576.128, fix, impose and collect for revenues or for regulation, or both, a license~~
52 ~~tax on all character of lawful trades, callings, industries, occupations, professions~~
53 ~~and businesses conducted within its corporate limits.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

~~3. The proceeds of any tax imposed pursuant to this section that are pledged for the repayment of general obligations may be treated as "pledged revenues" for the purposes of NRS 250.020.~~

~~4. The city council or other governing body of an incorporated city 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.~~

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

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

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

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

~~(a) Presents written evidence that:~~

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

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

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

~~7. Any license tax levied under the provisions of this section 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 has the same 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 following 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 such 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 city council or other governing body of each incorporated city may delegate the power and authority to enforce such liens to the county fair and recreation board. If the authority is so delegated, the governing body shall revoke or suspend the license of a business upon certification by the 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 268.0966, 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 those license taxes or as the result of any audit or 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.]~~
(Deleted by amendment.)

Sec. 12. This act becomes effective on July 1, 2017.