SENATE BILL NO. 344–SENATORS FARLEY AND SEGERBLOM

MARCH 20, 2017

Referred to Committee on Judiciary

SUMMARY—Revises various provisions relating to the labeling, packaging and advertising of marijuana. (BDR 40-451)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to marijuana; revising standards for the labeling and packaging of marijuana for medical use; prohibiting the production of edible marijuana products or marijuanainfused products that are or appear to be lollipops or may appeal to children; establishing certain requirements for the production, packaging and labeling of products by a facility for the production of edible marijuana products or marijuana-infused products; prohibiting advertising by a medical marijuana establishment that would be appealing to children; requiring a medical marijuana dispensary to offer certain containers for sale and provide notification with each sale of marijuana; establishing similar provisions for recreational marijuana establishments with a delayed effective date; establishing limits on the quantity of marijuana for recreational use that may be sold in a single package; establishing certain restrictions on advertising by a recreational marijuana establishment; prohibiting regulation of certain matters relating to marijuana which is more restrictive than or conflicts with state law or regulation by a local government; providing penalties; and providing other matters properly relating thereto





Legislative Counsel's Digest:

23456789

10

11

12

13

14

15

16

17

18

19

35

1 2

3

4 5

7

8

Existing law requires each medical marijuana dispensary and facility for the production of edible marijuana products or marijuana-infused products in this State to meet certain requirements for the packaging and labeling of such products. (NRS 453A.360) Section 1 of this bill requires each edible marijuana product or marijuana-infused product offered for sale to be labeled with the amount of servings of THC in the product and establishes certain other requirements for such products. Section 1 prohibits a facility for the production of edible marijuana products or marijuana-infused products from producing such a product in any form that is or appears to be a lollipop or may appeal to children. Section 1 requires a facility for the production of edible marijuana products or marijuana-infused products which produces cookies or brownies to seal such a product in a bag or other container which is not transparent and establishes certain other requirements for the production, packaging and labeling of an edible marijuana product or marijuana-infused product by such a facility. Section 1 prohibits a medical marijuana dispensary or facility for the production of edible marijuana products or marijuana-infused products from engaging in advertising that would make marijuana, edible marijuana products or marijuana-infused products appeal to children. Section 1 requires a medical marijuana dispensary to offer for sale containers for the storage of marijuana, edible marijuana products and marijuanainfused products which lock and are designed to prohibit children from unlocking and opening the container. Section 1 requires a medical marijuana dispensary to provide a written notification of certain information, including, to keep marijuana, edible marijuana products and marijuana-infused products out of the reach of children with each sale of marijuana or such products. Section 1 requires at least one employee of a facility for the production of edible marijuana products or marijuana-infused products or a medical marijuana dispensary which sells edible marijuana products to be certified to handle food in certain circumstances.

Section 2 of this bill establishes similar requirements for recreational marijuana establishments at a future date. Additionally, section 2 requires each marijuana product to be sold in a single package and establishes limits on the amount of THC such products may contain per package and, if applicable, per unit. Section 2 also imposes certain requirements for and restrictions on advertising by a recreational marijuana establishment.

Sections 3-8 of this bill prohibit a local government from regulating a marijuana establishment or medical marijuana establishment in a manner which is more restrictive than or conflicts with a law or regulation of this State.

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

Section 1. NRS 453A.360 is hereby amended to read as follows:

453A.360 1. Each medical marijuana dispensary and facility for the production of edible marijuana products or marijuana-infused products shall, in consultation with the Division, cooperate to ensure that all edible marijuana products and marijuana-infused products offered for sale:

(1) As medical marijuana +.





- 2.] with the words "THIS IS A MEDICAL MARIJUANA PRODUCT" in bold type; and
- (2) As required by NRS 453A.320 to 453A.370, inclusive, and any regulations adopted pursuant thereto.

(b) Are not presented in packaging that [is appealing to children.

- 3.1 contains an image of a cartoon character, mascot, action figure, balloon or toy, except that such an item may appear in the logo of the facility for the production of edible marijuana products or marijuana-infused products which produced the product.
- (c) Are regulated and sold on the basis of the concentration of THC in the products and not by weight.
- [4.] (d) Are packaged and labeled in such a manner as to allow tracking by way of an inventory control system.
- (e) Are not packaged and labeled in a manner which is modeled after a brand of products primarily consumed by or marketed to children.
- (f) Are labeled in a manner which indicates the amount of THC in the product, measured in milligrams, and includes a statement that the product contains marijuana and its potency was tested with an allowable variance of the amount determined by the independent testing laboratory which performed the testing.
 - (g) Are not labeled or marketed as candy.
- 2. A facility for the production of edible marijuana products or marijuana-infused products shall not produce edible marijuana products in any form that:
 - (a) Is or appears to be a lollipop.
- (b) Bears the likeness or contains characteristics of a real or fictional person, animal or fruit, including, without limitation, a caricature, cartoon or artistic rendering.
- (c) Is modeled after a brand of products primarily consumed by or marketed to children.
- (d) Is made by applying concentrated cannabis, as defined in NRS 453.042, to a commercially available candy or snack food item other than dried fruit, nuts or granola.
- 3. A facility for the production of edible marijuana products or marijuana-infused products shall:
- (a) Seal any edible marijuana product that consists of cookies or brownies in a bag or other container which is not transparent.
- (b) Affix a label to each edible marijuana product which includes without limitation, in a manner which must not mislead consumers, the following information:
 - (1) The words "Keep out of reach of children";
- (2) A list of all ingredients used in the edible marijuana product;





- (3) A list of all allergens in the edible marijuana product; and
- (4) The total weight of marijuana contained in the edible marijuana product or an equivalent measure of THC concentration.
- (c) Maintain a washing area with hot water, soap and a hand dryer or disposable towels which is located away from any area in which edible marijuana products are cooked or otherwise prepared.

(d) Require each person who handles edible marijuana products to wear a hair net and clean clothing and keep his or her fingernails neatly trimmed.

(e) Package all edible marijuana products or marijuanainfused products produced by the facility for the production of edible marijuana products or marijuana-infused products on the premises of the facility for the production of edible marijuana products or marijuana-infused products.

4. A medical marijuana dispensary or facility for the production of edible marijuana products or marijuana-infused products shall not engage in advertising that in any way makes marijuana, edible marijuana products or marijuana-infused products appeal to children, including without limitation, advertising which uses an image of a cartoon character, mascot, action figure, balloon, fruit or toy.

5. Each medical marijuana dispensary shall offer for sale containers for the storage of marijuana, edible marijuana products and marijuana-infused products which lock and are designed to prohibit children from unlocking and opening the container.

- 6. A medical marijuana dispensary shall:
- (a) Include a written notification with each sale of marijuana, edible marijuana products or marijuana-infused products which advises the purchaser:
- (1) To keep marijuana, edible marijuana products and marijuana-infused products out of the reach of children;
- (2) That edible marijuana products can cause severe illness in children;
- (3) That allowing children to ingest marijuana or edible marijuana products or storing marijuana or edible marijuana products in a location which is accessible to children may result in an investigation by an agency which provides child welfare services or criminal prosecution for child abuse or neglect;
- (4) That the intoxicating effects of edible marijuana products may be delayed by 2 hours or more and users of edible marijuana products should initially ingest a small amount of the





product, then wait at least 120 minutes before ingesting any additional amount of the product;

(5) That pregnant women should consult with a physician

before ingesting marijuana or edible marijuana products;

(6) That ingesting marijuana or edible marijuana products with alcohol or other drugs, including prescription medication, may result in unpredictable levels of impairment and that a person should consult with a physician before doing so;

(7) That marijuana or edible marijuana products can impair concentration, coordination and judgment and a person should not operate a motor vehicle while under the influence of

marijuana or edible marijuana products; and

(8) That ingestion of any amount of marijuana or edible marijuana products before driving may result in criminal prosecution for driving under the influence.

(b) Enclose all marijuana, edible marijuana products and marijuana-infused products in opaque, child-resistant packaging

upon sale.

2

3 4

5

6

7

8

9

10

11

12 13

14

15

16

17

18

19

20

21 22

23

24 25

26 27

28 29

30

31

32

33

34

35

36

37

38 39

40

42

43

44

45

7. A medical marijuana dispensary shall allow any person who is at least 21 years of age to enter the premises of the medical marijuana dispensary, regardless of whether such a person holds

a valid registry identification card or letter of approval.

- If the health authority, as defined in NRS 446.050, where a facility for the production of edible marijuana products or marijuana-infused products or medical marijuana dispensary which sells edible marijuana products is located requires persons who handle food at a food establishment to obtain certification, the facility for the production of edible marijuana products or marijuana-infused products or medical marijuana dispensary shall ensure that at least one employee maintains such certification.
- Sec. 2. Chapter 453D of NRS is hereby amended by adding thereto a new section to read as follows:
- Each retail marijuana store and marijuana product manufacturing facility shall, in consultation with the Department, cooperate to ensure that all marijuana products offered for sale:

(a) Are labeled clearly and unambiguously:

- (1) As marijuana with the words "THIS IS A MARIJUANA **PRODUCT**" in bold type; and
- (2) As required by this chapter and any regulations adopted 41 pursuant thereto.
 - (b) Are not presented in packaging that contains an image of a cartoon character, mascot, action figure, balloon or toy, except that such an item may appear in the logo of the marijuana product manufacturing facility which produced the product.





(c) Are regulated and sold on the basis of the concentration of THC in the products and not by weight.

(d) Are packaged and labeled in such a manner as to allow

tracking by way of an inventory control system.

- (e) Are not packaged and labeled in a manner which is modeled after a brand of products primarily consumed by or marketed to children.
- (f) Are labeled in a manner which indicates the number of servings of THC in the product, measured in servings of a maximum of 10 milligrams per serving, and includes a statement that the product contains marijuana and its potency was tested with an allowable variance of the amount determined by the marijuana testing facility which performed the testing.

(g) Are not labeled or marketed as candy.

2. A marijuana product must be sold in a single package. A single package must not contain:

(a) For a marijuana product sold as a capsule, more than 100 milligrams of THC per capsule or more than 800 milligrams of THC per package.

(b) For a marijuana product sold as a tincture, more than 800

milligrams of THC.

- (c) For a marijuana product sold as a food product, more than 100 milligrams of THC.
- (d) For a marijuana product sold as a topical product, a concentration of more than 6 percent THC or more than 800 milligrams of THC per package.
- (e) For a marijuana product sold as a suppository or transdermal patch, more than 100 milligrams of THC per suppository or transdermal patch or more than 800 milligrams of THC per package.
- (f) For any other marijuana product, more than 800 milligrams of THC.
- 33 3. A marijuana product manufacturing facility shall not produce marijuana products in any form that:

(a) Is or appears to be a lollipop or ice cream.

- 36 (b) Bears the likeness or contains characteristics of a real or 37 fictional person, animal or fruit, including, without limitation, a 38 caricature, cartoon or artistic rendering.
 - (c) Is modeled after a brand of products primarily consumed by or marketed to children.
 - (d) Is made by applying concentrated marijuana to a commercially available candy or snack food item other than dried fruit, nuts or granola.
 - 4. A marijuana product manufacturing facility shall:





- (a) Seal any marijuana product that consists of cookies or brownies in a bag or other container which is not transparent.
- (b) Affix a label to each marijuana product intended for human consumption by oral ingestion which includes, without limitation, in a manner which must not mislead consumers, the following information:
 - (1) The words "Keep out of reach of children";
 - (2) A list of all ingredients used in the marijuana product;
 - (3) A list of all allergens in the marijuana product; and
- (4) The total weight of marijuana contained in the marijuana product or an equivalent measure of THC concentration.
- (c) Maintain a washing area with hot water, soap and a hand dryer or disposable towels which is located away from any area in which marijuana products intended for human consumption by oral ingestion are cooked or otherwise prepared.
- (d) Require each person who handles marijuana products intended for human consumption by oral ingestion to wear a hair net and clean clothing and keep his or her fingernails neatly trimmed.
- (e) Package all marijuana products produced by the marijuana product manufacturing facility on the premises of the marijuana product manufacturing facility.
 - 5. A retail marijuana store or marijuana product manufacturing facility shall not engage in advertising that in any way makes marijuana or marijuana products appeal to children, including, without limitation, advertising which uses an image of a cartoon character, mascot, action figure, balloon, fruit or toy.
 - 6. Each retail marijuana store shall offer for sale containers for the storage of marijuana and marijuana products which lock and are designed to prohibit children from unlocking and opening the container.
 - 7. A retail marijuana store shall:
 - (a) Include a written notification with each sale of marijuana or marijuana products which advises the purchaser:
 - (1) To keep marijuana and marijuana products out of the reach of children;
 - (2) That marijuana and marijuana products can cause severe illness in children;
 - (3) That allowing children to ingest marijuana or marijuana products, or storing marijuana or marijuana products in a location which is accessible to children may result in an investigation by an agency which provides child welfare services or criminal prosecution for child abuse or neglect;





(4) That the intoxicating effects of marijuana products may be delayed by 2 hours or more and users of marijuana products should initially ingest a small amount of the product, then wait at least 120 minutes before ingesting any additional amount of the product;

(5) That pregnant women should consult with a physician

before ingesting marijuana or marijuana products;

(6) That ingesting marijuana or marijuana products with alcohol or other drugs, including prescription medication, may result in unpredictable levels of impairment and that a person should consult with a physician before doing so;

(7) That marijuana or marijuana products can impair concentration, coordination and judgment and a person should not operate a motor vehicle while under the influence of

marijuana or marijuana products; and

(8) That ingestion of any amount of marijuana or marijuana products before driving may result in criminal prosecution for driving under the influence.

(b) Enclose all marijuana and marijuana products in opaque,

child-resistant packaging upon sale.

- 8. If the health authority, as defined in NRS 446.050, where a marijuana product manufacturing facility or retail marijuana store which sells marijuana products intended for human consumption by oral ingestion is located requires persons who handle food at a food establishment to obtain certification, the marijuana product manufacturing facility or retail marijuana store shall ensure that at least one employee maintains such certification.
 - 9. A marijuana establishment:
- (a) Shall not engage in advertising which contains any statement or illustration that:
 - (1) Is false or misleading;
- (2) Promotes overconsumption of marijuana or marijuana products;

.. (3) Depicts the actual consumption of marijuana or

marijuana products; or

- (4) Depicts a child or other person who is less than 21 years of age consuming marijuana or marijuana products or objects suggesting the presence of a child, including, without limitation, toys, characters or cartoons, or contains any other depiction which is designed in any manner to be appealing to or encourage consumption of marijuana or marijuana products by a person who is less than 21 years of age.
- (b) Shall not advertise in any publication or on radio, television or any other medium if 30 percent or more of the





audience of that medium is reasonably expected to be persons who are less than 21 years of age.

(c) Shall not place an advertisement:

- (1) Within 1,000 feet of a public or private school, playground, public park or library, but may maintain such an advertisement if it was initially placed before the school, playground, public park or library was located within 1,000 feet of the location of the advertisement;
- (2) On or inside of a motor vehicle used for public transportation or any shelter for public transportation; or

(3) At a sports or entertainment event to which persons who are less than 21 years of age are allowed entry.

(d) Shall not advertise or offer any marijuana or marijuana

product as "free" or "donated" without a purchase.

- (e) Shall ensure that all advertising by the marijuana establishment contains such warnings as may be prescribed by the Department, which must include, without limitation, the following words:
 - (1) "Keep out of reach of children"; and

(2) "For use only by adults 21 years of age and older".

- 10. Nothing in subsection 9 shall be construed to prohibit a local government, pursuant to chapter 244, 268 or 278 of NRS, from adopting an ordinance for the regulation of advertising relating to marijuana which is more restrictive than the provisions of subsection 9 relating to:
- (a) The number, location and size of signs, including, without limitation, any signs carried or displayed by a natural person;
- (b) Handbills, pamphlets, cards or other types of advertisements that are distributed, excluding an advertisement placed in a newspaper of general circulation, trade publication or other form of print media; and
- (c) Any stationary or moving display that is located on or near the premises of a marijuana establishment.
- **Sec. 3.** Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A board of county commissioners shall not enact or enforce any ordinance which is more restrictive than or conflicts with a law or regulation of this State relating to:
- (a) The packaging, labeling, testing, dosage or potency of marijuana, edible marijuana products, marijuana products or marijuana-infused products;
- (b) The kinds of marijuana, edible marijuana products, marijuana products and marijuana-infused products authorized to be sold pursuant to chapters 453A and 453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;





- (c) The use of pesticides in the cultivation of marijuana;
- (d) The tracking of marijuana from seed to sale;
- (e) The transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products other than the direct transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products to a consumer and a requirement to notify the county of any transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products;
- (f) The issuance or verification of a registry identification card, letter of approval or written documentation;
- (g) The training or certification of medical marijuana establishment agents or employees of a marijuana establishment; or
- (h) The creation or maintenance of a registry or other system to obtain and track information relating to customers of marijuana establishments or holders of a registry identification card or letter of approval.
 - 2. As used in this section:

- (a) "Edible marijuana products" has the meaning ascribed to it in NRS 453A.101.
- (b) "Letter of approval" has the meaning ascribed to it in NRS 453A.109.
- (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) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.
- (g) "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117.
- (h) "Registry identification card" has the meaning ascribed to it in NRS 453A,140.
 - (i) "Written documentation" has the meaning ascribed to it in NRS 453A.170.
 - **Sec. 4.** NRS 244.335 is hereby amended to read as follows:
 - 244.335 1. Except as otherwise provided in subsections 2, 3 and 4, and NRS 244.33501, a board of county commissioners may:
 - (a) Except as otherwise provided in NRS 244.331 to 244.3345, inclusive, 598D.150 and 640C.100, *and section 3 of this act*, 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 244.3359 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;
- (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.
- 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



3

4

5

6

7

10

11 12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29 30

31

32 33

34 35

36

37

38

39

40

41

42 43

44

45

and



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

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

(a) The packaging, labeling, testing, dosage or potency of marijuana, edible marijuana products, marijuana products or

marijuana-infused products;

4

5

7

8

9

10

11

12 13

14

15

16

17

18

19

20 21

22

23

24

25

26

27 28

29

32 33

34 35

36

37 38

39

40

41

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

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

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

(e) The transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products other than the direct transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products to a consumer and a requirement to notify the city of any transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products;

(f) The issuance or verification of a registry identification

30 31 card, letter of approval or written documentation;

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

- (h) The creation or maintenance of a registry or other system to obtain and track information relating to customers of marijuana establishments or holders of a registry identification card or letter of approval.
 - 2. As used in this section:
- (a) "Edible marijuana products" has the meaning ascribed to it in NRS 453A.101.
- 42 (b) "Letter of approval" has the meaning ascribed to it in 43 NRS 453A, 109.
- 44 (c) "Marijuana establishment" has the meaning ascribed to it 45 in NRS 453D.030.





- 1 (d) "Marijuana products" has the meaning ascribed to it in 2 NRS 453D.030.
 - (e) "Marijuana-infused products" has the meaning ascribed to it in NRS 453A.112.
 - (f) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.
 - (g) "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117.
 - (h) "Registry identification card" has the meaning ascribed to it in NRS 453A.140.
 - (i) "Written documentation" has the meaning ascribed to it in NRS 453A.170.
 - **Sec. 6.** NRS 268.095 is hereby amended to read as follows:
 - 268.095 1. Except as otherwise provided in subsection 4 and NRS 268.0951, the city council or other governing body of each incorporated city in this State, whether organized under general law or special charter, may:
 - (a) Except as otherwise provided in subsection 2 and NRS 268.0968 and 576.128, *and section 5 of this act*, fix, impose and collect for revenues or for regulation, or both, a license tax on all character of lawful trades, callings, industries, occupations, professions 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 350.020.
- 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.
- 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.
- **Sec. 7.** Chapter 269 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. 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:
- (a) The packaging, labeling, testing, dosage or potency of marijuana, edible marijuana products, marijuana products or marijuana-infused products;
- (b) The kinds of marijuana, edible marijuana products, marijuana products and marijuana-infused products authorized to be sold pursuant to chapters 453A and 453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;
 - (c) The use of pesticides in the cultivation of marijuana;
 - (d) The tracking of marijuana from seed to sale;
- (e) The transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products other than the direct transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products to a consumer and a requirement to notify the unincorporated town of any transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products;
- (f) The issuance or verification of a registry identification card, letter of approval or written documentation;
- (g) The training or certification of medical marijuana establishment agents or employees of a marijuana establishment; or
- (h) The creation or maintenance of a registry or other system to obtain and track information relating to customers of marijuana establishments or holders of a registry identification card or letter of approval.
 - 2. As used in this section:





- 1 (a) "Edible marijuana products" has the meaning ascribed to 2 it in NRS 453A.101.
 - (b) "Letter of approval" has the meaning ascribed to it in NRS 453A.109.
 - (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) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.
 - (g) "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117.
 - (h) "Registry identification card" has the meaning ascribed to it in NRS 453A.140.
 - (i) "Written documentation" has the meaning ascribed to it in NRS 453A.170.
 - **Sec. 8.** NRS 269.170 is hereby amended to read as follows:
 - 269.170 1. Except as otherwise provided in subsection 5 and NRS 576.128, 598D.150 and 640C.100, *and section 7 of this act*, the town board or board of county commissioners may, in any unincorporated town:
 - (a) Fix and collect a license tax on, and regulate, having due regard to the amount of business done by each person so licensed, and all places of business and amusement so licensed, as follows:
 - (1) Artisans, artists, assayers, auctioneers, bakers, banks and bankers, barbers, boilermakers, cellars and places where soft drinks are kept or sold, clothes cleaners, foundries, laundries, lumberyards, manufacturers of soap, soda, borax or glue, markets, newspaper publishers, pawnbrokers, funeral directors and wood and coal dealers.
 - (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. 9. 1. This section and sections 1 and 3 to 8, inclusive, of this act become effective on July 1, 2017.





2. Section 2 of this act becomes effective on January 1, 2020.

(30)



