

Amendment No. 942

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| Assembly Amendment to Assembly Bill No. 533 | (BDR 60-1217) |
| Proposed by: Assembly Committee on Judiciary | |
| Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes | |

Adoption of this amendment will REMOVE the 2/3s majority vote requirement from A.B. 533.

| 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: 5/28/2019

A.B. No. 533—Revises provisions relating to cannabis. (BDR 60-1217)



ASSEMBLY BILL NO. 533—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE OFFICE OF THE GOVERNOR)

MAY 14, 2019

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to cannabis. (BDR 60-1217)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Executive Budget.

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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 cannabis; creating the Cannabis Advisory Commission; prescribing the membership and duties of the Commission; creating the Cannabis Compliance Board; prescribing the membership and duties of the Board; transferring the authority to license and regulate persons and establishments engaged in certain activities relating to cannabis from the Department of Taxation to the Board; repealing, reenacting, revising and reorganizing certain provisions related to cannabis; ~~establishing requirements for the licensure and operation of cannabis consumption lounges;~~ establishing requirements relating to the delivery of cannabis and cannabis products to a consumer; revising provisions relating to inventory control systems; ~~authorizing~~ prohibiting a local government from licensing a business that allows consumption of cannabis on its premises; requiring the ~~Board~~ Department of Health and Human Services to adopt regulations relating to certain commodities or products made using industrial hemp and certain similar products; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law: (1) exempts a person who holds a valid registry identification card or letter of approval from state prosecution for possession, delivery and production of marijuana; and (2) generally decriminalizes the purchase, possession and use of marijuana and marijuana paraphernalia for persons who are 21 years of age or older. Existing law also generally exempts a person who holds a valid medical marijuana establishment registration certification or license to operate a marijuana establishment from state prosecution for possession, delivery and production of marijuana and provides for the licensing and regulation of such establishments by the Department of Taxation. (Chapters 453A and 453D of NRS) **Section 245** of this bill repeals the provisions of existing law governing the medical use of marijuana and the use of marijuana by persons 21 years of age or older in this State. **Sections 2-187** of this bill generally: (1) reenact, revise and reorganize these provisions into a new title of NRS; and (2) transfer the authority to license and regulate persons and establishments involved in

the marijuana industry in this State to the Cannabis Compliance Board created by **section 54** of this bill.

Under the provisions of this bill, the term “marijuana,” as used under the provisions of existing law governing the marijuana industry in this State, is replaced with the term “cannabis.”

Section 16 of this bill designates the use of cannabis by a person 21 years of age or older as the “adult use of cannabis.” **Section 8** of this bill designates certain establishments that engage in certain business related to the adult use of cannabis as “adult-use cannabis establishments.” Similarly, **section 46** of this bill designates the use of cannabis by a person to mitigate the symptoms or effects of a chronic or debilitating medical condition, as defined in **section 128** of this bill, as the “medical use of cannabis.” **Section 39** of this bill designates certain establishments that engage in certain business related to the medical use of cannabis as “medical cannabis establishments.”

Section 52 of this bill creates the Cannabis Advisory Commission, which includes ex officio members and members appointed by the Governor, for the purposes of studying issues and making recommendations to the Cannabis Compliance Board related to the regulation of cannabis in this State. **Section 54** of this bill creates the Cannabis Compliance Board, consisting of five members appointed by the Governor and generally modeled after the Nevada Gaming Control Board.

Section 58 of this bill sets the annual salaries for each member of the Board.

Sections 59-82 of this bill set forth the powers and duties of the Board, which generally consist of the regulation, licensing and registration of establishments and persons engaged in the production and sale of cannabis and cannabis products in this State. **Section 65** of this bill sets forth procedures by which the Board is authorized to adopt regulations. **§ and provides a procedure for the Legislative Commission to review and object to such regulations.**

Section 66 of this bill provides that certain records, information and data relating to certain licensees or registrants are confidential. **Section 67** of this bill : (1) requires the Board to perform certain audits of the accounts, programs, funds, activities and functions of licensees **§ ; and (2) authorizes the Board to require the Department of Taxation to perform a tax audit of licensees.** **Sections 68-82** of this bill set forth the procedures by which the Board may take disciplinary action against a licensee or registrant.

Sections 84-123 of this bill reenact and revise provisions of existing law governing the licensure of marijuana establishments, medical marijuana establishments and medical marijuana establishment agents, and reorganize these provisions into a new chapter of NRS governing the licensure of cannabis establishments and registration of cannabis establishment agents. **Section 104** of this bill requires each person who holds an ownership interest of more than 5 percent in a cannabis establishment to obtain a cannabis establishment agent registration card for a cannabis executive. **Section 106** of this bill authorizes the Board to impose certain requirements and standards on a licensee that is a business entity under certain circumstances.

~~—Section 100 of this bill authorizes the Board to decide whether to accept applications for and issue licenses to operate cannabis consumption lounges. If the Board decides to accept applications for and issue such licenses, section 100 sets forth requirements for a person to obtain such a license. Sections 119-121 of this bill set forth requirements for the operation of a cannabis consumption lounge.~~

~~—Existing law prohibits a person from opening or maintaining a place for the purpose of unlawfully selling, giving away or using any controlled substance. (NRS 453.316) Section 215 of this bill exempts a licensed cannabis consumption lounge that does not sell or give away a controlled substance from the application of this provision.~~

Section 116 of this bill prohibits a person who does not hold a license issued pursuant to the provisions of this bill from: (1) engaging in certain advertising relating to cannabis; (2) selling, offering to sell or appearing to sell cannabis or cannabis products; or (3) allowing the submission of an order for cannabis or cannabis products.

Sections 125-171 of this bill reenact and revise provisions of existing law governing the medical use of marijuana and reorganize such provisions into a new chapter of NRS governing the medical use of cannabis.

Sections 139-144 and 166-169 of this bill reenact provisions of existing law governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters by the Division of Public and Behavioral Health of the

Department of Health and Human Services. The reenactment of those provisions is not intended to substantively change those provisions, but merely to recodify the existing law alongside the other provisions of this bill.

Sections 173-187 of this bill reenact and revise provisions of existing law governing the use of marijuana by persons 21 years of age or older and reorganize such provisions into a new chapter of NRS governing the adult use of cannabis.

Existing law provides that it is lawful, and must not be the basis for prosecution or penalty by the State or a political subdivision of this State and must not in this State be a basis for seizure or forfeiture of assets, for a person 21 years of age or older to engage in certain actions relating to marijuana. (NRS 453D.110, 453D.130) Existing law similarly provides that it is lawful for certain marijuana establishments to engage in certain actions relating to marijuana. (NRS 453D.120) **Section 178** of this bill provides for similar protections for persons and establishments engaged in certain actions relating to the adult use of cannabis. However, **section 178** is modeled after the provisions of **section 137** of this bill and provides an exemption from State prosecution for persons 21 years of age or older and cannabis establishments from certain actions relating to the adult use of cannabis.

Sections 150 and 185 of this bill allow a dual licensee to combine the inventory of its medical cannabis establishments and adult-use cannabis establishments for the purpose of maintaining its inventory control system and require a dual licensee to designate a sale to be pursuant to either the provisions of this bill relating to the medical use of cannabis or the provisions of this bill relating to the adult use of cannabis.

Sections 151 and 185 of this bill authorize a medical cannabis dispensary and an adult-use cannabis retail store to contract with a third party or intermediary business to deliver cannabis or cannabis products under certain circumstances.

Section 196 of this bill exempts the Cannabis Compliance Board from the requirements of the Nevada Administrative Procedure Act. (NRS 233B.039)

Sections 197.5, 198.5 and 199.5 of this bill prohibit a local government from licensing a business which allows the consumption of cannabis on its premises or allowing such a business to operate. Section 239.5 of this bill requires the Cannabis Compliance Board to conduct a study relating to such businesses.

Existing law authorizes the State Department of Agriculture to adopt certain regulations relating to the testing of crops of industrial hemp and commodities and products made using industrial hemp by an independent testing laboratory. (NRS 557.270) **Sections 223, 213.5 and 227** of this bill divide the responsibility for the adoption of regulations relating to industrial hemp and commodities and products made using hemp between the State Department of Agriculture and the ~~Cannabis Compliance Board~~ **Department of Health and Human Services**. **Section 223, 213.5** of this bill ~~authorizes~~ **requires** the ~~Board~~ **Department of Health and Human Services** to adopt regulations ~~[(1) setting forth quality standards for] governing the testing and labeling of~~ commodities and products made using industrial hemp and certain similar products containing cannabidiol which are intended for human ~~for animal~~ consumption. ~~[(2) governing the testing and labeling of such commodities and products; and (3) governing the conduct of persons who produce such commodities and products.]~~ **Section 227** of this bill authorizes the State Department of Agriculture to adopt regulations governing all other industrial hemp and all other commodities and products made using industrial hemp.

Sections 188-195, 197-222, 224-226, 197, 198, 199, 201-213, 214, 216-222, 224, 226, 227 and 229-237 of this bill make conforming changes.

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

Section 1. NRS is hereby amended by adding thereto a new title, designated title 60 of NRS, to consist of the provisions set forth as sections 3 to 82, inclusive, 84 to 123, inclusive, 125 to 171, inclusive, and 173 to 187, inclusive, of this act.

1 **Sec. 2.** The title of NRS created by section 1 of this act is hereby amended by
2 adding thereto a new chapter to consist of the provisions set forth as sections 3 to
3 82, inclusive, of this act.

4 **Sec. 3.** *The Legislature hereby finds, and declares to be the public policy of*
5 *this State, that:*

6 1. *The cannabis industry is beneficial to the economy of the State and the*
7 *general welfare of its residents.*

8 2. *The continued growth and success of the cannabis industry is dependent*
9 *upon public confidence and trust that:*

10 (a) *Residents who suffer from chronic or debilitating medical conditions will*
11 *be able to obtain medical cannabis safely and conveniently;*

12 (b) *Residents who choose to engage in the adult use of cannabis may also*
13 *obtain adult-use cannabis in a safe and efficient manner;*

14 (c) *Cannabis establishments do not unduly impact the quality of life enjoyed*
15 *by residents of the surrounding neighborhoods;*

16 (d) *Cannabis licenses and registration cards are issued in a fair and*
17 *equitable manner;*

18 (e) *The holders of cannabis licenses and registration cards are representative*
19 *of their communities; and*

20 (f) *The cannabis industry is free from criminal and corruptive elements.*

21 3. *Public confidence and trust can only be maintained by strict regulation*
22 *of all persons, locations, practices, associations and activities related to the*
23 *operation of cannabis establishments.*

24 4. *All cannabis establishments and cannabis establishment agents must*
25 *therefore be licensed, controlled and assisted to protect the public health, safety,*
26 *morals, good order and general welfare of the inhabitants of the State, to foster*
27 *the stability and success of the cannabis industry and to preserve the competitive*
28 *economy and policies of free competition of the State of Nevada.*

29 **Sec. 4.** *As used in this title, unless the context otherwise requires, the words*
30 *and terms defined in sections 5 to 51, inclusive, of this act have the meanings*
31 *ascribed to them in those sections.*

32 **Sec. 5.** *“Administer” has the meaning ascribed to it in NRS 453.021.*

33 **Sec. 6.** *“Adult-use cannabis cultivation facility” means a business that:*

34 1. *Is licensed by the Board pursuant to section 96 of this act; and*

35 2. *Acquires, possesses, cultivates, delivers, transfers, supplies or sells*
36 *cannabis and related supplies to:*

37 (a) *Adult-use cannabis retail stores;*

38 (b) *Adult-use cannabis production facilities; or*

39 (c) *Other adult-use cannabis cultivation facilities.*

40 **Sec. 7.** *“Adult-use cannabis distributor” means a business that:*

41 1. *Is licensed by the Board pursuant to section 96 of this act; and*

42 2. *Transports cannabis or adult-use cannabis products from an adult-use*
43 *cannabis establishment to another adult-use cannabis establishment.*

44 **Sec. 8.** *“Adult-use cannabis establishment” means:*

45 1. *An adult-use cannabis independent testing laboratory;*

46 2. *An adult-use cannabis cultivation facility;*

47 3. *An adult-use cannabis production facility;*

48 4. *An adult-use cannabis retail store; or*

49 5. *An adult-use cannabis distributor.*

50 **Sec. 9.** *“Adult-use cannabis establishment license” means a license that is*
51 *issued by the Board pursuant to section 96 of this act to authorize the operation*
52 *of an adult-use cannabis establishment.*

1 **Sec. 10.** *“Adult-use cannabis independent testing laboratory” means a*
2 *facility described in section 117 of this act that:*

3 1. *Is licensed by the Board pursuant to section 96 of this act; and*

4 2. *Tests:*

5 (a) *Cannabis intended for the adult use of cannabis.*

6 (b) *Adult-use cannabis products.*

7 **Sec. 11.** 1. *“Adult-use cannabis-infused product” means a product*
8 *intended for the adult use of cannabis that:*

9 (a) *Is infused with cannabis or an extract thereof; and*

10 (b) *Is intended for use or consumption by humans through means other than*
11 *inhalation or oral ingestion.*

12 2. *The term includes, without limitation, topical products, ointments, oils*
13 *and tinctures.*

14 **Sec. 12.** *“Adult-use cannabis product” means:*

15 1. *An adult-use edible cannabis product; or*

16 2. *An adult-use cannabis-infused product.*

17 **Sec. 13.** *“Adult-use cannabis production facility” means a business that:*

18 1. *Is licensed by the Board pursuant to section 96 of this act; and*

19 2. *Acquires, possesses, manufactures, delivers, transfers, supplies or sells*
20 *adult-use cannabis products to adult-use cannabis retail stores.*

21 **Sec. 14.** *“Adult-use cannabis retail store” means a business that:*

22 1. *Is licensed by the Board pursuant to section 96 of this act; and*

23 2. *Acquires, possesses, delivers, transfers, supplies, sells or dispenses*
24 *cannabis or related supplies to a consumer or to another adult-use cannabis*
25 *retail store.*

26 **Sec. 15.** *“Adult-use edible cannabis product” means a product intended for*
27 *the adult use of cannabis that:*

28 1. *Contains cannabis or an extract thereof;*

29 2. *Is intended for human consumption by oral ingestion; and*

30 3. *Is presented in the form of a foodstuff, extract, oil, tincture or other*
31 *similar product.*

32 **Sec. 16.** *“Adult use of cannabis” means:*

33 1. *The possession, delivery, production or use of cannabis;*

34 2. *The possession, delivery or use of paraphernalia used to administer*
35 *cannabis; or*

36 3. *Any combination of the acts described in subsections 1 and 2,*

37 *↪ by a person 21 years of age or older.*

38 **Sec. 17.** *“Board” means the Cannabis Compliance Board created by*
39 *section 54 of this act.*

40 **Sec. 18.** *“Cannabis” has the meaning ascribed to the term “marijuana” in*
41 *NRS 453.096.*

42 **Sec. 19.** ~~*“Cannabis consumption lounge” means a business that:*~~

43 ~~1. *Is licensed by the Board pursuant to section 100 of this act; and*~~

44 ~~2. *Allows cannabis or cannabis products to be consumed on the premises of*~~
45 ~~*the business.*~~ **(Deleted by amendment.)**

46 **Sec. 20.** ~~*“Cannabis consumption lounge license” means a license that is*~~
47 ~~*issued by the Board pursuant to section 100 of this act to authorize the operation*~~
48 ~~*of a cannabis consumption lounge.*~~ **(Deleted by amendment.)**

49 **Sec. 21.** *“Cannabis cultivation facility” means:*

50 1. *A medical cannabis cultivation facility; or*

51 2. *An adult-use cannabis cultivation facility.*

52 **Sec. 22.** *“Cannabis establishment” means:*

53 1. *An adult-use cannabis establishment; or*

2. A medical cannabis establishment. ~~1. or~~

~~3. A cannabis consumption lounge.~~

Sec. 23. "Cannabis establishment agent" means an owner, officer, board member, employee or volunteer of a cannabis establishment, an independent contractor who provides labor relating to the cultivation or processing of cannabis or the production of usable cannabis or cannabis products for a cannabis establishment or an employee of such an independent contractor.

Sec. 24. "Cannabis establishment agent registration card" means a registration card that is issued by the Board pursuant to section 103 of this act to authorize a person:

1. To be an owner, officer or board member of a cannabis establishment; or

2. To volunteer or work at or contract to provide labor for a cannabis establishment.

Sec. 25. "Cannabis establishment agent registration card for a cannabis executive" means a registration card issued by the Board pursuant to section 104 of this act.

Sec. 26. "Cannabis independent testing laboratory" means:

1. An adult-use cannabis independent testing laboratory; or

2. A medical cannabis independent testing laboratory.

Sec. 27. "Cannabis product" means:

1. An adult-use cannabis product; or

2. A medical cannabis product.

Sec. 28. "Cannabis production facility" means:

1. An adult-use cannabis production facility; or

2. A medical cannabis production facility.

Sec. 29. "Cannabis sales facility" means:

1. An adult-use cannabis retail store; or

2. A medical cannabis dispensary.

Sec. 30. "Commission" means the Cannabis Advisory Commission created by section 52 of this act.

Sec. 31. "Deliver" or "delivery" has the meaning ascribed to it in NRS 453.051.

Sec. 32. "Dual licensee" means a person or group of persons who possess a current, valid medical cannabis establishment license and a current, valid adult-use cannabis establishment license ~~1. or~~ of the same type.

Sec. 33. "Electronic verification system" means an electronic database that:

1. Keeps track of data in real time; and

2. Is accessible by the Board and by the cannabis establishment.

Sec. 34. "Executive Director" means the Executive Director of the Cannabis Compliance Board appointed pursuant to section 61 of this act.

Sec. 35. "License" means:

1. An adult-use cannabis establishment license; or

2. A medical cannabis establishment license. ~~1. or~~

~~3. A cannabis consumption lounge license.~~

Sec. 36. "Licensee" means the holder of a license.

Sec. 37. "Medical cannabis cultivation facility" means a business that:

1. Is licensed by the Board pursuant to section 91 of this act; and

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

(a) Medical cannabis dispensaries;

(b) Medical cannabis production facilities; or

(c) Other medical cannabis cultivation facilities.

1 **Sec. 38.** *“Medical cannabis dispensary” means a business that:*

2 1. *Is licensed by the Board pursuant to section 91 of this act; and*
3 2. *Acquires, possesses, delivers, transfers, transports, supplies, sells or*
4 *dispenses cannabis or related supplies and educational materials to the holder of*
5 *a valid registry identification card, as defined in section 133 of this act, or to*
6 *another medical cannabis dispensary.*

7 **Sec. 39.** *“Medical cannabis establishment” means:*

8 1. *A medical cannabis independent testing laboratory;*
9 2. *A medical cannabis cultivation facility;*
10 3. *A medical cannabis production facility; or*
11 4. *A medical cannabis dispensary.*

12 **Sec. 40.** *“Medical cannabis establishment license” means a license that is*
13 *issued by the Board pursuant to section 91 of this act to authorize the operation*
14 *of a medical cannabis establishment.*

15 **Sec. 41.** *“Medical cannabis independent testing laboratory” means a*
16 *facility described in section 117 of this act that:*

17 1. *Is licensed by the Board pursuant to section 91 of this act; and*
18 2. *Tests:*
19 (a) *Cannabis intended for the medical use of cannabis.*
20 (b) *Medical cannabis products.*

21 **Sec. 42.** 1. *“Medical cannabis-infused product” means a product*
22 *intended for the medical use of cannabis that:*

23 (a) *Is infused with cannabis or an extract thereof; and*
24 (b) *Is intended for use or consumption by humans through means other than*
25 *inhalation or oral ingestion.*

26 2. *The term includes, without limitation, topical products, ointments, oils*
27 *and tinctures.*

28 **Sec. 43.** *“Medical cannabis product” means:*

29 1. *A medical edible-cannabis product; or*
30 2. *A medical cannabis-infused product.*

31 **Sec. 44.** *“Medical cannabis production facility” means a business that:*

32 1. *Is licensed by the Board pursuant to section 91 of this act; and*
33 2. *Acquires, possesses, manufactures, delivers, transfers, transports,*
34 *supplies or sells medical cannabis products to medical cannabis dispensaries.*

35 **Sec. 45.** *“Medical edible cannabis product” means a product intended for*
36 *the medical use of cannabis that:*

37 1. *Contains cannabis or an extract thereof;*
38 2. *Is intended for human consumption by oral ingestion; and*
39 3. *Is presented in the form of a foodstuff, extract, oil, tincture or other*
40 *similar product.*

41 **Sec. 46.** *“Medical use of cannabis” means:*

42 1. *The possession, delivery, production or use of cannabis;*
43 2. *The possession, delivery or use of paraphernalia used to administer*
44 *cannabis; or*
45 3. *Any combination of the acts described in subsections 1 and 2,*
46 *↪ as necessary for the exclusive benefit of a person to mitigate the symptoms or*
47 *effects of his or her chronic or debilitating medical condition, as defined in*
48 *section 128 of this act.*

49 **Sec. 47.** *“Paraphernalia” means accessories, devices and other equipment*
50 *that is necessary or useful for a person to engage in the medical use of cannabis*
51 *or the adult use of cannabis.*

52 **Sec. 48.** *“Production” has the meaning ascribed to it in NRS 453.131.*

53 **Sec. 49.** *“Registrant” means the holder of a registration card.*

1 Sec. 50. "Registration card" means:

2 1. A cannabis establishment agent registration card; or

3 2. A cannabis establishment agent registration card for a cannabis
4 executive.

5 Sec. 51. "THC" ~~[means delta-9-tetrahydrocannabinol, which is the~~
6 ~~primary active ingredient in cannabis.]~~ has the meaning ascribed to it in NRS
7 453.139.

8 Sec. 52. 1. The Cannabis Advisory Commission is hereby created for the
9 purposes of studying issues related to, and making recommendations to the
10 Cannabis Compliance Board regarding the regulation of, cannabis and any
11 activity related to cannabis. The Commission consists of:

12 (a) The Executive Director of the Board, who shall serve as Chair of the
13 Commission;

14 (b) The Director of the Department of Public Safety;

15 (c) The Attorney General;

16 (d) The Executive Director of the Department of Taxation;

17 (e) Eight members appointed by the Governor as follows:

18 (1) One member who possesses knowledge, skill and experience in the
19 cultivation of cannabis;

20 (2) One member who possesses knowledge, skill and experience in the
21 business of retailing cannabis;

22 (3) One member who possesses knowledge, skill and experience in
23 laboratory sciences and toxicology;

24 (4) One member who possesses knowledge, skill and experience in the
25 manufacturing of cannabis products;

26 (5) One member who ~~is~~ :

27 (I) Is a physician licensed pursuant to chapter 630 or 633 of NRS
28 and ~~who~~ has knowledge, skill and experience in the medical use of cannabis
29 through clinical practice or medical research; or

30 (II) Has knowledge, skill and experience in public health or food
31 safety;

32 (6) One member who is a representative of an organization that
33 advocates on behalf of patients who engage in the medical use of cannabis;

34 (7) One member who possesses knowledge, skill and experience in the
35 field of criminal justice reform dealing specifically with the mitigation of the
36 disproportionate impact of drug prosecutions on communities of color; and

37 (8) One member who is an attorney licensed to practice in this State and
38 experienced in providing legal services to cannabis establishments or patients
39 who engage in the medical use of cannabis in this State or another jurisdiction.

40 2. Each appointed member of the Commission serves a term of 2 years.

41 3. An appointed member of the Commission:

42 (a) May be reappointed.

43 (b) Shall not serve more than 8 years.

44 4. Any vacancy occurring in the appointed membership of the Commission
45 must be filled by the Governor not later than 90 days after the vacancy. A
46 member appointed to fill a vacancy shall serve as a member of the Commission
47 for the remainder of the original term of appointment.

48 5. ~~[Members.]~~ Each member of the Commission ~~serve without~~
49 ~~compensation.~~ is entitled to receive a salary of not more than \$80, as fixed by the
50 Cannabis Compliance Board, for each day or portion thereof during which the
51 member is in attendance at a regularly called meeting of the Commission.

52 6. The members of the Commission may meet throughout each year at the
53 times and places specified by a call of the Chair or a majority of its members. A

majority of the members of the Commission constitutes a quorum, and a quorum may exercise all the powers conferred on the Commission.

7. The Cannabis Compliance Board shall provide the Commission with such staff as is necessary to carry out the duties of the Commission.

Sec. 53. 1. The Commission shall:

(a) Consider all matters submitted to it by the Board, the Governor or the Legislature;

(b) On its own initiative, recommend to the Board any guidelines, rules or regulations or any changes to existing guidelines, rules or regulations that the Commission considers important or necessary for the review and consideration of the Board; ~~and~~

(c) Advise the Board on the preparation of any regulations adopted pursuant to this title ~~if~~;

(d) Study the distribution of licenses, including, without limitation, the number of licenses authorized to be issued to cannabis establishments within the territory of each local government in this State, and recommend to the Board any statutory changes that the Commission determines to be appropriate; and

(e) Study the feasibility of the use of emerging technologies, including, without limitation, blockchain and systems that use a single source of truth, as a means of collecting data or efficiently and effectively handling transactions electronically to reduce or eliminate the handling of cash.

2. The Chair of the Commission may appoint:

(a) A subcommittee on public health to review and make recommendations on matters related to the labeling, packaging, marketing and advertising of cannabis and cannabis products, the potency of cannabis and cannabis products and any other issue related to the effect of cannabis and cannabis products on public health. Such recommendations may include, without limitation, maximum limits for individual servings of cannabis and cannabis products.

(b) A subcommittee on public safety and community mitigation to review and make recommendations on matters relating to the effects of cannabis on law enforcement, property, businesses and consumers.

(c) A subcommittee on the cannabis industry to review and make recommendations on matters relating to the stability of the market for and the cultivation, processing, manufacturing, transportation, distribution and seed-to-sale tracking of cannabis and cannabis products.

(d) A subcommittee on market participation to review and make recommendations on matters relating to the participation of women-owned businesses, minority-owned businesses, veteran-owned businesses and local agriculture in the cannabis industry in this State.

(e) A subcommittee on the prevention of unlicensed cannabis sales in this State to:

(1) Review the legal authority of state agencies and local governments to curtail the unlicensed sale of cannabis and cannabis products, including, without limitation, by use of Internet websites, sales centers or other buildings to evade the laws of this State relating to the licensing of cannabis establishments;

(2) Review the resources available to state agencies and local governments to prevent the unlicensed sale of cannabis and cannabis products;

(3) Examine gaps in the enforcement of the laws of this State, including, without limitation, the importation of cannabis and cannabis products from other states;

(4) Identify the extent of the unlicensed sale of cannabis and cannabis products in this State, including, without limitation, the number of operations

engaging in the unlicensed sale of cannabis and cannabis products and the most common methods used to engage in such sales;

(5) Examine any other issues relating to the unlicensed sale of cannabis or cannabis products that the Commission determines to be appropriate; and

(6) Make recommendations for efficiently and effectively closing any gaps in legal authority or enforcement identified by the subcommittee.

(f) A subcommittee on local governments to review and make recommendations on matters relating to the role of local governments in the regulation of the cannabis industry. In addition to any member of the Commission appointed to a subcommittee created pursuant to this paragraph, the Chair of the Commission shall appoint to the subcommittee:

(1) One member recommended by the governing body of the Nevada League of Cities; and

(2) One member recommended by the Nevada Association of Counties.

(g) A subcommittee on testing and laboratories to review and make recommendations on matters relating to the testing of cannabis and cannabis products and the efficient and effective operations of independent testing laboratories. In addition to any member of the Commission appointed to a subcommittee created pursuant to this paragraph, the Chair of the Commission shall appoint to the subcommittee one member who serves on an advisory committee for laboratories established by the Board to provide recommendations regarding the testing of cannabis.

(h) Any other subcommittee the Chair deems necessary to expedite the work of the Board.

3. If the Chair appoints a subcommittee pursuant to subsection 2, the subcommittee must:

(a) Contain not more than five members, who serve at the pleasure of the Chair; and

(b) Be chaired by the person selected as chair of the subcommittee by the Chair.

Sec. 54. The Cannabis Compliance Board, consisting of five members appointed by the Governor, is hereby created.

Sec. 55. 1. Each member of the Board must be ~~1, or within 6 months after appointment become and remain,~~ a resident of the State of Nevada.

2. No member of the Legislature, no person holding any elective office in the State Government, nor any officer or official of any political party is eligible for appointment to the Board.

3. Not more than three of the five members of the Board may be of the same political party.

4. It is the intention of the Legislature that the Board be composed of the most qualified persons available.

5. One member of the Board must:

(a) Be a certified public accountant certified or licensed by this State or another state of the United States or a public accountant qualified to practice public accounting under the provisions of chapter 628 of NRS, have 5 years of progressively responsible experience in general accounting and have a comprehensive knowledge of the principles and practices of corporate finance; or

(b) Possess the qualifications of an expert in the fields of corporate finance and auditing, general finance or economics.

6. One member of the Board must be selected with special reference to his or her training and experience in the fields of investigation or law enforcement.

7. One member of the Board must be an attorney licensed to practice in this State and selected with special reference to his or her knowledge, skill and experience in regulatory compliance.

8. One member of the Board must be selected with special reference to his or her knowledge, skill and experience in the cannabis industry.

9. One member of the Board must be a physician licensed pursuant to chapter 630 or 633 of NRS and ~~who has~~ have knowledge, skill and experience in the area of public health ~~or~~ or be a psychologist, clinical professional counselor, alcohol and drug abuse counselor or social worker with knowledge, skill and experience in the area of education and prevention of abuse relating to cannabis.

10. In addition to any other requirements imposed by this section, the member who is designated as Chair of the Board must have at least 5 years of leadership experience in his or her field.

Sec. 56. 1. The term of office of each member of the Board is 4 years, commencing on the last Monday in January.

2. The Governor shall appoint the members of the Board and designate one member to serve as Chair, who shall preside over all official activities of the Board.

3. The Governor may remove any member for misfeasance, malfeasance or nonfeasance in office. Removal may be made after:

(a) The member has been served with a copy of the charges against the member; and

(b) A public hearing before the Governor is held upon the charges, if requested by the member charged.

➤ The request for a public hearing must be made within 10 days after service upon such member of the charges. If a hearing is not requested, a member is removed effective 10 days after service of charges upon the member. A record of the proceedings at the public hearing must be filed with the Secretary of State.

Sec. 57. 1. A member of the Board must not be:

(a) A member of any political convention.

(b) A member of any committee of any political party, or engage in any party activities.

2. A member shall not be pecuniarily interested in any business or organization holding a license under this title or doing business with any person or organization holding a license or registration card under this title.

3. Before entering upon the duties of office, each member shall subscribe to the constitutional oath of office and, in addition, swear that the member is not pecuniarily interested in any person, business or organization holding a license or registration card under this title or doing business with any such person, business or organization. The oath of office must be filed in the Office of the Secretary of State.

Sec. 58. 1. The Chair of the Board is entitled to receive an annual salary of ~~[\$46,000.]~~ \$27,500.

2. Each of the other members of the Board is entitled to receive an annual salary of ~~[\$40,000.]~~ \$20,000.

Sec. 59. 1. The Board may employ the services of such persons as it considers necessary for the purposes of consultation or investigation.

2. The Board may consult with the State Department of Agriculture on any matters relating to industrial hemp, as defined in NRS 557.160.

Sec. 60. 1. The Board may hold regular and special meetings at such times and places as it may deem convenient, and it may hold at least one regular meeting each month.

2. All meetings of the Board are open to the public ~~and~~ and must be conducted in accordance with the provisions of chapter 241 of NRS.

3. A majority of the members constitutes a quorum of the Board, and a majority of members present at any meeting determines the action of the Board.

Sec. 61. 1. The position of Executive Director of the Cannabis Compliance Board is hereby created.

2. The Executive Director:

(a) Is appointed by the Board and may be removed by the Board;

(b) Is responsible for the conduct of the administrative matters of the Board; and

(c) Shall, except as otherwise provided in NRS 284.143, devote his or her entire time and attention to the business of the office of Executive Director and shall not pursue any other business or occupation or hold any other office for profit.

3. The Executive Director is entitled to an annual salary in the amount specified by the Board within the limits of legislative appropriations or authorizations.

Sec. 62. 1. The Executive Director may, subject to the approval of the Board:

(a) Establish, and from time to time alter, such a plan of organization as he or she may deem expedient.

(b) Acquire such furnishings, equipment, supplies, stationery, books, motor vehicles and other things as he or she may deem necessary or desirable in carrying out his or her functions and the functions of the Board.

(c) Incur such other expenses, within the limit of money available to the Board, as he or she may deem necessary.

2. Except as otherwise provided in this title, all costs of administration incurred by the Board must be paid out on claims from the State General Fund in the same manner as other claims against the State are paid.

3. ~~The [Board shall, within the limits of legislative appropriations or authorizations, employ and fix the salaries of or contract for the services of such professional, technical and operational personnel and consultants as the execution of its duties and the operation of the Board and Commission may require.]~~ Executive Director shall organize the work of the Board in such a way as to secure maximum efficiency in the conduct of the Board and make possible a definite placing of responsibility. To this end, the Executive Director may establish such organizational units within the Board as he or she deems necessary.

4. The Executive Director may employ such clerical or expert assistance as may be required.

5. Persons employed by the Board may be assigned to stations, offices or locations selected by the Executive Director both within this State and outside this State where, in the judgment of the Executive Director, it is necessary to maintain personnel to protect, investigate and ensure the safe and lawful conduct of the cannabis industry in this State.

6. Any person assigned to a station, office or location as provided in subsection 5 shall be entitled to receive a per diem allowance only when the business of the Board takes the person away from the particular station, office or location to which he or she is assigned.

7. The members of the Board and the Executive Director are exempt from the provisions of chapter 284 of NRS. The Executive Director is entitled to such leaves of absence as the Board prescribes, but such leaves must not be of lesser duration than those provided for other state employees pursuant to chapter 284 of

1 *NRS. Employees described in NRS 284.148 are subject to the limitations specified*
2 *in that section.*

3 **Sec. 63.** *In addition to any other powers granted by this title, the Board has*
4 *the power to:*

5 *1. Enter into interlocal agreements pursuant to NRS 277.080 to 277.180,*
6 *inclusive.*

7 *2. ~~Appoint officers and hire employees.~~*

8 *~~3.~~ Establish and amend a plan of organization for the Board, including,*
9 *without limitation, organizations of divisions or sections with leaders for such*
10 *divisions or sections.*

11 *~~4.~~ 3. Appear on its own behalf before governmental agencies of the State*
12 *or any of its political subdivisions.*

13 *~~5.~~ 4. Apply for and accept any gift, donation, bequest, grant or other*
14 *source of money to carry out the provisions of this title.*

15 *~~6.~~ 5. Execute all instruments necessary or convenient for carrying out the*
16 *provisions of this title.*

17 *~~7.~~ 6. Prepare, publish and distribute such studies, reports, bulletins and*
18 *other materials as the Board deems appropriate.*

19 *~~8.~~ 7. Refer cases to the Attorney General for criminal prosecution.*

20 *~~9.~~ 8. Maintain an official Internet website for the Board.*

21 *~~10.~~ 9. Monitor federal activity regarding cannabis ~~and~~ and report its*
22 *findings to the Legislature.*

23 **Sec. 64.** *1. The Board may adopt regulations necessary or convenient to*
24 *carry out the provisions of this title. Such regulations may include, without*
25 *limitation:*

26 *~~1.~~ (a) Financial requirements for licensees.*

27 *~~2.~~ (b) Establishing such investigative and enforcement mechanisms as the*
28 *Board deems necessary to ensure the compliance of a licensee or registrant with*
29 *the provisions of this title.*

30 *~~3.~~ (c) Requirements for licensees or registrants relating to the cultivation,*
31 *processing, manufacture, transport, distribution, testing, study, advertising and*
32 *sale of cannabis and cannabis products.*

33 *~~4.~~ (d) Policies and procedures to ensure that the cannabis industry in this*
34 *State is economically competitive, inclusive of racial minorities, women and*
35 *persons and communities that have been adversely affected by cannabis*
36 *prohibition and accessible to persons of low-income seeking to start a business.*

37 *(e) Policies and procedures governing the circumstances under which the*
38 *Board may waive the requirement to obtain a registration card pursuant to this*
39 *title for any person who holds an ownership interest of less than 5 percent in any*
40 *one cannabis establishment or an ownership interest in more than one cannabis*
41 *establishment of the same type that, when added together, is less than 5 percent.*

42 *(f) Reasonable restrictions on the signage, marketing, display and*
43 *advertising of cannabis establishments. Such a restriction must not require a*
44 *cannabis establishment to obtain the approval of the Board before using a logo,*
45 *sign or advertisement.*

46 *(g) Provisions governing the sales of products and commodities made from*
47 *industrial hemp, as defined in NRS 557.160, or containing cannabidiol by*
48 *cannabis establishments.*

49 *2. The Board shall adopt regulations providing for the gathering and*
50 *maintenance of comprehensive demographic information, including, without*
51 *limitation, information regarding race, ethnicity, age and gender, concerning*
52 *each:*

53 *(a) Owner and manager of a cannabis establishment.*

(b) Holder of a cannabis establishment agent registration card.

3. The Board shall transmit the information gathered and maintained pursuant to subsection 2 to the Director of the Legislative Counsel Bureau for transmission to the Legislature on or before January 1 of each odd-numbered year.

4. The Board shall, by regulation, establish a pilot program for identifying opportunities for an emerging small cannabis business to participate in the cannabis industry. As used in this subsection, "emerging small cannabis business" means a cannabis-related business that:

(a) Is in existence, operational and operated for a profit;

(b) Maintains its principal place of business in this State; and

(c) Satisfies requirements for the number of employees and annual gross revenue established by the Board by regulation.

Sec. 65. 1. The Board shall adopt, amend and repeal regulations in accordance with the following procedures:

(a) At least 30 days before a meeting of the Board at which the adoption, amendment or repeal of a regulation is considered, notice of the proposed action must be:

(1) Posted on the Internet website of the Board;

(2) Mailed to every person who has filed a request therefor with the Board; and

(3) When the Board deems advisable, mailed to any person whom the Board believes would be interested in the proposed action, and published in such additional form and manner as the Board prescribes.

(b) The notice of proposed adoption, amendment or repeal must include:

(1) A statement of the time, place and nature of the proceedings for adoption, amendment or repeal;

(2) Reference to the authority under which the action is proposed; and

(3) Either the express terms or an informative summary of the proposed action.

(c) On the date and at the time and place designated in the notice, the Board shall afford any interested person or his or her authorized representative, or both, the opportunity to present statements, arguments or contentions in writing, with or without opportunity to present them orally. The Board shall consider all relevant matter presented to it before adopting, amending or repealing any regulation.

(d) Any interested person may file a petition with the Board requesting the adoption, amendment or repeal of a regulation. The petition must state, clearly and concisely:

(1) The substance or nature of the regulation, amendment or repeal requested;

(2) The reasons for the request; and

(3) Reference to the authority of the Board to take the action requested.

↳ Upon receipt of the petition, the Board shall within 45 days deny the request in writing or schedule the matter for action pursuant to this subsection.

2. In emergencies, the Board may summarily adopt, amend or repeal any regulation if:

(a) The Board submits to the Governor:

(1) A written finding that such action is necessary for the immediate preservation of the public peace, health, safety, morals, good order or general welfare; and

(2) A written statement of the facts constituting an emergency;

1 (b) The Governor endorses the written finding and written statement
2 described in paragraph (a) by written endorsement at the end of the full text of
3 the written statement and written finding; and

4 (c) The Board files the written statement and written finding endorsed by the
5 Governor at the same time it adopts, amends or repeals the regulation.

6 3. In any hearing held pursuant to this section, the Board or its authorized
7 representative may administer oaths or affirmations, and may continue or
8 postpone the hearing from time to time and at such places as it prescribes.

9 4. The Board shall file a copy of any regulation adopted, amended or
10 repealed by the Board with the Legislative Counsel as soon as practicable after
11 adoption, amendment or repeal. The adoption, amendment or repeal of a
12 regulation by the Board becomes effective upon filing with the Secretary of State.
13 The Board shall not file a regulation with the Secretary of State until 15 days
14 after the date on which the regulation was adopted, amended or repealed by the
15 Board.

16 5. Upon the request of a Legislator, the Legislative Commission may
17 examine a regulation adopted, amended or repealed by the Board that is not yet
18 effective pursuant to subsection 4 to determine whether the regulation conforms
19 to the statutory authority pursuant to which it was adopted and whether the
20 regulation carries out the intent of the Legislature in granting that authority.

21 6. Except as otherwise provided in subsection 7, the Legislative Commission
22 shall:

23 (a) Review the regulation at its next regularly scheduled meeting if the
24 request for examination of the regulation is received more than 10 working days
25 before the meeting; or

26 (b) Refer the regulation for review to the Subcommittee to Review
27 Regulations appointed pursuant to subsection 6 of NRS 233B.067.

28 7. If the Board determines that an emergency exists which requires a
29 regulation of the Board for which a Legislator requested an examination
30 pursuant to subsection 5 to become effective before the next meeting of the
31 Legislative Commission is scheduled to be held, the Board may notify the
32 Legislative Counsel in writing of the emergency. Upon receipt of such a notice,
33 the Legislative Counsel shall refer the regulation for review by the Subcommittee
34 to Review Regulations as soon as practicable.

35 8. If the Legislative Commission, or the Subcommittee to Review
36 Regulations if the regulation was referred to the Subcommittee, approves the
37 regulation, the Legislative Counsel shall notify the Board that the Board may file
38 the regulation with the Secretary of State. If the Commission or the
39 Subcommittee objects to the regulation after determining that:

40 (a) The regulation does not conform to statutory authority; or

41 (b) The regulation does not carry out legislative intent,

42 the Legislative Counsel shall attach to the regulation a written notice of the
43 objection, including, if practicable, a statement of the reasons for the objection,
44 and shall promptly return the regulation to the Board.

45 9. If the Legislative Commission or the Subcommittee to Review
46 Regulations has objected to a regulation, the Board shall revise the regulation to
47 conform to the statutory authority pursuant to which it was adopted and to carry
48 out the intent of the Legislature in granting that authority and return it to the
49 Legislative Counsel within 60 days after the Board received the written notice of
50 the objection to the regulation pursuant to subsection 8. Upon receipt of the
51 revised regulation, the Legislative Counsel shall resubmit the regulation to the
52 Legislative Commission or the Subcommittee for review. If the Legislative
53 Commission or the Subcommittee approves the revised regulation, the Legislative

1 Counsel shall notify the Board that the Board may file the revised regulation with
2 the Secretary of State.

3 10. If the Legislative Commission or the Subcommittee to Review
4 Regulations objects to the revised regulation, the Legislative Counsel shall attach
5 to the revised regulation a written notice of the objection, including, if
6 practicable, a statement of the reasons for the objection, and shall promptly
7 return the revised regulation to the Board. The Board shall continue to revise the
8 regulation and resubmit it to the Legislative Commission or the Subcommittee
9 within 30 days after the Board receives a written notice of the objection to the
10 revised regulation.

11 **Sec. 66. 1. The Board shall cause to be made and kept a record of all**
12 **proceedings at regular and special meetings of the Board. These records are open**
13 **to public inspection.**

14 **2. Any and all information and data prepared or obtained by the Board or**
15 **by an agent or employee of the Board relating to a holder of or an applicant for a**
16 **medical cannabis establishment license pursuant to section 91 of this act other**
17 **than the name of a licensee and each owner, officer and board member of the**
18 **licensee and information relating to the scoring and ranking of applications and**
19 **the imposition of disciplinary action, are confidential and may be revealed in**
20 **whole or in part only in the course of the necessary administration of this title or**
21 **upon the lawful order of a court of competent jurisdiction. The Board may reveal**
22 **such information and data to an authorized agent of any agency of the United**
23 **States Government, any state or any political subdivision of a state or the**
24 **government of any foreign country. Notwithstanding any other provision of state**
25 **law, such information and data may not be otherwise revealed without specific**
26 **authorization by the Board pursuant to the regulations of the Board.**

27 **3. ~~Any~~ Except as otherwise provided in this subsection, any information**
28 **and data included in an application for an adult-use cannabis establishment**
29 **license ~~[, a cannabis consumption lounge license]~~ or a registration card is**
30 **confidential and may be revealed in whole or in part only in the course of the**
31 **necessary administration of this title or upon the lawful order of a court of**
32 **competent jurisdiction. The name of the holder of an adult-use cannabis**
33 **establishment license and each owner, officer and board member of the licensee**
34 **and information relating to the scoring and ranking of applications and the**
35 **imposition of disciplinary action are not confidential. The Board may reveal such**
36 **information and data to an authorized agent of any agency of the United States**
37 **Government, any state or any political subdivision of a state or the government of**
38 **any foreign country. Notwithstanding any other provision of state law, such**
39 **information and data may not be otherwise revealed without specific**
40 **authorization by the Board pursuant to the regulations of the Board.**

41 **4. All files, records, reports and other information and data pertaining to**
42 **matters related to cannabis in the possession of the Nevada Tax Commission or**
43 **the Department of Taxation must be made available to the Board as is necessary**
44 **to the administration of this title.**

45 **5. As used in this section, “information and data” means all information**
46 **and data in any form, including, without limitation, any oral, written, audio,**
47 **visual, digital or electronic form, and the term includes, without limitation, any**
48 **account, book, correspondence, file, message, paper, record, report or other type**
49 **of document, including, without limitation, any document containing self-**
50 **evaluative assessments, self-critical analysis or self-appraisals of an applicant’s**
51 **or licensee’s compliance with statutory or regulatory requirements.**

52 **Sec. 67. 1. As often as the Board deems necessary, the Board shall**
53 **conduct a financial or operational audit of the accounts, funds, programs,**

activities and functions of all licensees. As often as the Department deems necessary, the Department of Taxation shall conduct a tax audit of all licensees.

2. A licensee shall make available to the Board or Department of Taxation, as applicable, all books, accounts, claims, reports, vouchers and other records requested by the Board or Department in connection with an audit conducted pursuant to subsection 1.

3. If a licensee refuses to produce any of the records described in subsection 2, the Board or Department of Taxation, as applicable, may petition the district court to order the licensee to produce the requested records. The court shall order the production of all such records upon a finding that the requested records are within the scope of the audit.

~~4. All audits conducted pursuant to this section must be conducted with generally accepted auditing standards established by the American Institute of Certified Public Accountants.~~

~~5. If any audit report of the accounts, funds, programs, activities and functions of a licensee contains adverse or critical audit results, the Board~~ or Department of Taxation, as applicable, may require the licensee subject to the audit to respond, in writing, to the results of the audit. A licensee shall provide such response to the Board or Department not more than 15 days after receiving a request from the Board ~~or~~ or Department.

5. On or before April 1 of each year, the Board and the Department of Taxation shall submit to the Director of the Legislative Counsel Bureau a report concerning the audits conducted pursuant to this section for the preceding year. The report must include, without limitation:

(a) The number of audits performed pursuant to this section in the preceding year;

(b) A summary of the findings of the audits; and

(c) The cost of each audit.

Sec. 68. 1. If the Executive Director becomes aware that a licensee or registrant has violated, is violating or is about to violate any provision of this title or any regulation adopted pursuant thereto, the Executive Director may transmit the details of the suspected violation, along with any further facts or information related to the violation which are known to the Executive Director, to the Attorney General.

2. If any person other than the Executive Director becomes aware that a licensee or registrant has violated, is violating or is about to violate any provision of this title or any regulation adopted pursuant thereto, the person may file a written complaint with the Executive Director specifying the relevant facts. The Executive Director shall review each such complaint and, if the Executive Director finds the complaint not to be frivolous, may transmit the details of the suspected violation, along with any further facts or information derived from the review of the complaint to the Attorney General.

3. The employees of the Board who are certified by the Peace Officers' Standards and Training Commission created pursuant to NRS 289.500 shall cooperate with the Attorney General in the performance of any criminal investigation.

Sec. 69. 1. If the Executive Director transmits the details of a suspected violation to the Attorney General pursuant to section 68 of this act, the Attorney General shall conduct an investigation of the suspected violation to determine whether it warrants proceedings for disciplinary action of the licensee or registrant. If the Attorney General determines that further proceedings are warranted, he or she shall report the results of the investigation together with a

1 recommendation to the Executive Director in a manner which does not violate
2 the right of the person charged in the complaint to due process in any later
3 hearing on the complaint. The Executive Director shall transmit the
4 recommendation and other information received from the Attorney General to
5 the Board.

6 2. The Board shall promptly make a determination with respect to each
7 complaint resulting in an investigation by the Attorney General. The Board shall:

8 (a) Dismiss the complaint; or

9 (b) Proceed with appropriate disciplinary action in accordance with sections
10 70 to 78, inclusive, of this act ~~and~~ and the regulations adopted by the Board.

11 Sec. 70. 1. If the Board proceeds with disciplinary action pursuant to
12 section 69 of this act, the Board shall serve a complaint upon the respondent
13 either personally, or by registered or certified mail at the address of the
14 respondent that is on file with the Board. Such complaint must be a written
15 statement of charges and must set forth in ordinary and concise language the
16 acts or omissions with which the respondent is charged. The complaint must
17 specify the statutes and regulations which the respondent is alleged to have
18 violated, but must not consist merely of charges raised in the language of the
19 statutes or regulations. The complaint must provide notice of the right of the
20 respondent to request a hearing. The Chair of the Board may grant an extension
21 to respond to the complaint for good cause.

22 2. ~~The~~ Unless granted an extension, the respondent must answer within
23 20 days after the service of the complaint. In the answer the respondent:

24 (a) Must state in short and plain terms the defenses to each claim asserted.

25 (b) Must admit or deny the facts alleged in the complaint.

26 (c) Must state which allegations the respondent is without knowledge or
27 information to form a belief as to their truth. Such allegations shall be deemed
28 denied.

29 (d) Must affirmatively set forth any matter which constitutes an avoidance or
30 affirmative defense.

31 (e) May demand a hearing. Failure to demand a hearing constitutes a waiver
32 of the right to a hearing and to judicial review of any decision or order of the
33 Board, but the Board may order a hearing even if the respondent so waives his or
34 her right.

35 3. Failure to answer or to appear at the hearing constitutes an admission by
36 the respondent of all facts alleged in the complaint. The Board may take action
37 based on such an admission and on other evidence without further notice to the
38 respondent. If the Board takes action based on such an admission, the Board
39 shall include in the record which evidence was the basis for the action.

40 4. The Board shall determine the time and place of the hearing as soon as is
41 reasonably practical after receiving the respondent's answer. The Board shall
42 deliver or send by registered or certified mail a notice of hearing to all parties at
43 least 10 days before the hearing. The hearing must be held within 45 days after
44 receiving the respondent's answer unless an expedited hearing is determined to
45 be appropriate by the Board, in which event the hearing must be held as soon as
46 practicable.

47 Sec. 71. 1. Before a hearing before the Board, and during a hearing upon
48 reasonable cause shown, the Board shall issue subpoenas and subpoenas duces
49 tecum at the request of a party. All witnesses appearing pursuant to subpoena,
50 other than parties, officers or employees of the State of Nevada or any political
51 subdivision thereof, are entitled to receive fees and mileage in the same amounts
52 and under the same circumstances as provided by law for witnesses in civil
53 actions in the district courts. Witnesses entitled to fees or mileage who attend

1 *hearings at points so far removed from their residences as to prohibit return*
2 *thereto from day to day are entitled, in addition to witness fees and in lieu of*
3 *mileage, to the per diem compensation for subsistence and transportation*
4 *authorized for state officers and employees for each day of actual attendance and*
5 *for each day necessarily occupied in traveling to and from the hearings. Fees,*
6 *subsistence and transportation expenses must be paid by the party at whose*
7 *request the witness is subpoenaed. The Board may award as costs the amount of*
8 *all such expenses to the prevailing party.*

9 2. *The testimony of any material witness residing within or without the*
10 *State of Nevada may be taken by deposition in the manner provided by the*
11 *Nevada Rules of Civil Procedure.*

12 **Sec. 72.** 1. *At all hearings before the Board:*

13 (a) *Oral evidence may be taken only upon oath or affirmation administered*
14 *by the Board.*

15 (b) *Every party has the right to:*

16 (1) *Call and examine witnesses;*

17 (2) *Introduce exhibits relevant to the issues of the case;*

18 (3) *Cross-examine opposing witnesses on any matters relevant to the*
19 *issues of the case, even though the matter was not covered in a direct*
20 *examination;*

21 (4) *Impeach any witness regardless of which party first called the witness*
22 *to testify; and*

23 (5) *Offer rebuttal evidence.*

24 (c) *If the respondent does not testify in his or her own behalf, the respondent*
25 *may be called and examined as if under cross-examination.*

26 (d) *The hearing need not be conducted according to technical rules relating*
27 *to evidence and witnesses. Any relevant evidence may be admitted and is*
28 *sufficient in itself to support a finding if it is the sort of evidence on which*
29 *responsible persons are accustomed to rely in the conduct of serious affairs,*
30 *regardless of the existence of any common law or statutory rule which might*
31 *make improper the admission of such evidence over objection in a civil action.*

32 (e) *The parties or their counsel may by written stipulation agree that certain*
33 *specified evidence may be admitted even though such evidence might otherwise*
34 *be subject to objection.*

35 2. *The Board may take official notice of any generally accepted information*
36 *or technical or scientific matter within the field of cannabis, and of any other fact*
37 *which may be judicially noticed by the courts of this State. The parties must be*
38 *informed of any information, matters or facts so noticed, and must be given a*
39 *reasonable opportunity, on request, to refute such information, matters or facts*
40 *by evidence or by written or oral presentation of authorities, the manner of such*
41 *refutation to be determined by the Board.*

42 3. *Affidavits may be received in evidence at any hearing of the Board in*
43 *accordance with the following:*

44 (a) *The party wishing to use an affidavit must, not less than 10 days before*
45 *the day set for hearing, serve upon the opposing party or counsel, either*
46 *personally or by registered or certified mail, a copy of the affidavit which the*
47 *party proposes to introduce in evidence together with a notice as provided in*
48 *paragraph (c).*

49 (b) *Unless the opposing party, within 7 days after such service, mails or*
50 *delivers to the proponent a request to cross-examine the affiant, the opposing*
51 *party's right to cross-examine the affiant is waived and the affidavit, if*
52 *introduced in evidence, must be given the same effect as if the affiant had*
53 *testified orally. If an opportunity to cross-examine an affiant is not afforded after*

request therefor is made in accordance with this paragraph, the affidavit may be introduced in evidence, but must be given only the same effect as other hearsay evidence.

(c) The notice referred to in paragraph (a) must be substantially in the following form:

The accompanying affidavit of (here insert name of affiant) will be introduced as evidence at the hearing set for the day of the month of of the year (Here insert name of affiant) will not be called to testify orally and you will not be entitled to question (here insert name of affiant) unless you notify the undersigned that you wish to cross-examine (here insert name of affiant). To be effective your request must be mailed or delivered to the undersigned on or before 7 days from the date this notice and the enclosed affidavit are served upon you.

.....
(Party or Counsel)
.....

(Address)

Sec. 73. The following procedures apply at all hearings of the Board:

1. At least three members of the Board shall be present at every hearing, and they shall exercise all powers relating to the conduct of the hearing and shall enforce all decisions with respect thereto.

2. The proceedings at the hearing must be reported either stenographically or by a phonographic reporter.

Sec. 74. After the Board has initiated a hearing pursuant to section 70 of this act, the members of the Board shall not communicate, directly or indirectly, in connection with any issue of fact, with any person or party, nor, in connection with any issue of law, with any party or the party's representative, except upon notice and opportunity to all parties to participate.

Sec. 75. The Board may, before submission of the case for decision, permit the filing of amended or supplemental pleadings and shall notify all parties thereof, and provide a reasonable opportunity for objections thereto.

Sec. 76. If any person in proceedings before the Board disobeys or resists any lawful order or refuses to respond to a subpoena, or refuses to take the oath or affirmation as a witness or thereafter refuses to be examined, or is guilty of misconduct during the hearing or so near the place thereof as to obstruct the proceeding, the Board may certify the facts to the district court in and for the county where the proceedings are held. The court shall thereupon issue an order directing the person to appear before the court and show cause why the person should not be punished as for contempt. The court order and a copy of the statement of the Board must be served on the person cited to appear. Thereafter the court has jurisdiction of the matter, and the same proceedings must be had, the same penalties may be imposed and the person charged may purge himself or herself of the contempt in the same way as in the case of a person who has committed a contempt in the trial of a civil action before a district court.

Sec. 77. 1. ~~[After]~~ Within 60 days after the hearing of a contested matter, the Board shall render a written decision on the merits which must contain findings of fact, a determination of the issues presented and the penalty to be imposed, if any. The Board shall thereafter make and enter its written order in conformity to its decision. No member of the Board who did not hear the evidence may vote on the decision. The affirmative votes of a majority of the whole Board are required to impose any penalty. Copies of the decision and order must be

1 served on the parties personally or sent to them by registered or certified mail.
2 The decision is effective upon such service, unless the Board orders otherwise.

3 2. The Board may, upon motion made within 10 days after service of a
4 decision and order, order a rehearing before the Board upon such terms and
5 conditions as it may deem just and proper if a petition for judicial review of the
6 decision and order has not been filed. The motion must not be granted except
7 upon a showing that there is additional evidence which is material and necessary
8 and reasonably calculated to change the decision of the Board, and that
9 sufficient reason existed for failure to present the evidence at the hearing of the
10 Board. The motion must be supported by an affidavit of the moving party or his
11 or her counsel showing with particularity the materiality and necessity of the
12 additional evidence and the reason why it was not introduced at the hearing.
13 Upon rehearing, rebuttal evidence to the additional evidence must be permitted.
14 After rehearing, the Board may modify its decision and order as the additional
15 evidence may warrant.

16 **Sec. 78.** If the Board finds that a licensee or registrant has violated a
17 provision of this title or any regulation adopted pursuant thereto, the Board may
18 take any or all of the following actions:

19 1. Limit, condition, suspend or revoke the license or registration card of the
20 licensee or registrant.

21 2. Impose a civil penalty ~~of not more than \$10,000~~ in an amount
22 established by regulation for each violation.

23 **Sec. 79.** 1. Any person aggrieved by a final decision or order of the Board
24 made after hearing or rehearing by the Board pursuant to sections 70 to 78,
25 inclusive, of this act and whether or not a motion for rehearing was filed, may
26 obtain a judicial review thereof in the district court of the county in which the
27 petitioner resides or has his, her or its principal place of business.

28 2. The judicial review must be instituted by filing a petition within 20 days
29 after the effective date of the final decision or order. A petition may not be filed
30 while a motion for rehearing or a rehearing is pending before the Board. The
31 petition must set forth the order or decision appealed from and the grounds or
32 reasons why petitioner contends a reversal or modification should be ordered.

33 3. Copies of the petition must be served upon the Board and all other parties
34 of record, or their counsel of record, either personally or by certified mail.

35 4. The court, upon a proper showing, may permit other interested persons to
36 intervene as parties to the appeal or as friends of the court.

37 5. The filing of the petition does not stay enforcement of the decision or
38 order of the Board, but the Board itself may grant a stay upon such terms and
39 conditions as it deems proper.

40 **Sec. 80.** 1. Upon written request of the petitioner, the complete record on
41 review, or such parts thereof as are designated by the petitioner, must be prepared
42 by the Board.

43 2. The complete record on review must include copies of:

44 (a) All pleadings in the case;

45 (b) All notices and interim orders issued by the Board in connection with the
46 case;

47 (c) All stipulations;

48 (d) The decision and order appealed from;

49 (e) A transcript of all testimony, evidence and proceedings at the hearing;

50 (f) The exhibits admitted or rejected; and

51 (g) Any other papers in the case.

1 ↪ *The original of any document may be used in lieu of a copy thereof. The*
2 *record on review may be shortened by stipulation of all parties to the review*
3 *proceedings.*

4 3. *The record on review must be filed with the reviewing court within 30*
5 *days after service of the petition for review, but the court may allow the Board*
6 *additional time to prepare and transmit the record on review.*

7 **Sec. 81.** *1. The reviewing court may, upon motion therefor, order that*
8 *additional evidence in the case be taken by the Board upon such terms and*
9 *conditions as the court deems just and proper. The motion must not be granted*
10 *except upon a showing that the additional evidence is material and necessary and*
11 *that sufficient reason existed for failure to present the evidence at the hearing of*
12 *the Board. The motion must be supported by an affidavit of the moving party or*
13 *his or her counsel showing with particularity the materiality and necessity of the*
14 *additional evidence and the reason why it was not introduced in the*
15 *administrative hearing. Rebuttal evidence to the additional evidence must be*
16 *permitted. In cases in which additional evidence is presented to the Board, the*
17 *Board may modify its decisions and orders as the additional evidence may*
18 *warrant and shall file with the reviewing court a transcript of the additional*
19 *evidence together with any modifications of the decision and order, all of which*
20 *become a part of the record on review.*

21 2. *The review must be conducted by the court sitting without a jury, and*
22 *must not be a trial de novo but is confined to the record on review. The filing of*
23 *briefs and oral argument must be made in accordance with the rules governing*
24 *appeals in civil cases unless the local rules of practice adopted in the judicial*
25 *district provide a different procedure.*

26 3. *The reviewing court may affirm the decision and order of the Board, or it*
27 *may remand the case for further proceedings or reverse the decision if the*
28 *substantial rights of the petitioner have been prejudiced because the decision is:*

- 29 (a) *In violation of constitutional provisions;*
30 (b) *In excess of the statutory authority or jurisdiction of the Board;*
31 (c) *Made upon unlawful procedure;*
32 (d) *Unsupported by any evidence; or*
33 (e) *Arbitrary or capricious or otherwise not in accordance with law.*

34 **Sec. 82.** *1. Any party aggrieved by the final decision in the district court*
35 *after a review of the decision and order of the Board may appeal to the appellate*
36 *court of competent jurisdiction pursuant to the rules fixed by the Supreme Court*
37 *pursuant to Section 4 of Article 6 of the Nevada Constitution in the manner and*
38 *within the time provided by law for appeals in civil cases. The appellate court of*
39 *competent jurisdiction shall follow the same procedure thereafter as in appeals in*
40 *civil actions, and may affirm, reverse or modify the decision as the record and*
41 *law warrant.*

42 2. *The judicial review by the district court and the appellate court of*
43 *competent jurisdiction afforded in this chapter is the exclusive method of review*
44 *of the Board's actions, decisions and orders in disciplinary hearings against a*
45 *licensee held pursuant to sections 70 to 78, inclusive, of this act. Judicial review*
46 *is not available for actions, decisions and orders of the Board relating to the*
47 *denial of a license or registration card. Extraordinary common-law writs or*
48 *equitable proceedings are available except where statutory judicial review is made*
49 *exclusive or is precluded, or the use of those writs or proceedings is precluded by*
50 *specific statute.*

1 **Sec. 83.** The title of NRS created by section 1 of this act is hereby amended
2 by adding thereto a new chapter to consist of the provisions set forth in sections 84
3 to 123, inclusive, of this act.

4 **Sec. 84.** *As used in this chapter, unless the context otherwise requires, the*
5 *words and terms defined in sections 85 to 89, inclusive, of this act have the*
6 *meanings ascribed to them in those sections.*

7 **Sec. 85.** *“Concentrated cannabis” has the meaning ascribed to it in NRS*
8 *453.042.*

9 **Sec. 86.** *“Enclosed, locked facility” means a closet, display case, room,*
10 *greenhouse or other enclosed area that meets the requirements of section 153 of*
11 *this act and is equipped with locks or other security devices which allow access*
12 *only by a registrant.*

13 **Sec. 87. 1.** *“Excluded felony offense” means a conviction of an offense*
14 *that would constitute a category A felony if committed in this State or convictions*
15 *for two or more offenses that would constitute felonies if committed in this State.*

16 2. *The term does not include:*

17 (a) *A criminal offense for which the sentence, including any term of*
18 *probation, incarceration or supervised release, was completed more than 10 years*
19 *ago; or*

20 (b) *An offense involving conduct that would be immune from arrest,*
21 *prosecution, or penalty pursuant to this title, except that the conduct occurred*
22 *before October 1, 2001, or was prosecuted by an authority other than the State of*
23 *Nevada.*

24 **Sec. 88.** *“Inventory control system” means a process, device or other*
25 *contrivance that may be used to monitor the chain of custody of cannabis from*
26 *the point of cultivation to the end consumer.*

27 **Sec. 89.** *“Unreasonably impracticable” means the measures necessary to*
28 *comply with the law or regulation require such a high investment of risk, money,*
29 *time or any other resource or asset that the operation of a cannabis establishment*
30 *is not worthy of being carried out in practice by a reasonably prudent*
31 *businessperson.*

32 **Sec. 90.** *The Legislature hereby finds and declares that:*

33 1. *The purpose for licensing cannabis establishments and registering*
34 *cannabis establishment agents is to protect the public health and safety and the*
35 *general welfare of the people of this State.*

36 2. *Any:*

37 (a) *Medical cannabis establishment license issued pursuant to section 91 of*
38 *this act;*

39 (b) *Adult-use cannabis establishment license issued pursuant to section 96 of*
40 *this act;*

41 (c) ~~*[Cannabis consumption lounge license issued pursuant to section 100 of*~~
42 ~~*this act;*~~

43 ~~*(d)*~~ *(d)* *Cannabis establishment agent registration card issued pursuant to*
44 *section 103 of this act; and*

45 ~~*(e)*~~ *(d)* *Cannabis establishment agent registration card for a cannabis*
46 *executive issued pursuant to section 104 of this act,*

47 *↪ is a revocable privilege and the holder of such a license or card, as applicable,*
48 *does not acquire thereby any vested right.*

49 **Sec. 91. 1.** *A person shall not engage in the business of a medical*
50 *cannabis establishment unless the person holds a medical cannabis establishment*
51 *license issued by the Board pursuant to this section.*

1 2. A person who wishes to engage in the business of a medical cannabis
2 establishment must submit to the Board an application on a form prescribed by
3 the Board.

4 3. Except as otherwise provided in sections 92, 93 and 94 of this act, not
5 later than 90 days after receiving an application to engage in the business of a
6 medical cannabis establishment, the Board shall register the medical cannabis
7 establishment and issue a medical cannabis establishment license and a random
8 20-digit alphanumeric identification number if:

9 (a) The person who wishes to operate the proposed medical cannabis
10 establishment has submitted to the Board all of the following:

11 (1) The application fee, as set forth in section 107 of this act;

12 (2) An application, which must include:

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

14 (II) The physical address where the proposed medical cannabis
15 establishment will be located and the physical address of any co-owned additional
16 or otherwise associated medical cannabis establishments, the locations of which
17 may not be within 1,000 feet of a public or private school that provides formal
18 education traditionally associated with preschool or kindergarten through grade
19 12 and that existed on the date on which the application for the proposed medical
20 cannabis establishment was submitted to the Board, ~~for~~ within 300 feet of a
21 community facility that existed on the date on which the application for the
22 proposed medical cannabis establishment was submitted to the Board ~~for~~ or, if the
23 proposed medical cannabis establishment will be located in a county whose
24 population is 100,000 or more, within 1,500 feet of an establishment that holds a
25 nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177 and
26 that existed on the date on which the application for the proposed medical
27 cannabis establishment was submitted to the Board;

28 (III) Evidence that the applicant controls not less than \$250,000 in
29 liquid assets to cover the initial expenses of opening the proposed medical
30 cannabis establishment and complying with the provisions of this title;

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

35 (V) For the applicant and each person who is proposed to be an
36 owner, officer or board member of the proposed medical cannabis establishment,
37 a complete set of the person's fingerprints and written permission of the person
38 authorizing the Board to forward the fingerprints to the Central Repository for
39 Nevada Records of Criminal History for submission to the Federal Bureau of
40 Investigation for its report; and

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

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

47 (3) Operating procedures consistent with rules of the Board for oversight
48 of the proposed medical cannabis establishment, including, without limitation:

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

50 (II) The use of an electronic verification system and an inventory
51 control system pursuant to sections 149 and 150 of this act;

(4) If the proposed medical cannabis establishment will sell or deliver medical cannabis products, proposed operating procedures for handling such products which must be preapproved by the Board;

(5) If the city ~~[-town]~~ or county in which the proposed medical cannabis 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 cannabis establishment]~~ location is in compliance with those restrictions and satisfies all applicable building requirements; and

(6) Such other information as the Board may require by regulation;

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

(1) Served as an owner, officer or board member for a cannabis establishment that has had its medical cannabis establishment license ~~[-]~~ or adult-use cannabis establishment license ~~[-or cannabis consumption lounge license]~~ revoked;

(2) Previously had a cannabis establishment agent registration card revoked; or

(3) Previously had a cannabis establishment agent registration card for a cannabis executive revoked; and

(d) None of the persons who are proposed to be owners, officers or board members of the proposed medical cannabis 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 cannabis establishment, the Board 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 cannabis establishment satisfies the requirements of this section, is qualified in the determination of the Board pursuant to section 105 of this act and the establishment is not disqualified from being registered as a medical cannabis establishment pursuant to this section or other applicable law, the Board shall issue to the establishment a medical cannabis establishment license. A medical cannabis establishment license expires 1 year after the date of issuance and may be renewed upon:

(a) ~~[-Resubmission]~~ Submission of the information ~~[-set forth in this section, except that the fingerprints required to be submitted pursuant to subsection 4.]~~

~~-----~~ (1) Of each person who holds an ownership interest of less than 5 percent in any one medical cannabis establishment or an ownership interest in more than one medical cannabis establishment of the same kind that, when added together, is less than 5 percent, must only be submitted once in any 5 year period; and

~~-----~~ (2) Of each person who holds an ownership interest of 5 percent or more in any one medical cannabis establishment or an ownership interest in more than one medical cannabis establishment of the same kind that, when added together, equals 5 percent or more, or is an officer or board member of a medical cannabis establishment, ~~[-are not required to be submitted,]~~ required by the Board by regulation; and

~~(b) If a person holds an ownership interest as described in subparagraph (2) of paragraph (a), submission of proof that the person holds a valid cannabis establishment agent registration card for a cannabis executive issued by the Board pursuant to section 104 of this act;~~

~~—(c) Payment of the renewal fee set forth in section 107 of this act;—~~

~~—(d) If the medical cannabis establishment is a medical cannabis independent testing laboratory, submission of proof that the medical cannabis independent testing laboratory is accredited pursuant to standard ISO/IEC 17025 of the International Organization for Standardization;—~~

6. In determining whether to issue a medical cannabis establishment license pursuant to this section, the Board shall consider the criteria of merit set forth in section 94 of this act.

7. For the purposes of sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3, the distance must be measured from the front door of the proposed medical cannabis establishment to the closest point of the property line of a school, community facility or gaming establishment.

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

- (a) A facility that provides day care to children.
- (b) A public park.
- (c) A playground.
- (d) A public swimming pool.
- (e) A center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents.
- (f) A church, synagogue or other building, structure or place used for religious worship or other religious purpose.

Sec. 92. 1. Except as otherwise provided in this section and section 93 of this act, the Board shall issue medical cannabis establishment licenses for medical cannabis dispensaries in the following quantities for applicants who qualify pursuant to section 91 of this act:

- (a) In a county whose population is 700,000 or more, 40 licenses;
- (b) In a county whose population is 100,000 or more but less than 700,000, 10 licenses;
- (c) In a county whose population is 55,000 or more but less than 100,000, two licenses;
- (d) In each other county, one license; and
- (e) For each incorporated city in a county whose population is less than 100,000, one license.

2. The Board:

(a) Shall not issue medical cannabis establishment licenses for medical cannabis dispensaries in such a quantity as to cause the existence within the applicable county of more than one medical cannabis dispensary for every 10 pharmacies that have been licensed in the county pursuant to chapter 639 of NRS. The Board may issue medical cannabis establishment licenses for medical cannabis dispensaries in excess of the ratio otherwise allowed pursuant to this paragraph if doing so is necessary to ensure that the Board issues at least one medical cannabis establishment license in each county of this State and, pursuant to paragraph (e) of subsection 1, each incorporated city of this State in which the Board has approved an application for such an establishment to operate.

(b) Shall, for any county for which no applicants qualify pursuant to section 91 of this act, within 2 months after the end of the period during which the Board accepts applications pursuant to section 101 of this act, reallocate the licenses provided for that county pursuant to subsection 1 to the other counties specified in subsection 1 in the same proportion as provided in subsection 1.

1 3. With respect to medical cannabis establishments that are not medical
2 cannabis dispensaries, the Board shall:

3 (a) Issue a medical cannabis establishment license to at least one medical
4 cannabis cultivation facility and at least one medical cannabis production facility
5 in each county; and

6 (b) Determine the appropriate number of additional such establishments in
7 each county as are necessary to serve and supply the medical cannabis
8 dispensaries to which the Board has granted medical cannabis establishment
9 licenses and issue such a number of medical cannabis establishment licenses for
10 such establishments in each county.

11 Sec. 93. 1. Except as otherwise provided in this subsection, in a county
12 whose population is 100,000 or more, the Board shall ensure that not more than
13 25 percent of the total number of medical cannabis dispensaries that may be
14 licensed in the county, as set forth in section 92 of this act, are located in any one
15 local governmental jurisdiction within the county. The Board may increase the
16 percentage described in this subsection upon the request of the board of county
17 commissioners of the county. The Board shall adopt regulations setting forth the
18 requirements for granting such a request.

19 2. To prevent monopolistic practices, the Board shall ensure, in a county
20 whose population is 100,000 or more, that it does not issue, to any one person,
21 group of persons or entity, the greater of:

22 (a) One medical cannabis establishment license; or

23 (b) More than 10 percent of the medical cannabis establishment licenses
24 otherwise allocable in the county.

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

27 Sec. 94. 1. In determining whether to issue a medical cannabis
28 establishment license pursuant to section 91 of this act, the Board shall, in
29 addition to the factors set forth in that section, consider criteria of merit
30 established by regulation of the Board. Such criteria must include, without
31 limitation:

32 (a) Whether the applicant controls liquid assets in an amount determined by
33 the Board to be sufficient to cover the initial expenses of opening the proposed
34 medical cannabis establishment and complying with the provisions of this title;

35 (b) The previous experience of the persons who are proposed to be owners,
36 officers or board members of the proposed medical cannabis establishment at
37 operating other businesses or nonprofit organizations;

38 (c) The educational and life experience of the persons who are proposed to
39 be owners, officers or board members of the proposed medical cannabis
40 establishment;

41 (d) Any demonstrated knowledge or expertise on the part of the persons who
42 are proposed to be owners, officers or board members of the proposed medical
43 cannabis establishment with respect to the compassionate use of cannabis to treat
44 medical conditions;

45 (e) Whether the proposed location of the proposed medical cannabis
46 establishment would be convenient to serve the needs of persons who are
47 authorized to engage in the medical use of cannabis;

48 (f) The likely impact of the proposed medical cannabis establishment on the
49 community in which it is proposed to be located;

50 (g) The adequacy of the size of the proposed medical cannabis establishment
51 to serve the needs of persons who are authorized to engage in the medical use of
52 cannabis;

(h) Whether the applicant has an integrated plan for the care, quality and safekeeping of medical cannabis from seed to sale;

(i) The diversity on the basis of race, ethnicity, gender or veteran status of the applicant or the persons who are proposed to be owners, officers or board members of the proposed medical cannabis establishment, including, without limitation, the inclusion of persons of backgrounds which are disproportionately underrepresented as owners, officers or board members of medical cannabis establishments; and

(j) Any other criteria of merit that the Board determines to be relevant.

2. The Board shall adopt regulations for determining the relative weight of each criteria of merit established by the Board pursuant to subsection 1.

~~Sec. 95. {1. Each agency of a local government which performs inspections, reviews or other tasks related to ensuring that a medical cannabis establishment is in compliance with all applicable local governmental ordinances or rules pursuant to section 102 of this act shall maintain records of the hours its employees spend performing these inspections, reviews and tasks, the rate of pay of each such employee and the share of any costs for equipment for the agency which is attributable to the establishment.~~

~~2. Each agency of a local government shall provide records maintained pursuant to subsection 1 to the medical cannabis establishment not less than 30 days after the agency performs an inspection, review or other related task.~~

~~3. Except as otherwise provided in subsection 5:~~

~~(a) A medical cannabis establishment shall pay a fee to an agency of a local government which provides records of its costs to the establishment pursuant to subsection 2 in an amount equal to the actual costs of the agency to perform the inspection, review or other related task.~~

~~(b) If a medical cannabis establishment fails to pay the fee imposed by paragraph (a) within 30 days after receipt of the records provided pursuant to subsection 2, the agency may charge a penalty of \$500 and assess interest on the fee at a rate of 7 percent per year, commencing 30 days after receipt of the records.~~

~~4. Any revenue generated from a fee imposed pursuant to subsection 3:~~

~~(a) Must be expended only to pay the costs of the agency of a local government to perform an inspection, review or other task related to ensuring the medical cannabis establishment is in compliance with all applicable local governmental ordinances or rules; and~~

~~(b) Must not supplant any other support provided to the agency of a local government by the local government.~~

~~5. A medical cannabis establishment may appeal a fee imposed pursuant to subsection 3 to the appropriate local government by submitting a written request to the local government not more than 30 days after the imposition of the fee which includes documentation sufficient to show that the amount of the fee is unsubstantiated or erroneous. The obligation of the medical cannabis establishment to pay the fee is suspended until such an appeal is dismissed or the amount of the fee is redetermined pursuant to subsection 7.~~

~~6. A local government which receives a written request pursuant to subsection 5 shall administratively dismiss the request if it is not accompanied by documentation sufficient to show that the amount of the fee is unsubstantiated or erroneous.~~

~~7. A local government shall hold a hearing to determine the appropriate amount of a fee imposed pursuant to subsection 3 if the documentation which accompanies a written request submitted pursuant to subsection 5 shows that the amount of the fee was unsubstantiated or erroneous. The local government may~~

~~revise the amount of the fee only if it determines that the records maintained by the agency of the local government do not support the amount of the fee imposed.~~ (Deleted by amendment.)

Sec. 95.5. The Board may request information from a local government regarding any inspection or review of a cannabis establishment by the local government. A local government that receives a reasonable request from the Board pursuant to this section shall comply with the request as soon as is reasonably practicable after receiving the request.

Sec. 96. 1. A person shall not engage in the business of an adult-use cannabis establishment unless the person holds an adult-use cannabis establishment license issued pursuant to this section.

2. A person who wishes to engage in the business of an adult-use cannabis establishment must submit to the Board an application on a form prescribed by the Board.

3. Except as otherwise provided in sections 97, 98 and 99 of this act, the Board shall issue an adult-use cannabis establishment license to an applicant if:

(a) The person who wishes to operate the proposed adult-use cannabis establishment has submitted to the Board all of the following:

(I) The application fee, as set forth in section 107 of this act;

(2) An application, which must include:

(I) The legal name of the proposed adult-use cannabis establishment;

(II) The physical address where the proposed adult-use cannabis establishment will be located and the physical address of any co-owned additional or otherwise associated adult-use cannabis 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 adult-use cannabis establishment was submitted to the Board, ~~for~~ within 300 feet of a community facility that existed on the date on which the application for the proposed adult-use cannabis establishment was submitted to the Board ~~for~~ or, if the proposed adult-use cannabis establishment will be located in a county whose population is 100,000 or more, within 1,500 feet of an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177 and that existed on the date on which the application for the proposed adult-use cannabis establishment was submitted to the Board;

(III) Evidence that the applicant controls liquid assets in an amount determined by the Board to be sufficient to cover the initial expenses of opening the proposed adult-use cannabis establishment and complying with the provisions of this title;

(IV) Evidence that the applicant owns the property on which the proposed adult-use cannabis establishment will be located or has the written permission of the property owner to operate the proposed adult-use cannabis 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 adult-use cannabis establishment, a complete set of the person's fingerprints and written permission of the person authorizing the Board 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; and

(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 adult-use cannabis 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 adult-use cannabis establishment as a cannabis establishment agent;~~

(3) Operating procedures consistent with rules of the Board for oversight of the proposed adult-use cannabis establishment, including, without limitation:

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

(II) The use of an inventory control system;

(4) If the proposed adult-use cannabis establishment will sell or deliver adult-use cannabis products, proposed operating procedures for handling such products which must be preapproved by the Board; and

(5) Such other information as the Board may require by regulation;

(b) None of the persons who are proposed to be owners, officers or board members of the proposed adult-use cannabis 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 adult-use cannabis establishment have:

(1) Served as an owner, officer or board member for a cannabis establishment that has had its adult-use cannabis establishment license ~~for~~ or medical cannabis establishment license ~~for cannabis consumption lounge license~~ revoked;

(2) Previously had a cannabis establishment agent registration card revoked; or

(3) Previously had a cannabis establishment agent registration card for a cannabis executive revoked; and

(d) None of the persons who are proposed to be owners, officers or board members of the proposed adult-use cannabis 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 adult-use cannabis establishment, the Board 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 applicant for licensure to operate an adult-use cannabis establishment satisfies the requirements of this section, is qualified in the determination of the Board pursuant to section 105 of this act and is not disqualified from being licensed pursuant to this section or other applicable law, the Board shall issue to the applicant an adult-use cannabis establishment license. An adult-use cannabis establishment license expires 1 year after the date of issuance and may be renewed upon:

(a) ~~[Resubmission]~~ Submission of the information ~~[set forth in this section, except that the fingerprints required to be submitted pursuant to subsection 4];~~

~~(1) Of each person who holds an ownership interest of less than 5 percent in any one adult use cannabis establishment or an ownership interest in more than one adult use cannabis establishment of the same kind that, when added together, is less than 5 percent, must only be submitted once in any 5 year period; and~~

~~(2) Of each person who holds an ownership interest of 5 percent or more in any one adult use cannabis establishment or an ownership interest in more than one adult use cannabis establishment of the same kind that, when added together, equals 5 percent or more, or is an officer or board member of a medical~~

~~cannabis establishment, are not required to be submitted,}~~ required by the Board by regulation; and

~~(b) If a person holds an ownership interest as described in subparagraph (2) of paragraph (a), submission of proof that the person holds a valid cannabis establishment agent registration card for a cannabis executive issued by the Board pursuant to section 104 of this act;~~

~~—(c) Payment of the renewal fee set forth in section 107 of this act, —~~ and

~~—(d) If the adult-use cannabis establishment is an adult-use cannabis independent testing laboratory, submission of proof that the adult-use cannabis independent testing laboratory is accredited pursuant to standard ISO/IEC 17025 of the International Organization for Standardization. —~~

6. In determining whether to issue an adult-use cannabis license pursuant to this section, the Board shall consider the criteria of merit set forth in section 99 of this act.

7. For the purposes of sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3, the distance must be measured from the front door of the proposed adult-use cannabis establishment to the closest point of the property line of a school, community facility or gaming establishment.

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

- (a) A facility that provides day care to children.
- (b) A public park.
- (c) A playground.
- (d) A public swimming pool.
- (e) A center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents.
- (f) A church, synagogue or other building, structure or place used for religious worship or other religious purpose.

Sec. 97. 1. Except as otherwise provided in this section and section 98 of this act, the Board shall issue adult-use cannabis establishment licenses for the operation of adult-use cannabis retail stores in the following quantities for applicants who qualify pursuant to section 96 of this act:

- (a) In a county whose population is 700,000 or more, 80 licenses;
- (b) In a county whose population is 100,000 or more but less than 700,000, 20 licenses;
- (c) In a county whose population is 55,000 or more but less than 100,000, four licenses; and
- (d) In a county whose population is less than 55,000, two licenses.

2. ~~If the board of commissioners of a county submits a request to the Board requesting the issuance of additional adult-use cannabis establishment licenses for the operation of adult-use cannabis retail stores in excess of the number of licenses provided for in subsection 1, the Board may issue additional adult-use cannabis establishment licenses for the operation of adult-use cannabis retail stores for that county. The Board shall, for any county for which no applicants qualify pursuant to section 96 of this act, within 2 months after the end of the period during which the Board accepts applications pursuant to section 101 of this act, reallocate the licenses provided for that county pursuant to subsection 1 to the other counties specified in subsection 1 in the same proportion as provided in subsection 1.~~

Sec. 98. Except as otherwise provided in subsection 2, to prevent monopolistic practices, the Board shall ensure, in a county whose population is 100,000 or more, that it does not issue, to any one person, group of persons or entity, the greater of:

- 1. One adult-use cannabis establishment license; or

2. More than 10 percent of the adult-use cannabis establishment licenses otherwise allocable in the county.

Sec. 99. 1. In determining whether to issue an adult-use cannabis establishment license pursuant to section 96 of this act, the Board shall, in addition to the factors set forth in that section, consider criteria of merit established by regulation of the Board. Such criteria must include, without limitation:

(a) Whether the applicant controls liquid assets in an amount determined by the Board to be sufficient to cover the initial expenses of opening the proposed adult-use cannabis establishment and complying with the provisions of this title;

(b) Whether the owners, officers or board members of the proposed adult-use cannabis establishment have direct experience with the operation of a cannabis establishment in this State and have demonstrated a record of operating such an establishment in compliance with the laws and regulations of this State for an adequate period of time to demonstrate success;

(c) The educational and life experience of the persons who are proposed to be owners, officers or board members of the proposed adult-use cannabis establishment;

(d) Whether the applicant has an integrated plan for the care, quality and safekeeping of cannabis from seed to sale;

(e) The experience of key personnel that the applicant intends to employ in operating the type of adult-use cannabis establishment for which the applicant seeks a license;

(f) The diversity on the basis of race, ethnicity or gender of the applicant or the persons who are proposed to be owners, officers or board members of the proposed adult-use cannabis establishment, including, without limitation, the inclusion of persons of backgrounds which are disproportionately underrepresented as owners, officers or board members of adult-use cannabis establishments; and

(g) Any other criteria of merit that the Board determines to be relevant.

2. The Board shall adopt regulations for determining the relative weight of each criteria of merit established by the Board pursuant to subsection 1.

Sec. 100. ~~(1) A person shall not engage in the business of a cannabis consumption lounge unless the person holds a cannabis consumption lounge license issued pursuant to this section.~~

~~2. The Board may decide whether it will accept applications for and issue cannabis consumption lounge licenses.~~

~~3. If the Board decides to accept applications for and issue cannabis consumption lounge licenses, the Board shall require a person who wishes to engage in the business of a cannabis consumption lounge to submit to the Board an application on a form prescribed by the Board.~~

~~4. If the Board decides to accept applications for and issue cannabis consumption lounge licenses, the Board shall issue a cannabis consumption lounge license to an applicant if:~~

~~(a) The person who wishes to operate the proposed cannabis consumption lounge has submitted to the Board all of the following:~~

~~(1) The application fee, as established by the Board pursuant to section 107 of this act;~~

~~(2) An application, which must include:~~

~~(I) The legal name of the proposed cannabis consumption lounge;~~

~~(II) The physical address where the proposed cannabis consumption lounge will be located;~~

~~(III) Evidence that the applicant controls liquid assets in an amount determined by the Board to be sufficient to cover the initial expenses of opening the proposed cannabis consumption lounge and complying with the provisions of this title;~~

~~(IV) Evidence that the applicant owns the property on which the proposed cannabis consumption lounge will be located or has the written permission of the property owner to operate the proposed cannabis consumption lounge on that property;~~

~~(V) For the applicant and each person who is proposed to be an owner, officer or board member of the proposed cannabis consumption lounge, a complete set of the person's fingerprints and written permission of the person authorizing the Board 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 cannabis consumption lounge; 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 cannabis consumption lounge as a cannabis establishment agent;~~

~~(2) Operating procedures consistent with rules of the Board for oversight of the proposed cannabis consumption lounge; and~~

~~(4) Such other information as the Board may require by regulation;~~

~~(b) The physical address of the cannabis consumption lounge is not;~~

~~(1) 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 cannabis consumption lounge was submitted to the Board;~~

~~(2) Within 300 feet of a community facility that existed on the date on which the application for the proposed cannabis consumption lounge was submitted to the Board;~~

~~(3) Within 1,500 feet of an establishment that holds a nonrestricted gaming license issued pursuant to chapter 463 of NRS and that existed on the date on which the application for the proposed cannabis consumption lounge was submitted to the Board; or~~

~~(4) On the property of a public airport;~~

~~(c) None of the persons who are proposed to be owners, officers or board members of the proposed cannabis consumption lounge have been convicted of an excluded felony offense;~~

~~(d) None of the persons who are proposed to be owners, officers or board members of the proposed cannabis consumption lounge have:~~

~~(1) Served as an owner, officer or board member for a cannabis establishment that has had its license revoked;~~

~~(2) Previously had a cannabis establishment agent registration card revoked; or~~

~~(3) Previously had a cannabis establishment agent registration card for a cannabis executive revoked; and~~

~~(e) None of the persons who are proposed to be owners, officers or board members of the proposed cannabis consumption lounge are under 21 years of age.~~

~~5. 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 cannabis consumption lounge, the Board 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.~~

~~6. A cannabis consumption lounge license expires 1 year after the date of issuance and may be renewed upon:~~

~~(a) Resubmission of the information set forth in this section, except that the fingerprints required to be submitted pursuant to subsection 5;~~

~~(1) Of each person who holds an ownership interest of less than 5 percent in any one cannabis consumption lounge or an ownership interest in more than one cannabis consumption lounge, when added together, is less than 5 percent, must only be submitted once in any 5-year period; and~~

~~(2) Of each person who holds an ownership interest of 5 percent or more in any one cannabis consumption lounge or an ownership interest in more than one cannabis consumption lounge of the same kind that, when added together, equals 5 percent or more, or is an officer or board member of a cannabis establishment, are not required to be submitted;~~

~~(b) If a person holds an ownership interest as described in subparagraph (2) of paragraph (a), submission of proof that the person holds a valid cannabis establishment agent registration card for a cannabis executive issued by the Board pursuant to 104 of this act; and~~

~~(c) Payment of the renewal fee established by the Board pursuant to section 107 of this act.~~

~~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.] (Deleted by amendment.)~~

Sec. 101. Except as otherwise provided in this section and subsection 3 of section 92 of this act, the Board shall not, for more than a total of 10 business days in any 1 calendar year, accept applications to operate a cannabis establishment. The Board may by regulation prescribe longer periods in which it will accept applications to operate a cannabis establishment.

Sec. 102. 1. In a local governmental jurisdiction that issues business licenses, the issuance by the Board of license shall be deemed to be ~~[provisional]~~ conditional until such time as:

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

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

2. The Board shall adopt regulations:

(a) Requiring the surrender of a conditional license if a cannabis establishment does not satisfy the requirements of subsection 1 within a period of time determined by the Board; and

(b) Authorizing a cannabis establishment to request an extension of the period of time established pursuant to paragraph (a) as a result of factors outside of the control of the cannabis establishment that cause a delay in satisfying the requirements of subsection 1.

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

1 **Sec. 103. 1. Except as otherwise provided in this section, a person shall**
2 **not hold an ownership interest in a cannabis establishment of less than 5 percent,**
3 **volunteer or work at, contract to provide labor to or be employed by an**
4 **independent contractor to provide labor to a cannabis establishment as a**
5 **cannabis establishment agent unless the person is registered with the Board**
6 **pursuant to this section.**

7 2. A person who wishes to volunteer or work at a cannabis establishment, or
8 a cannabis establishment that wishes to retain as a volunteer or employ such a
9 person, shall submit to the Board an application on a form prescribed by the
10 Board. The application must be accompanied by:

11 (a) The name, address and date of birth of the prospective cannabis
12 establishment agent;

13 (b) A statement signed by the prospective cannabis establishment agent
14 pledging not to dispense or otherwise divert cannabis to any person who is not
15 authorized to possess cannabis in accordance with the provisions of this title;

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

19 (d) A complete set of the fingerprints and written permission of the
20 prospective cannabis establishment agent authorizing the Board to forward the
21 fingerprints to the Central Repository for Nevada Records of Criminal History
22 for submission to the Federal Bureau of Investigation for its report;

23 (e) The application fee, as set forth in section 107 of this act; and

24 (f) Such other information as the Board may require by regulation.

25 3. A person who wishes to contract to provide labor to or be employed by an
26 independent contractor to provide labor to a cannabis establishment, or a
27 cannabis establishment that wishes to contract with such a person, shall submit
28 to the Board an application on a form prescribed by the Board for the registration
29 of the independent contractor and each employee of the independent contractor
30 who will provide labor as a cannabis establishment agent. The application must
31 be accompanied by:

32 (a) The name, address and, if the prospective cannabis establishment agent
33 has a state business license, the business identification number assigned by the
34 Secretary of State upon compliance with the provisions of chapter 76 of NRS;

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

38 (c) A statement signed by the prospective cannabis establishment agent
39 pledging not to dispense or otherwise divert cannabis to, or allow any of its
40 employees to dispense or otherwise divert cannabis to, any person who is not
41 authorized to possess cannabis in accordance with the provisions of this title;

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

47 (e) A complete set of the fingerprints of each employee of the prospective
48 cannabis establishment agent who will provide labor as a cannabis establishment
49 agent and written permission of the prospective cannabis establishment agent and
50 each employee of the prospective cannabis establishment agent authorizing the
51 Board to forward the fingerprints to the Central Repository for Nevada Records
52 of Criminal History for submission to the Federal Bureau of Investigation for its
53 report;

1 (f) The application fee, as set forth in section 107 of this act; and

2 (g) Such other information as the Board may require by regulation.

3 4. A person who wishes to hold an ownership interest in a cannabis
4 establishment of less than 5 percent shall submit to the Board an application on a
5 form prescribed by the Board. The application must be accompanied by:

6 (a) The name, address and date of birth of the prospective cannabis
7 establishment agent;

8 (b) A statement signed by the prospective cannabis establishment agent
9 pledging not to dispense or otherwise divert cannabis to any person who is not
10 authorized to possess cannabis in accordance with the provisions of this title;

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

14 (d) A complete set of the fingerprints and written permission of the
15 prospective cannabis establishment agent authorizing the Board to forward the
16 fingerprints to the Central Repository for Nevada Records of Criminal History
17 for submission to the Federal Bureau of Investigation for its report;

18 (e) Any information required by the Board to complete an investigation into
19 the background of the prospective cannabis establishment agent, including,
20 without limitation, financial records and other information relating to the
21 business affairs of the prospective cannabis establishment agent;

22 (f) The application fee, as set forth in section 107 of this act; and

23 (g) Such other information as the Board may require by regulation.

24 5. A cannabis establishment shall notify the Board within 10 business days
25 after a cannabis establishment agent ceases to hold an ownership interest in the
26 cannabis establishment of less than 5 percent, be employed by, volunteer at or
27 provide labor as a cannabis establishment agent to the cannabis establishment.

28 6. A person who:

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

30 (b) Is less than 21 years of age; or

31 (c) Is not qualified, in the determination of the Board pursuant to section
32 105 of this act,

33 ↪ shall not serve as a cannabis establishment agent.

34 7. The Board shall submit the fingerprints of an applicant for registration
35 as a cannabis establishment agent to the Central Repository for Nevada Records
36 of Criminal History for submission to the Federal Bureau of Investigation to
37 determine the criminal history of the applicant.

38 8. The provisions of this section do not require a person who is an owner,
39 officer or board member of a cannabis establishment to resubmit information
40 already furnished to the Board at the time the establishment was licensed with the
41 Board.

42 9. If an applicant for registration as a cannabis establishment agent
43 satisfies the requirements of this section, is found to be qualified by the Board
44 pursuant to section 105 of this act and is not disqualified from serving as such an
45 agent pursuant to this section or any other applicable law, the Board shall issue
46 to the person and, for an independent contractor, to each person identified in the
47 independent contractor's application for registration as an employee who will
48 provide labor as a cannabis establishment agent, a cannabis establishment agent
49 registration card. If the Board does not act upon an application for a cannabis
50 establishment agent registration card within ~~30~~ 45 days after the date on which
51 the application is received, the application shall be deemed conditionally
52 approved until such time as the Board acts upon the application. A cannabis

1 *establishment agent registration card expires 2 years after the date of issuance*
2 *and may be renewed upon:*

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

4 *(b) Payment of the renewal fee set forth in section 107 of this act.*

5 *10. A person to whom a cannabis establishment agent registration card is*
6 *issued or for whom such a registration card is renewed shall submit to the Board*
7 *on the date of the first anniversary of the issuance or renewal an affidavit*
8 *attesting that in the preceding year there has been no change in the information*
9 *previously provided to the Board which would subject the person to disciplinary*
10 *action by the Board.*

11 *11. A cannabis establishment agent registration card issued pursuant to this*
12 *section to an independent contractor or an employee of an independent*
13 *contractor authorizes the independent contractor or employee to provide labor to*
14 *any cannabis establishment in this State.*

15 *12. A cannabis establishment agent registration card issued pursuant to this*
16 *section to a person who wishes to volunteer or work at a medical cannabis*
17 *establishment authorizes the person to volunteer or work at any cannabis*
18 *establishment in this State for which the category of the cannabis establishment*
19 *agent registration card authorizes the person to volunteer or work.*

20 *13. Except as otherwise prescribed by regulation of the Board, an applicant*
21 *for registration or renewal of registration as a cannabis establishment agent is*
22 *deemed temporarily registered as a cannabis establishment agent on the date on*
23 *which a complete application for registration or renewal of registration is*
24 *submitted to the Board. A temporary registration as a cannabis establishment*
25 *agent expires 30 days after the date upon which the application is received.*

26 **Sec. 104.** *1. In addition to the requirements set forth in section 103 of this*
27 *act, a person shall not hold an ownership interest in a cannabis establishment of*
28 *5 percent or more unless the person first secures a cannabis establishment agent*
29 *registration card for a cannabis executive issued by the Board.*

30 *2. A person who wishes to hold an ownership interest in a cannabis*
31 *establishment of 5 percent or more shall submit to the Board an application on a*
32 *form prescribed by the Board. The application must be accompanied by:*

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

34 *(b) A statement signed by the applicant asserting that he or she has not*
35 *previously had a cannabis establishment agent registration card for a cannabis*
36 *executive revoked;*

37 *(c) A complete set of the fingerprints and written permission of the applicant*
38 *authorizing the Board to forward the fingerprints to the Central Repository for*
39 *Nevada Records of Criminal History for submission to the Federal Bureau of*
40 *Investigation for its report;*

41 *(d) Any information required by the Board to complete an investigation into*
42 *the background of the applicant, including, without limitation, financial records*
43 *and other information relating to the business affairs of the applicant;*

44 *(e) The application fee, as set forth in section 107 of this act; and*

45 *(f) Such other information as the Board may require by regulation.*

46 *3. If the Board determines the applicant is qualified to receive a cannabis*
47 *establishment agent registration card for a cannabis executive pursuant to*
48 *section 105 of this act, the Board shall issue to the person a cannabis*
49 *establishment agent registration card for a cannabis executive.*

50 *4. A cannabis establishment agent registration card for a cannabis*
51 *executive expires 2 years after the date of issuance and may be renewed upon:*

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

53 *(b) Payment of the renewal fee set forth in section 107 of this act.*

5. A person to whom a cannabis establishment agent registration card for a cannabis executive is issued or for whom such a registration card is renewed shall submit to the Board on the date of the first anniversary of the issuance or renewal an affidavit attesting that in the preceding year there has been no change in the information previously provided to the Board which would subject the person to disciplinary action by the Board.

Sec. 105. 1. Any person who the Board determines is qualified to receive a license or registration card under the provisions of this chapter, having due consideration for the proper protection of the health, safety, morals, good order and general welfare of the inhabitants of the State of Nevada and the declared policy of this State, may be issued a license or registration card. The burden of proving an applicant's qualification to receive any license or registration card under this chapter is on the applicant.

2. ~~4.4.4~~ When determining whether to approve an application to receive a license or registration card, ~~it must not be granted unless~~ the Board ~~is satisfied that~~ may consider whether the applicant is:

(a) A person of good character, honesty and integrity;

(b) A person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of this State or to the effective regulation and control of cannabis, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of cannabis-related activities or in the carrying on of the business and financial arrangements incidental thereto; and

(c) In all other respects qualified to be issued a license or registration card consistently with the declared policy of the State.

3. An application to receive a license or registration card constitutes a request for a determination of the applicant's general character, integrity and ability to participate or engage in, or be associated with a cannabis establishment. Any written or oral statement made in the course of an official proceeding of the Board by any member thereof or any witness testifying under oath which is relevant to the purpose of the proceeding is absolutely privileged and does not impose liability for defamation or constitute a ground for recovery in any civil action.

4. The Board may, by regulation establish such other qualifications for a license or registration card as it may, in its discretion, deem to be in the public interest and consistent with the declared policy of the State.

5. Any person granted a license or registration card by the Board must continue to meet the applicable standards and qualifications set forth in this section and any other qualifications established by the Board by regulation. The failure to continue to meet such standards and qualifications constitutes grounds for disciplinary action.

6. The Board shall, to the greatest extent practicable, ensure that persons who have been adversely affected by cannabis prohibition have equal opportunity to obtain licenses and registration cards and to participate in the cannabis industry in this State.

Sec. 106. 1. The policy of the State of Nevada with respect to the issuance of licenses to business entities is:

(a) To broaden the opportunity for investment in the cannabis industry through the pooling of capital in the form of a business entity.

(b) To maintain effective control over cannabis establishments operated by licensees that are business entities.

(c) To restrain any speculative promotion of the stock, securities or other interests in cannabis establishments.

2. The Board may adopt regulations prescribing requirements for the issuances of licenses to business entities and standards for licensees that are business entities which are more stringent than the requirements and standards otherwise set forth in this chapter. Such regulations must be consistent with:

(a) The policy of this State set forth in subsection 1 and section 3 of this act.

(b) The provisions of this chapter which provide for more stringent requirements and standards for a registrant that holds an ownership interest of 5 percent or more in a cannabis establishment.

Sec. 107. 1. Except as otherwise provided in subsection 2, the Board shall collect not more than the following maximum fees:

| | |
|--|----------|
| For the initial issuance of a medical cannabis establishment license for a medical cannabis dispensary | \$30,000 |
| For the renewal of a medical cannabis establishment license for a medical cannabis dispensary | 5,000 |
| For the initial issuance of a medical cannabis establishment license for a medical cannabis cultivation facility | 3,000 |
| For the renewal of a medical cannabis establishment license for a medical cannabis cultivation facility | 1,000 |
| For the initial issuance of a medical cannabis establishment license for a medical cannabis production facility | 3,000 |
| For the renewal of a medical cannabis establishment license for a medical cannabis production facility | 1,000 |
| For the initial issuance of a medical cannabis establishment license for a medical cannabis independent testing laboratory | 5,000 |
| For the renewal of a medical cannabis establishment license for a medical cannabis independent testing laboratory | 3,000 |
| For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis retail store | 20,000 |
| For the renewal of an adult-use cannabis establishment license for an adult-use cannabis retail store | 6,600 |
| For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis cultivation facility | 30,000 |
| For the renewal of an adult-use cannabis establishment license for an adult-use cannabis cultivation facility | 10,000 |
| For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis production facility | 10,000 |
| For the renewal of an adult-use cannabis establishment license for an adult-use cannabis production facility | 3,300 |
| For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis independent testing laboratory | 15,000 |

| | |
|--|--------|
| For the renewal of an adult-use cannabis establishment license for an adult-use cannabis independent testing laboratory..... | 5,000 |
| For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis distributor..... | 15,000 |
| For the renewal of an adult-use cannabis establishment license for an adult-use cannabis distributor..... | 5,000 |
| For each person identified in an application for the initial issuance of a cannabis establishment agent registration card..... | 150 |
| For each person identified in an application for the renewal of a cannabis establishment agent registration card..... | 150 |

~~2. [The Board shall establish by regulation fees for the issuance and renewal of a cannabis consumption lounge license.~~

~~3.]~~ In addition to the fees described in subsection 1, each applicant for a medical cannabis establishment license or adult-use cannabis establishment license must pay to the Board:

(a) A one-time, nonrefundable application fee of \$5,000; and

(b) The actual costs incurred by the Board in processing the application, including, without limitation, conducting background checks.

~~4.]~~ 3. Any revenue generated from the fees imposed pursuant to this section:

(a) Must be expended first to pay the costs of the Board in carrying out the provisions of this title; and

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

Sec. 108. 1. In addition to any other requirements set forth in this chapter, an applicant for the issuance or renewal of a license or registration card who is a natural person shall:

(a) Include the social security number of the applicant in the application submitted to the Board.

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

2. The Board shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submitted for the issuance or renewal of the license or registration card; or

(b) A separate form prescribed by the Board.

3. A license or registration card may not be issued or renewed by the Board if the applicant:

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

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

public agency enforcing the order for the repayment of the amount owed pursuant to the order.

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

Sec. 109. 1. If the Board receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a license or registration card, the Board shall deem the license or registration card issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Board receives a letter issued to the holder of the license or registration card by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license or registration card has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

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

Sec. 110. 1. Except as otherwise provided by regulations adopted by the Board pursuant to subsection 2, the following are nontransferable:

(a) A cannabis establishment agent registration card.

(b) A cannabis establishment agent registration card for a cannabis executive.

(c) A medical cannabis establishment license.

(d) An adult-use cannabis establishment license.

~~(e) A cannabis consumption lounge license.~~

2. The Board shall adopt regulations which prescribe procedures and requirements by which a holder of a license may transfer the license to another party who is qualified to hold such a license pursuant to the provisions of this chapter.

Sec. 111. 1. An employee of the State Department of Agriculture who, in the course of his or her duties:

(a) Possesses, delivers or produces cannabis;

(b) Aids and abets another in the possession, delivery or production of cannabis;

(c) Performs any combination of the acts described in paragraphs (a) and (b); or

(d) Performs any other criminal offense in which the possession, delivery or production of cannabis is an element,

is exempt from state prosecution for the offense. The persons described in this subsection must ensure that the cannabis described in this subsection is safeguarded in an enclosed, secure location.

2. In addition to the provisions of subsection 1, 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 cannabis in accordance with the provisions of this title.

3. As used in this section, "cannabis" includes, without limitation, cannabis products.

Sec. 112. 1. Each cannabis establishment must comply with all local ordinances and rules pertaining to zoning, land use and signage.

2. A cannabis establishment may move to a new location under the jurisdiction of the same local government as its original location and regardless of the distance from its original location if the operation of the cannabis establishment at the new location has been approved by the local government. A local government may approve a new location pursuant to this subsection only in a public hearing for which written notice is given at least 7 working days before the hearing.

Sec. 113. 1. The operating documents of a cannabis establishment must include procedures:

(a) For the oversight of the cannabis establishment; and

(b) To ensure accurate recordkeeping.

2. Except as otherwise provided in this subsection, a cannabis establishment:

(a) That is a cannabis sales facility ~~for cannabis consumption lounge~~ must have a single entrance for patrons, which must be secure, and shall implement strict security measures to deter and prevent the theft of cannabis and unauthorized entrance into areas containing cannabis.

(b) That is not a cannabis sales facility ~~for cannabis consumption lounge~~ must have a single secure entrance and shall implement strict security measures to deter and prevent the theft of cannabis and unauthorized entrance into areas containing cannabis.

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

3. Except as otherwise provided in section 182 of this act, all cultivation or production of cannabis that a cannabis cultivation facility carries out or causes to be carried out must take place in an enclosed, locked facility at the physical address provided to the Board during the licensing process for the cannabis cultivation facility. Such an enclosed, locked facility must be accessible only by cannabis establishment agents who are lawfully associated with the cannabis cultivation facility, except that limited access by persons necessary to perform construction or repairs or provide other labor is permissible if such persons are supervised by a cannabis establishment agent.

4. A cannabis establishment ~~that is not a cannabis consumption lounge~~ shall not allow any person to consume cannabis on the property or premises of the establishment.

5. Cannabis establishments are subject to reasonable inspection by the Board at any time, and a person who holds a license must make himself or herself, or a designee thereof, available and present for any inspection by the Board of the cannabis establishment.

6. Each medical cannabis establishment and adult-use cannabis establishment shall install a video monitoring system which must, at a minimum:

(a) Allow for the transmission and storage, by digital or analog means, of a video feed which displays the interior and exterior of the medical cannabis establishment or adult-use cannabis establishment; and

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

7. A cannabis establishment shall not dispense or otherwise sell cannabis or cannabis products from a vending machine or allow such a vending machine to be installed at the interior or exterior of the premises of the cannabis establishment. As used in this subsection, "vending machine" has the meaning ascribed to it in NRS 209.229.

~~Sec. 114. 1. A cannabis sales facility may deliver cannabis or cannabis products to a consumer at a cannabis consumption lounge if:~~

~~(a) The delivery is made by a cannabis establishment agent who is authorized to make the delivery by the cannabis sales facility by which he or she is employed;~~

~~or~~
~~(b) The delivery is made by a third party or intermediary business that has contracted with the cannabis sales facility pursuant to section 151 or 185 of this act.~~

~~2. The Board may adopt regulations prescribing procedures and protocols for deliveries conducted pursuant to subsection 1.~~ (Deleted by amendment.)

Sec. 115. 1. Each cannabis ~~sales facility and cannabis production facility~~ establishment shall, in consultation with the Board, cooperate to ensure that all cannabis products offered for sale:

(a) Are labeled clearly and unambiguously:

(1) As cannabis or medical cannabis with the words "THIS IS A MEDICAL CANNABIS PRODUCT" or "THIS IS A CANNABIS PRODUCT," as applicable, in bold type; and

(2) As required by the provisions of this chapter, the chapter consisting of sections 125 to 171, inclusive, of this act and the chapter consisting of sections 173 to 187, inclusive, of this act.

(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 cannabis production 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 amount of THC in the product, measured in milligrams, and includes a statement that the product contains cannabis and its potency was tested with an allowable variance of the amount determined by the Board by regulation.

(g) Are not labeled or marketed as candy.

2. A cannabis production facility shall not produce cannabis 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 cannabis production facility shall:

(a) Seal any cannabis product that consists of cookies or brownies in a bag or other container which is not transparent.

(b) Affix a label to each cannabis 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 cannabis product;

(3) A list of all allergens in the cannabis product; and

(4) The total ~~weight of cannabis contained in the cannabis product or an equivalent measure~~ content of THC [concentration] measured in milligrams.

(c) Maintain a hand washing area with hot water, soap and ~~a hand dryer or~~ disposable towels which is located away from any area in which cannabis products are cooked or otherwise prepared.

(d) Require each person who handles cannabis products to ~~wear a~~ restrain his or her hair [not and], wear clean clothing and keep his or her fingernails neatly trimmed.

(e) Package all cannabis products produced by the cannabis production facility on the premises of the cannabis production facility.

4. A cannabis ~~[sales facility or cannabis production facility]~~ establishment shall not engage in advertising that in any way makes cannabis or cannabis 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 cannabis sales facility shall offer for sale containers for the storage of cannabis and cannabis products which lock and are designed to prohibit children from unlocking and opening the container.

6. A cannabis sales facility shall:

(a) Include a written notification with each sale of cannabis or cannabis products which advises the purchaser:

(1) To keep cannabis and cannabis products out of the reach of children;

(2) That cannabis products can cause severe illness in children;

(3) That allowing children to ingest cannabis or cannabis products or storing cannabis or cannabis 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 cannabis products may be delayed by 2 hours or more and users of edible cannabis 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 cannabis or cannabis products;

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

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

(b) Enclose all cannabis and cannabis products in opaque, child-resistant packaging upon sale.

7. A cannabis sales facility shall allow any person who is at least 21 years of age to enter the premises of the cannabis sales facility.

8. If the health authority, as defined in NRS 446.050, where a cannabis production facility or cannabis sales facility which sells edible cannabis products

1 is located requires persons who handle food at a food establishment to obtain
2 certification, the cannabis production facility or cannabis sales facility shall
3 ensure that at least one employee maintains such certification.

4 9. A cannabis production facility may sell a commodity or product made
5 using industrial hemp, as defined in NRS 557.160, or containing cannabidiol to a
6 cannabis sales facility.

7 10. In addition to any other product authorized by the provisions of this
8 title, a cannabis sales facility may sell:

9 (a) Any commodity or product made using industrial hemp, as defined in
10 ~~NRS 557.040~~ 557.160;

11 (b) Any commodity or product containing cannabidiol with a THC
12 concentration of not more than 0.3 percent; and

13 (c) Any other product specified by regulation of the Board.

14 Sec. 116. 1. A person shall not:

15 ~~11.1~~ (a) Advertise the sale of cannabis or cannabis products by the person; or

16 ~~12.1~~ (b) Sell, offer to sell or appear to sell cannabis or cannabis products or
17 allow the submission of an order for cannabis or cannabis products,

18 unless the person holds an adult-use cannabis establishment license or a
19 medical cannabis establishment license.

20 2. A local government shall not regulate the content of an advertisement for
21 the sale of cannabis or cannabis products unless the local government adopts an
22 ordinance setting forth such regulations.

23 Sec. 117. 1. The Board shall establish standards for and certify one or
24 more cannabis independent testing laboratories to:

25 (a) Test cannabis for adult use and adult-use cannabis products that are to
26 be sold in this State; ~~and~~

27 (b) Test cannabis for medical use and medical cannabis products that are to
28 be sold in this State ~~and~~ ; and

29 (c) In addition to the testing described in paragraph (a) or (b), test
30 commodities or products containing industrial hemp, as defined in NRS 557.160,
31 or cannabidiol which are intended for human or animal consumption and sold by
32 a cannabis establishment.

33 2. Such a cannabis independent testing laboratory must be able to:

34 (a) Determine accurately, with respect to cannabis or cannabis products that
35 are sold or will be sold at cannabis sales facilities in this State:

36 (1) The concentration therein of THC and cannabidiol.

37 (2) The presence and identification of microbes, molds and fungus.

38 (3) The composition of the tested material.

39 (4) The presence of chemicals in the tested material, including, without
40 limitation, pesticides, heavy metals, herbicides or growth regulators.

41 (b) Demonstrate the validity and accuracy of the methods used by the
42 cannabis independent testing laboratory to test cannabis and cannabis products.

43 3. To obtain a license to operate a cannabis independent testing laboratory,
44 an applicant must:

45 (a) Apply successfully as required pursuant to section 91 or 96 of this act, as
46 applicable.

47 (b) Pay the fees required pursuant to section 107 of this act.

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

50 Sec. 118. 1. The Board may establish a program to ensure the integrity of
51 all testing performed by a cannabis independent testing laboratory by subjecting
52 each such laboratory to random laboratory assurance checks.

2. If the Board establishes a program pursuant to subsection 1, each cannabis independent testing laboratory shall participate in the program.

3. If the Board establishes a program pursuant to subsection 1, as part of the program, the Board shall:

(a) Collect samples of cannabis or cannabis products from cannabis establishments that have already been tested by cannabis independent testing laboratories in amounts deemed sufficient by the Board;

(b) Remove identifying characteristics from and randomize such samples; and

(c) Provide each cannabis independent testing laboratory with a sample for analysis.

4. A cannabis independent laboratory that receives a sample from the Board shall perform such quality assurance tests upon the sample as the Board may require. Such tests may include, without limitation:

(a) Screening the sample for pesticides, heavy metals, chemical residues, herbicides, growth regulators and microbial analysis;

(b) A potency analysis to test for and quantify the presence of the following cannabinoids:

(1) THC;

(2) Tetrahydrocannabinolic acid;

(3) Cannabidiol;

(4) Cannabidiolic acid; and

(5) Cannabinol; and

(c) Such other quality assurance tests that the Board may require.

5. If the Board establishes a program pursuant to subsection 1, the Board shall adopt regulations necessary to carry out the program. Such regulations:

(a) Must require each cannabis independent testing laboratory to perform a random laboratory assurance check at least once every 6 months but not more frequently than once every 3 months.

(b) May modify the procedures and requirements set forth in this section if the Board determines that advances in science necessitate such a modification.

6. As used in this section, "random laboratory assurance check" means the evaluation of the performance of a cannabis independent testing laboratory in conducting quality assurance tests upon a sample if required by the Board under the program established pursuant to subsection 1.

Sec. 119. ~~[A cannabis consumption lounge shall not:~~

~~1. Allow the consumption of cannabis or cannabis products at any place which is reasonably viewable from a public place;~~

~~2. Allow the entry of any person who is less than 21 years of age to the cannabis consumption lounge;~~

~~3. Allow a person to volunteer at the cannabis consumption lounge;~~

~~4. Employ at the cannabis consumption lounge any person who has been convicted of an excluded felony offense;~~

~~5. Sell alcohol or allow the consumption of alcohol on the premises of the cannabis consumption lounge;~~

~~6. Offer gaming, as defined in NRS 463.0153, or allow such gaming to occur on the premises of the cannabis consumption lounge; or~~

~~7. Acquire from any source or sell cannabis or cannabis products.] (Deleted by amendment.)~~

Sec. 120. ~~[A cannabis consumption lounge shall:~~

~~1. Require any cannabis or cannabis product brought into the cannabis consumption lounge by a customer to be contained in sealed packaging which~~

~~clearly identifies the cannabis establishment that sold the cannabis or cannabis product;~~

~~2. Require any customer of the cannabis consumption lounge who exits the premises of the lounge with cannabis or cannabis products to seal the cannabis or cannabis product in opaque packaging;~~

~~3. Submit a security plan to the Board which, without limitation, provides for adequate security and lighting at the cannabis consumption lounge and for each entrance and exit of the cannabis consumption lounge to be adequately secured;~~

~~4. Install a ventilation and exhaust system which is capable of absorbing odors sufficiently that any odor generated inside the cannabis consumption lounge cannot be easily detected from outside the lounge;~~

~~5. Install a ventilation system in each area inside the cannabis consumption lounge in which cannabis or cannabis products are consumed that substantially removes smoke from the area and segregates each such area from all other areas of the cannabis consumption lounge by enclosing the area on all sides by any combination of solid walls, windows or doors that extend from the floor to the ceiling;~~

~~6. Provide information on public transportation, taxis and transportation network companies to all customers of the cannabis consumption lounge;~~

~~7. Train each employee of the cannabis consumption lounge concerning paraphernalia, cannabis and cannabis products, including, without limitation, the proper use of paraphernalia, the potency, absorption time and effects of cannabis and cannabis products, the recognition of impairment from and overconsumption of cannabis and the safe handling of a customer who is impaired;~~

~~8. Make one or more employees available to customers at all times that the cannabis consumption lounge is open to educate the customers of the lounge on the safe use of cannabis and cannabis products and the proper use of paraphernalia;~~

~~9. Prohibit loitering outside of the cannabis consumption lounge at any time;~~

~~10. Collaborate with the appropriate local law enforcement agency to properly collect and promptly dispose of any cannabis or cannabis products which are left at the cannabis consumption lounge;~~

~~11. Comply with all local ordinances and rules pertaining to zoning, land use and signage; and~~

~~12. Comply with any requirements set forth by regulations adopted by the Board.] (Deleted by amendment.)~~

Sec. 121. ~~[A cannabis consumption lounge may:~~

~~1. Rent paraphernalia to the customers of the cannabis consumption lounge;~~

~~2. Sell food and nonalcoholic beverages to the customers of the cannabis consumption lounge; and~~

~~3. Sell opaque packaging suitable for cannabis or cannabis products to customers of the cannabis consumption lounge.] (Deleted by amendment.)~~

Sec. 122. *It is the public policy of this State that contracts related to the operation of cannabis establishments under this title should be enforceable, and no contract entered into by the licensee or registrant as permitted pursuant to such a license or registration card, or by those who allow property to be used by a licensee or registrant as permitted pursuant to such a license or registration card, shall be deemed unenforceable on the basis that the actions or conduct permitted pursuant to the license or registration card are prohibited by federal law.*

Sec. 122.5. The Department of Taxation shall adopt regulations to establish procedures to determine the fair market value at wholesale of cannabis. The Board shall furnish the Department with such information as the Department determines to be necessary to adopt the regulations required by this section.

Sec. 123. The Board shall adopt such regulations as it determines to be necessary or advisable to carry out the provisions of this chapter. Such regulations are in addition to any requirements set forth in statute and must, without limitation:

1. Prescribe the form and any additional required content of applications for licenses or registration cards issued pursuant to this chapter;

2. Establish procedures for the suspension or revocation of a license or registration card or other disciplinary action to be taken against a licensee or registrant;

3. Set forth rules pertaining to the safe and healthful operation of cannabis establishments, including, without limitation:

(a) The manner of protecting against diversion and theft without imposing an undue burden on cannabis establishments or compromising the confidentiality of consumers and holders of registry identification cards and letters of approval, as those terms are defined in sections 133 and 132 of this act, respectively;

(b) Minimum requirements for the oversight of cannabis establishments;

(c) Minimum requirements for the keeping of records by cannabis establishments;

(d) Provisions for the security of cannabis establishments, including without limitation, requirements for the protection by a fully operational security alarm system of each cannabis establishment; and

(e) Procedures pursuant to which cannabis establishments must use the services of cannabis independent testing laboratories to ensure that any cannabis or cannabis product or commodity or product made from industrial hemp, as defined in NRS 557.160, sold by a cannabis sales facility to an end user is tested for content, quality and potency in accordance with standards established by the Board;

4. Establish circumstances and procedures pursuant to which the maximum fees set forth in section 107 of this act may be reduced over time to ensure that the fees imposed pursuant to section 107 of this act are, insofar as may be practicable, revenue neutral;

5. Establish different categories of cannabis establishment agent registration cards, including, without limitation, criteria for issuance of a cannabis establishment agent registration card for a cannabis executive and criteria for training and certification, for each of the different types of cannabis establishments at which such an agent may be employed or volunteer or provide labor as a cannabis establishment agent;

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

7. Establish procedures and requirements to enable a dual licensee to operate a medical cannabis establishment and an adult-use cannabis establishment at the same location;

~~8. Establish procedures to determine the fair market value at wholesale of cannabis;~~

~~9. Determine whether any provision of this chapter, the chapter consisting of sections 125 to 171, inclusive, of this act or the chapter consisting of sections~~

173 to 187, inclusive, of this act would make the operation of a cannabis establishment by a dual licensee unreasonably impracticable; and
~~140~~ 9. Address such other matters as the Board deems necessary to carry out the provisions of this title.

Sec. 124. The title of NRS created by section 1 of this act is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 125 to 171, inclusive, of this act.

Sec. 125. As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 126 to 136, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 126. "Attending provider of health care" means a provider of health care, as defined in NRS 629.031, who:

1. Is licensed or certified to practice a profession which authorizes the person to write a prescription for a medication to treat a chronic or debilitating medical condition; and

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

Sec. 127. "Cachexia" means general physical wasting and malnutrition associated with chronic disease.

Sec. 128. "Chronic or debilitating medical condition" means:

1. Acquired immune deficiency syndrome;

2. An anxiety disorder;

3. An autism spectrum disorder;

4. An autoimmune disease;

5. Anorexia nervosa;

6. Cancer;

7. Dependence upon or addiction to opioids;

8. Glaucoma;

9. A medical condition or treatment for a medical condition that produces, for a specific patient, one or more of the following:

(a) Cachexia;

(b) Muscle spasms, including, without limitation, spasms caused by multiple sclerosis;

(c) Seizures, including, without limitation, seizures caused by epilepsy;

(d) Nausea; or

(e) Severe or chronic pain;

10. A medical condition related to the human immunodeficiency virus;

11. A neuropathic condition, whether or not such condition causes seizures;
or

12. Any other medical condition or treatment for a medical condition that is:

(a) Classified as a chronic or debilitating medical condition by regulation of the Division; or

(b) Approved as a chronic or debilitating medical condition pursuant to a petition submitted in accordance with section 166 of this act.

Sec. 129. 1. "Designated primary caregiver" means a person who:

(a) Is 18 years of age or older;

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

(c) Is designated as such in the manner required pursuant to section 144 of this act.

2. The term does not include the attending provider of health care of a person diagnosed with a chronic or debilitating medical condition.

1 **Sec. 130.** *“Division” means the Division of Public and Behavioral Health*
2 *of the Department of Health and Human Services.*

3 **Sec. 131.** *“Inventory control system” means a process, device or other*
4 *contrivance that may be used to monitor the chain of custody of cannabis from*
5 *the point of cultivation to the end consumer.*

6 **Sec. 132.** *“Letter of approval” means a document issued by the Division to*
7 *an applicant who is under 10 years of age pursuant to section 140 of this act*
8 *which provides that the applicant is exempt from state prosecution for engaging*
9 *in the medical use of cannabis.*

10 **Sec. 133.** *“Registry identification card” means a document issued by the*
11 *Division or its designee that identifies:*

12 1. *A person who is exempt from state prosecution for engaging in the*
13 *medical use of cannabis; or*

14 2. *The designated primary caregiver, if any, of a person described in*
15 *subsection 1.*

16 **Sec. 134.** *“State prosecution” means prosecution initiated or maintained by*
17 *the State of Nevada or an agency or political subdivision of the State of Nevada.*

18 **Sec. 135.** 1. *“Usable cannabis” means:*

19 (a) *The dried leaves and flowers of a plant of the genus Cannabis, and any*
20 *mixture or preparation thereof, that are appropriate for the medical use of*
21 *cannabis or the adult use of cannabis; and*

22 (b) *The seeds of a plant of the genus Cannabis.*

23 2. *The term does not include the stalks and roots of the plant.*

24 **Sec. 136.** *“Written documentation” means:*

25 1. *A statement signed by the attending provider of health care of a person*
26 *diagnosed with a chronic or debilitating medical condition; or*

27 2. *Copies of the relevant medical records of a person diagnosed with a*
28 *chronic or debilitating medical condition.*

29 **Sec. 137.** 1. *Except as otherwise provided in this section and section 145*
30 *of this act, a person who holds a valid registry identification card issued to the*
31 *person pursuant to section 140 or 144 of this act is exempt from state prosecution*
32 *for:*

33 (a) *The possession, delivery or production of cannabis;*

34 (b) *The possession or delivery of paraphernalia;*

35 (c) *Aiding and abetting another in the possession, delivery or production of*
36 *cannabis;*

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

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

41 (f) *Any other criminal offense in which the possession, delivery or*
42 *production of cannabis or the possession or delivery of paraphernalia is an*
43 *element.*

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

48 3. *The exemption from state prosecution set forth in subsection 1 applies*
49 *only to the extent that a person who holds a registry identification card issued to*
50 *the person pursuant to paragraph (a) of subsection 1 of section 140 of this act*
51 *and the designated primary caregiver, if any, of such a person:*

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

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

6 (1) Two and one-half ounces of usable cannabis; ~~in any one 14 day~~
7 ~~period;~~

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

10 (3) A maximum allowable quantity of cannabis products as established
11 by regulation of the Board.

12 ➔ The persons described in this subsection must ensure that the usable cannabis
13 and cannabis plants described in this subsection are safeguarded in an enclosed,
14 secure location.

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

18 (a) Are not exempt from state prosecution for the possession, delivery or
19 production of cannabis.

20 (b) May establish an affirmative defense to charges of the possession,
21 delivery or production of cannabis, or any combination of those acts, in the
22 manner set forth in section 146 of this act.

23 5. A person who holds a valid medical cannabis establishment license
24 issued to the person pursuant to section 91 of this act or a valid cannabis
25 establishment agent registration card issued to the person pursuant to section 103
26 of this act or a valid cannabis establishment agent registration card for a
27 cannabis executive issued pursuant to section 104 of this act and who confines
28 his or her activities to those authorized by this title, and the regulations adopted
29 by the Board pursuant thereto, is exempt from state prosecution for:

30 (a) The possession, delivery or production of cannabis;

31 (b) The possession or delivery of paraphernalia;

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

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

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

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

41 6. Notwithstanding any other provision of law and except as otherwise
42 provided in this subsection, after a medical cannabis dispensary opens in the
43 county of residence of a person who holds a registry identification card,
44 including, without limitation, a designated primary caregiver, such a person is
45 not authorized to cultivate, grow or produce cannabis. The provisions of this
46 subsection do not apply if:

47 (a) The person who holds the registry identification card was cultivating,
48 growing or producing cannabis in accordance with state law on or before July 1,
49 2013;

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

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

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

7 7. As used in this section, "cannabis" includes, without limitation, cannabis
8 products.

9 **Sec. 138. 1.** Except as otherwise provided in this section and section 145
10 of this act, a person who holds a valid letter of approval issued pursuant to
11 section 140 of this act is exempt from state prosecution for:

12 (a) The possession of cannabis;

13 (b) The possession of paraphernalia;

14 (c) Any combination of the acts described in paragraphs (a) and (b); and

15 (d) Any other criminal offense in which the possession of cannabis or
16 paraphernalia is an element.

17 2. The exemption from state prosecution set forth in subsection 1 applies
18 only to the extent that the person who holds a letter of approval:

19 (a) Engages in the medical use of cannabis in accordance with the
20 provisions of this chapter as justified to mitigate the symptoms or effects of the
21 person's chronic or debilitating medical condition; and

22 (b) Does not, at any one time, collectively possess with his or her designated
23 primary caregiver an amount of cannabis for medical purposes that exceeds the
24 limits set forth in section 137 of this act.

25 3. As used in this section, "cannabis" includes, without limitation, cannabis
26 products.

27 **Sec. 139. 1.** The Division shall establish and maintain a program for the
28 issuance of registry identification cards and letters of approval to persons who
29 meet the requirements of this section.

30 2. Except as otherwise provided in subsections 3 and 5 and section 141 of
31 this act, the Division or its designee shall issue a registry identification card to a
32 person who is a resident of this State and who submits an application on a form
33 prescribed by the Division accompanied by the following:

34 (a) A signature from the person's attending provider of health care affirming
35 that:

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

38 (2) The medical use of cannabis may mitigate the symptoms or effects of
39 that condition;

40 (3) The attending provider of health care has explained the possible risks
41 and benefits of the medical use of cannabis; and

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

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

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

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

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

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

3 (2) *A signature from the person's attending provider of health care*
4 *affirming that the attending provider of health care approves of the designation*
5 *of the primary caregiver; and*

6 (f) *If the person elects to designate a medical cannabis dispensary at the time*
7 *of application, the name of the medical cannabis dispensary.*

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

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

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

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

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

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

26 (4) *The custodial parent or legal guardian with responsibility for health*
27 *care decisions for the person under 18 years of age agrees to control the*
28 *acquisition of cannabis and the dosage and frequency of use by the person under*
29 *18 years of age.*

30 4. *Upon receipt of an application that is completed and submitted pursuant*
31 *to this section, the Division shall:*

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

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

34 (c) *Distribute copies of the application in the following manner:*

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

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

37 (3) *One copy to the professional licensing board that has issued a license*
38 *or certification to the attending provider of health care.*

39 ↪ *The applicable professional licensing board shall report to the Division its*
40 *findings as to the licensure or certification, as applicable, and standing of the*
41 *applicant's attending provider of health care within 15 days after receiving a copy*
42 *of an application pursuant to subparagraph (3) of paragraph (c).*

43 5. *The Division shall verify the information contained in an application*
44 *submitted pursuant to this section and shall approve or deny an application*
45 *within the period of time specified by the Division by regulation. The Division*
46 *may contact an applicant, the applicant's attending provider of health care and*
47 *designated primary caregiver, if any, by telephone to determine that the*
48 *information provided on or accompanying the application is accurate. The*
49 *Division may deny an application only on the following grounds:*

50 (a) *The applicant failed to provide the information required pursuant to*
51 *subsections 2 and 3, if applicable;*

52 (b) *The applicant failed to comply with regulations adopted by the Division;*

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

3 (d) *The Division determines that the attending provider of health care of the*
4 *applicant is not licensed or certified in this State or is not in good standing, as*
5 *reported by the applicable professional licensing board;*

6 (e) *The Division has prohibited the applicant from obtaining or using a*
7 *registry identification card or letter of approval pursuant to subsection 2 of*
8 *section 145 of this act;*

9 (f) *The Division determines that the applicant, or the applicant's designated*
10 *primary caregiver, if applicable, has had a registry identification card or letter of*
11 *approval revoked pursuant to section 141 of this act; or*

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

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

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

28 8. *Except as otherwise provided in this subsection, if a person has applied*
29 *for a registry identification card or letter of approval pursuant to this section and*
30 *the Division has not yet approved or denied the application, the person, and the*
31 *person's designated primary caregiver, if any, shall be deemed to hold a registry*
32 *identification card or letter of approval and may present a copy of the application*
33 *provided to him or her pursuant to subsection 4 as proof that the person is*
34 *deemed to hold a registry identification card or letter of approval to any person,*
35 *including, without limitation, a law enforcement officer or a cannabis*
36 *establishment agent at a medical cannabis dispensary.*

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

41 10. *As used in this section, "resident" has the meaning ascribed to it in*
42 *NRS 483.141.*

43 **Sec. 140. 1.** *If the Division approves an application pursuant to*
44 *subsection 5 of section 139 of this act, the Division or its designee shall, as soon*
45 *as practicable after the Division approves the application:*

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

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

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

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

1 (b) *The date of issuance and date of expiration of the registry identification*
2 *card;*

3 (c) *The name and address of the applicant's designated primary caregiver, if*
4 *any;*

5 (d) *The name of the applicant's designated medical cannabis dispensary, if*
6 *any;*

7 (e) *Whether the applicant is authorized to cultivate, grow or produce*
8 *cannabis pursuant to subsection 6 of section 137 of this act; and*

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

10 3. *A letter of approval issued pursuant to paragraph (a) of subsection 1*
11 *must set forth:*

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

13 (b) *The date of issuance and date of expiration of the registry identification*
14 *card of the designated primary caregiver;*

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

16 (d) *The name of the applicant's designated medical cannabis dispensary, if*
17 *any; and*

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

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

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

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

24 (c) *The name and address of the applicant for whom the person is the*
25 *designated primary caregiver;*

26 (d) *The name of the designated primary caregiver's designated medical*
27 *cannabis dispensary, if any;*

28 (e) *Whether the designated primary caregiver is authorized to cultivate, grow*
29 *or produce cannabis pursuant to subsection 6 of section 137 of this act; and*

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

31 5. *Except as otherwise provided in section 141 of this act, subsection 3 of*
32 *section 142 of this act and subsection 2 of section 145 of this act, a registry*
33 *identification card or letter of approval issued pursuant to this section is valid for*
34 *a period of either 1 year or 2 years, as specified by the attending provider of*
35 *health care on the application for the issuance or renewal of the registry*
36 *identification card or letter of approval, and may be renewed in accordance with*
37 *regulations adopted by the Division.*

38 **Sec. 141.** 1. *If, at any time after the Division or its designee has issued a*
39 *registry identification card or letter of approval to a person pursuant to*
40 *paragraph (a) of subsection 1 of section 140 of this act, the Division determines,*
41 *on the basis of official documents or records or other credible evidence, that the*
42 *person provided falsified information on his or her application to the Division or*
43 *its designee, as described in paragraph (c) of subsection 5 of section 139 of this*
44 *act, the Division shall immediately revoke the registry identification card or letter*
45 *of approval issued to that person and shall immediately revoke the registry*
46 *identification card issued to that person's designated primary caregiver, if any.*

47 2. *Upon the revocation of a registry identification card or letter of approval*
48 *pursuant to this section:*

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

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

4 3. *The decision of the Division to revoke a registry identification card or*
5 *letter of approval pursuant to this section is a final decision for the purposes of*
6 *judicial review.*

7 4. *A person whose registry identification card or letter of approval has been*
8 *revoked pursuant to this section may not reapply for a registry identification card*
9 *or letter of approval pursuant to section 139 of this act for 12 months after the*
10 *date of the revocation, unless the Division or a court of competent jurisdiction*
11 *authorizes reapplication in a shorter time.*

12 **Sec. 142.** 1. *A person to whom the Division or its designee has issued a*
13 *registry identification card or letter of approval pursuant to paragraph (a) of*
14 *subsection 1 of section 140 of this act shall, in accordance with regulations*
15 *adopted by the Division:*

16 (a) *Notify the Division of any change in the person's name, address,*
17 *telephone number, designated medical cannabis dispensary, if any, attending*
18 *provider of health care or designated primary caregiver, if any; and*

19 (b) *Submit to the Division, on a form prescribed by the Division:*

20 (1) *On or before the date specified by the attending provider of health*
21 *care on the application for the issuance or renewal of the registry identification*
22 *card or letter of approval pursuant to subsection 5 of section 140 of this act, a*
23 *signature from the person's attending provider of health care affirming that:*

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

26 (II) *The medical use of cannabis may mitigate the symptoms or*
27 *effects of that condition; and*

28 (III) *The attending provider of health care has explained to the*
29 *person the possible risks and benefits of the medical use of cannabis; and*

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

33 (I) *The name, address and telephone number of the designated*
34 *primary caregiver; and*

35 (II) *A signature from the person's attending provider of health care*
36 *affirming that the attending provider of health care approves of the designation*
37 *of the primary caregiver.*

38 2. *A person to whom the Division or its designee has issued a registry*
39 *identification card pursuant to paragraph (b) of subsection 1 of section 140 of*
40 *this act or pursuant to section 144 of this act shall, in accordance with*
41 *regulations adopted by the Division, notify the Division of any change in the*
42 *person's name, address, telephone number, designated medical cannabis*
43 *dispensary, if any, or the identity of the person for whom he or she acts as*
44 *designated primary caregiver.*

45 3. *If a person fails to comply with the provisions of subsection 1 or 2, the*
46 *registry identification card or letter of approval issued to the person shall be*
47 *deemed expired. If the registry identification card or letter of approval of a person*
48 *to whom the Division or its designee issued the card or letter pursuant to*
49 *paragraph (a) of subsection 1 of section 140 of this act is deemed expired*
50 *pursuant to this subsection, the registry identification card issued to the person's*
51 *designated primary caregiver, if any, shall also be deemed expired. Upon the*
52 *deemed expiration of a registry identification card or letter of approval pursuant*
53 *to this subsection:*

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

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

7 **Sec. 143.** *If a person to whom the Division or its designee has issued a*
8 *registry identification card or letter of approval pursuant to paragraph (a) of*
9 *subsection 1 of section 140 of this act is diagnosed by the person's attending*
10 *provider of health care as no longer having a chronic or debilitating medical*
11 *condition, the person shall return his or her registry identification card or letter*
12 *of approval and his or her designated primary caregiver, if any, shall return his*
13 *or her registry identification card to the Division within 7 days after notification*
14 *of the diagnosis.*

15 **Sec. 144.** 1. *If a person who applies to the Division for a registry*
16 *identification card or letter of approval or to whom the Division or its designee*
17 *has issued a registry identification card or letter of approval pursuant to*
18 *paragraph (a) of subsection 1 of section 140 of this act desires or is required to*
19 *designate a primary caregiver, the person must:*

20 (a) *To designate a primary caregiver at the time of application, submit to the*
21 *Division, on a form prescribed by the Division, the information required pursuant*
22 *to paragraph (e) of subsection 2 of section 139 of this act; or*

23 (b) *To designate a primary caregiver after the Division or its designee has*
24 *issued a registry identification card or letter of approval to the person, submit to*
25 *the Division, on a form prescribed by the Division, the information required*
26 *pursuant to subparagraph (2) of paragraph (b) of subsection 1 of section 142 of*
27 *this act.*

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

30 3. *If a person designates a primary caregiver after the time that the person*
31 *initially applies for a registry identification card or letter of approval, the Division*
32 *or its designee shall, except as otherwise provided in subsection 5 of section 139*
33 *of this act, issue a registry identification card to the designated primary caregiver*
34 *as soon as practicable after receiving the information submitted pursuant to*
35 *paragraph (b) of subsection 1.*

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

40 **Sec. 145.** 1. *A person who holds a registry identification card or letter of*
41 *approval issued to him or her pursuant to section 140 or 144 of this act is not*
42 *exempt from state prosecution for, nor may the person establish an affirmative*
43 *defense to charges arising from, any of the following acts:*

44 (a) *Driving, operating or being in actual physical control of a vehicle or a*
45 *vessel under power or sail while under the influence of cannabis.*

46 (b) *Engaging in any other conduct prohibited by NRS 484C.110, 484C.120,*
47 *484C.130, 484C.430, subsection 2 of NRS 488.400, NRS 488.410, 488.420,*
48 *488.425 or 493.130.*

49 (c) *Possessing a firearm in violation of paragraph (b) of subsection 1 of NRS*
50 *202.257.*

51 (d) *Possessing cannabis in violation of NRS 453.336 or possessing*
52 *paraphernalia in violation of NRS 453.560 or 453.566:*

1 *(1) If the possession of the cannabis or paraphernalia is discovered*
2 *because the person engaged or assisted in the medical use of cannabis in:*

3 *(I) Any public place or in any place open to the public or exposed to*
4 *public view; or*

5 *(II) Any local detention facility, county jail, state prison, reformatory*
6 *or other correctional facility, including, without limitation, any facility for the*
7 *detention of juvenile offenders; or*

8 *(2) If the possession of the cannabis or paraphernalia occurs on school*
9 *property.*

10 *(e) Delivering cannabis to another person who he or she knows does not*
11 *lawfully hold a registry identification card or letter of approval issued by the*
12 *Division or its designee pursuant to section 140 or 144 of this act.*

13 *(f) Delivering cannabis for consideration to any person, regardless of*
14 *whether the recipient lawfully holds a registry identification card or letter of*
15 *approval issued by the Division or its designee pursuant to section 140 or 144 of*
16 *this act.*

17 2. *Except as otherwise provided in section 141 of this act and in addition to*
18 *any other penalty provided by law, if the Division determines that a person has*
19 *willfully violated a provision of this chapter or any regulation adopted by the*
20 *Division to carry out the provisions of this chapter, the Division may, at its own*
21 *discretion, prohibit the person from obtaining or using a registry identification*
22 *card or letter of approval for a period of up to 6 months.*

23 3. *Nothing in the provisions of this chapter shall be construed as in any*
24 *manner affecting the provisions of the chapter consisting of sections 173 to 187,*
25 *inclusive, of this act relating to the adult use of cannabis.*

26 4. *As used in this section, "school property" means the grounds of any*
27 *public school described in NRS 388.020 and any private school as defined in NRS*
28 *394.103.*

29 **Sec. 146. 1.** *Except as otherwise provided in this section and section 145*
30 *of this act, it is an affirmative defense to a criminal charge of possession, delivery*
31 *or production of cannabis, or any other criminal offense in which possession,*
32 *delivery or production of cannabis is an element, that the person charged with the*
33 *offense:*

34 *(a) Is a person who:*

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

39 *(2) Is engaged in the medical use of cannabis; and*

40 *(3) Possesses, delivers or produces cannabis only in the amount*
41 *described in paragraph (b) of subsection 3 of section 137 of this act or in excess*
42 *of that amount if the person proves by a preponderance of the evidence that the*
43 *greater amount is medically necessary as determined by the person's attending*
44 *provider of health care to mitigate the symptoms or effects of the person's*
45 *chronic or debilitating medical condition; or*

46 *(b) Is a person who:*

47 *(1) Is assisting a person described in paragraph (a) in the medical use of*
48 *cannabis; and*

49 *(2) Possesses, delivers or produces cannabis only in the amount*
50 *described in paragraph (b) of subsection 3 of section 137 of this act or in excess*
51 *of that amount if the person proves by a preponderance of the evidence that the*
52 *greater amount is medically necessary as determined by the assisted person's*

1 attending provider of health care to mitigate the symptoms or effects of the
2 assisted person's chronic or debilitating medical condition.

3 2. A person need not hold a registry identification card or letter of approval
4 issued to the person by the Division or its designee pursuant to section 140 or 144
5 of this act to assert an affirmative defense described in this section.

6 3. Except as otherwise provided in this section and in addition to the
7 affirmative defense described in subsection 1, a person engaged or assisting in
8 the medical use of cannabis who is charged with a crime pertaining to the
9 medical use of cannabis is not precluded from:

10 (a) Asserting a defense of medical necessity; or

11 (b) Presenting evidence supporting the necessity of cannabis for treatment of
12 a specific disease or medical condition,

13 ↪ if the amount of cannabis at issue is not greater than the amount described in
14 paragraph (b) of subsection 3 of section 137 of this act and the person has taken
15 steps to comply substantially with the provisions of this chapter.

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

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

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

23 ↪ A defendant who fails to provide notice of his or her intent to claim an
24 affirmative defense as required pursuant to this subsection may not assert the
25 affirmative defense at trial unless the court, for good cause shown, orders
26 otherwise.

27 **Sec. 147. 1. Each medical cannabis establishment must:**

28 (a) Be located in a separate building or facility that is located in a
29 commercial or industrial zone or overlay;

30 (b) Have an appearance, both as to the interior and exterior, that is
31 professional, orderly, dignified and consistent with the traditional style of
32 pharmacies and medical offices; and

33 (c) Have discreet and professional signage that is consistent with the
34 traditional style of signage for pharmacies and medical offices.

35 2. If a medical cannabis establishment is operated by a dual licensee, any
36 provision of this section which is determined by the Board to be unreasonably
37 impracticable pursuant to subsection ~~194~~ 8 of section 123 of this act does not
38 apply to the medical cannabis establishment.

39 **Sec. 148. 1. A medical cannabis establishment is prohibited from**
40 **acquiring, possessing, cultivating, manufacturing, delivering, transferring,**
41 **transporting, supplying or dispensing cannabis for any purpose except to:**

42 (a) Directly or indirectly assist patients who possess valid registry
43 identification cards;

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

46 (c) Return for a refund cannabis, medical edible cannabis products or
47 medical cannabis-infused products to the medical cannabis establishment from
48 which the cannabis, medical edible cannabis products or medical cannabis-
49 infused products were acquired.

50 ↪ For the purposes of this subsection, a person shall be deemed to be a patient
51 who possesses a valid registry identification card or letter of approval if he or she
52 qualifies for nonresident reciprocity pursuant to section 154 of this act.

2. A medical cannabis dispensary and a medical cultivation facility may acquire usable cannabis or cannabis plants from a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver. Except as otherwise provided in this subsection, the patient or caregiver, as applicable, must receive no compensation for the cannabis. A patient who holds a valid registry identification card, and the designated primary caregiver of such a patient, or the designated primary caregiver of a person who holds a letter of approval may sell usable cannabis to a medical cannabis dispensary one time and may sell cannabis plants to a cultivation facility one time.

3. A medical cannabis production facility and a medical cannabis dispensary may acquire industrial hemp, as defined in NRS 557.160, from a grower or handler registered by the State Department of Agriculture pursuant to NRS 557.100 to 557.290, inclusive. A medical cannabis production facility may use industrial hemp to manufacture medical cannabis products. A medical cannabis dispensary may dispense industrial hemp and medical edible cannabis products and medical cannabis-infused products manufactured using industrial hemp.

4. A dual licensee:

(a) Shall comply with the regulations adopted by the Board pursuant to subsection 7 of section 123 of this act with respect to the medical cannabis establishment operated by the dual licensee; and

(b) May, to the extent authorized by such regulations, combine the location or operations of the medical cannabis establishment operated by the dual licensee with the adult-use cannabis establishment operated by the dual licensee.

5. If a medical cannabis establishment is operated by a dual licensee, any provision of this section which is determined by the Board to be unreasonably impracticable pursuant to subsection ~~194~~ 8 of section 123 of this act does not apply to the medical cannabis establishment.

Sec. 149. 1. Each medical cannabis establishment, in consultation with the Board, shall maintain an electronic verification system.

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

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

(1) The number of the card;

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

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

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

(c) In the case of a medical cannabis dispensary, such information as may be required by the Board by regulation regarding persons who are not residents of this State and who have purchased cannabis from the dispensary.

(d) Verification of the identity of a person to whom cannabis or medical cannabis products are sold or otherwise distributed.

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

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

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

6 **Sec. 150. 1.** Each medical cannabis establishment, in consultation with
7 the Board, shall maintain an inventory control system.

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

10 (a) Insofar as is practicable, the chain of custody and current whereabouts,
11 in real time, of cannabis from the point that it is harvested at a cannabis
12 cultivation facility until it is sold at a medical cannabis dispensary and, if
13 applicable, medical cannabis production facility;

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

16 (c) In the case of a medical cannabis dispensary, the date on which it sold
17 cannabis to a person who holds a registry identification card and, if any, the
18 quantity of medical cannabis products sold, measured both by weight and
19 potency; and

20 (d) Such other information as the Board may require.

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

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

30 5. If a medical cannabis establishment is operated by a dual licensee, the
31 medical cannabis establishment may:

32 (a) For the purpose of tracking cannabis for medical use, maintain a
33 combined inventory with an adult-use cannabis establishment operated by the
34 dual licensee; and

35 (b) For the purpose of reporting on the inventory of the medical cannabis
36 establishment operated by the dual licensee, maintain a combined inventory with
37 an adult-use cannabis establishment operated by the dual licensee and report the
38 combined inventory under a single medical cannabis establishment license or
39 adult-use cannabis establishment license.

40 6. If a medical cannabis establishment is operated by a dual licensee, the
41 medical cannabis establishment shall:

42 (a) For the purpose of reporting on the sales of any medical cannabis
43 establishment or adult-use cannabis establishment operated by the dual licensee,
44 designate each sale as a sale pursuant to the provisions of this chapter or the
45 chapter consisting of sections 173 to 187, inclusive, of this act in its inventory
46 control system at the point of sale; and

47 (b) Verify that each person who purchases cannabis or cannabis products in
48 a sale designated as a sale pursuant to the provisions of this chapter holds a valid
49 registry identification card.

50 **Sec. 151. 1.** Each medical cannabis dispensary shall ensure all of the
51 following:

1 (a) The weight, concentration and content of THC in all cannabis and
2 cannabis products that the dispensary sells is clearly and accurately stated on the
3 product sold.

4 (b) That the dispensary does not sell to a person, in any one transaction,
5 more than 1 ounce of cannabis.

6 (c) That, posted clearly and conspicuously within the dispensary, are the
7 legal limits on the possession of cannabis for medical purposes, as set forth in
8 section 137 of this act.

9 (d) That, posted clearly and conspicuously within the dispensary, is a sign
10 stating unambiguously the legal limits on the possession of cannabis for medical
11 purposes, as set forth in section 137 of this act.

12 (e) That only persons who are at least 21 years of age or hold a registry
13 identification card or letter of approval are allowed to enter the premises of the
14 medical cannabis dispensary.

15 2. A medical cannabis dispensary may, but is not required to, track the
16 purchases of cannabis for medical purposes by any person to ensure that the
17 person does not exceed the legal limits on the possession of cannabis for medical
18 purposes, as set forth in section 137 of this act. The Board shall not adopt a
19 regulation or in any other way require a medical cannabis dispensary to track the
20 purchases of a person or determine whether the person has exceeded the legal
21 limits on the possession of cannabis for medical purposes, as set forth in section
22 137 of this act.

23 3. A medical cannabis dispensary which is a dual licensee may, to the extent
24 authorized by the regulations adopted by the Board pursuant to subsection 7 of
25 section 123 of this act, allow any person who is at least 21 years of age to enter
26 the premises of the medical cannabis dispensary, regardless of whether such a
27 person holds a valid registry identification card or letter of approval.

28 4. A medical cannabis dispensary shall not sell cannabis or cannabis
29 products to a consumer through the use of, or accept a sale of cannabis or
30 cannabis products from, a third party, intermediary business, broker or any other
31 business that does not hold a medical cannabis establishment license for a
32 medical cannabis dispensary.

33 5. A medical cannabis dispensary may contract with a third party or
34 intermediary business to deliver cannabis or medical cannabis products to
35 consumers only if:

36 (a) Every sale of cannabis or cannabis products which is delivered by the
37 third party or intermediary business is made directly from the medical cannabis
38 dispensary or an Internet website, digital network or software application service
39 of the medical cannabis dispensary;

40 (b) The third party or intermediary business does not advertise that it sells,
41 offers to sell or appears to sell cannabis or cannabis products or allows the
42 submission of an order for cannabis or cannabis products; and

43 (c) The delivery complies with the requirements of section ~~(114 or)~~ 152 of
44 this act.

45 **Sec. 152. 1.** A medical cannabis dispensary may deliver cannabis or
46 cannabis products to a person who holds a valid registry identification card or
47 letter of approval if ~~+~~

48 ~~—(a) The~~ the delivery is made by a cannabis establishment agent who is
49 authorized to make the delivery by the medical cannabis dispensary ~~[by]~~ which
50 ~~[he or she is employed; or~~

51 ~~—(b) The delivery is made by a third party or intermediary business that has~~
52 ~~contracted with the medical cannabis dispensary pursuant to section 151 of this~~
53 ~~act.] sold the cannabis or cannabis product.~~

1 2. *The Board may adopt regulations prescribing procedures and protocols*
2 *for deliveries conducted pursuant to subsection 1.*

3 **Sec. 153. 1.** *At each medical cannabis establishment, medical cannabis*
4 *must be stored only in an enclosed, locked facility.*

5 2. *Except as otherwise provided in subsection 3, at each medical cannabis*
6 *dispensary, medical cannabis must be stored in a secure, locked device, display*
7 *case, cabinet or room within the enclosed, locked facility. The secure, locked*
8 *device, display case, cabinet or room must be protected by a lock or locking*
9 *mechanism that meets at least the security rating established by the Underwriters*
10 *Laboratories for key locks.*

11 3. *At a medical cannabis dispensary, medical cannabis may be removed*
12 *from the secure setting described in subsection 2:*

13 (a) *Only for the purpose of dispensing the cannabis;*

14 (b) *Only immediately before the cannabis is dispensed; and*

15 (c) *Only by a cannabis establishment agent who is employed by or volunteers*
16 *at the dispensary.*

17 4. *A medical cannabis establishment may:*

18 (a) *Transport medical cannabis to another medical cannabis establishment*
19 *or between the buildings of the medical cannabis establishment; and*

20 (b) *Enter into a contract with a third party to transport cannabis to another*
21 *medical cannabis establishment or between the buildings of the medical cannabis*
22 *establishment.*

23 **Sec. 154. 1.** *A person who is not a resident of this State, but who is*
24 *authorized to engage in the medical use of cannabis under the laws of his or her*
25 *state or jurisdiction of residence, is deemed to hold a valid registry identification*
26 *card for the purpose of the exemption from state prosecution described in*
27 *subsection 1 of section 137 of this act if the person abides by the legal limits on*
28 *the possession, delivery and production of cannabis for medical purposes in this*
29 *State, as set forth in section 137 of this act.*

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

39 **Sec. 155. 1.** *A patient who holds a valid registry identification card or*
40 *letter of approval and his or her designated primary caregiver, if any, may select*
41 *one medical cannabis dispensary to serve as his or her designated medical*
42 *cannabis dispensary at any one time.*

43 2. *A patient who designates a medical cannabis dispensary as described in*
44 *subsection 1:*

45 (a) *Shall communicate the designation to the Division within the time*
46 *specified by the Division.*

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

49 **Sec. 156.** *The Board shall adopt such regulations as it determines to be*
50 *necessary or advisable to carry out the provisions of this chapter. Such*
51 *regulations are in addition to any requirements set forth in statute and must,*
52 *without limitation:*

1 1. Establish procedures pursuant to which a medical cannabis dispensary
2 will be notified by the Board if a patient who holds a valid registry identification
3 card or letter of approval has chosen the dispensary as his or her designated
4 medical cannabis dispensary, as described in section 155 of this act.

5 2. Establish minimum requirements for industrial hemp, as defined in NRS
6 557.160, which is used by a medical cannabis production facility or dispensed by
7 a medical cannabis dispensary.

8 3. Set forth the amount of usable cannabis that a medical cannabis
9 dispensary may dispense to a person who holds a valid registry identification
10 card, including, without limitation, a designated primary caregiver, ~~if in any one~~
11 ~~14 day period.~~ Such an amount must not exceed the limits set forth in section
12 137 of this act.

13 4. In cooperation with the applicable professional licensing boards,
14 establish a system to:

15 (a) Register and track attending providers of health care who advise their
16 patients that the medical use of cannabis may mitigate the symptoms or effects of
17 the patient's medical condition;

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

21 (c) Provide for the progressive discipline of attending providers of health
22 care who advise the medical use of cannabis at a rate at which the Board, in
23 consultation with the Division, and the applicable board, determine and agree to
24 be unreasonably high.

25 5. Provide for the maintenance of a log by the Board, in consultation with
26 the Division, of each person who is authorized to cultivate, grow or produce
27 cannabis pursuant to subsection 6 of section 137 of this act. The Board shall
28 ensure that the contents of the log are available for verification by law
29 enforcement personnel 24 hours a day.

30 Sec. 156.5. The Board may recommend to the Legislature any change to
31 the quantity of usable cannabis that a medical cannabis dispensary may sell to a
32 person who holds a valid registry identification card, including, without
33 limitation, a designated primary caregiver, that the Board determines to be
34 appropriate.

35 Sec. 157. 1. The fact that a person possesses a registry identification card
36 or letter of approval issued to the person by the Division or its designee pursuant
37 to section 140 or 144 of this act, a medical cannabis establishment license issued
38 to the person by the Board or its designee pursuant to section 91 of this act or a
39 cannabis establishment agent registration card issued to the person by the Board
40 or its designee pursuant to section 103 of this act or a cannabis establishment
41 agent registration card for a cannabis executive issued to the person by the Board
42 or its designee pursuant to section 104 of this act does not, alone:

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

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

47 2. Except as otherwise provided in this subsection, if officers of a state or
48 local law enforcement agency seize cannabis, paraphernalia or other related
49 property from a person engaged in, facilitating or assisting in the medical use of
50 cannabis:

51 (a) The law enforcement agency shall ensure that the cannabis,
52 paraphernalia or other related property is not destroyed while in the possession of
53 the law enforcement agency.

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

5 (c) Upon:

6 (1) A decision not to prosecute;

7 (2) The dismissal of charges; or

8 (3) Acquittal,

9 ↪ the law enforcement agency shall, to the extent permitted by law, return to that
10 person any usable cannabis, cannabis plants, paraphernalia or other related
11 property that was seized. The provisions of this subsection do not require a law
12 enforcement agency to care for live cannabis plants.

13 **Sec. 158.** 1. If a law enforcement agency legally and justly seizes evidence
14 from a medical cannabis establishment on a basis that, in consideration of due
15 process and viewed in the manner most favorable to the establishment, would
16 lead a reasonable person to believe that a crime has been committed, the relevant
17 provisions of NRS 179.1156 to 179.121, inclusive, apply insofar as they do not
18 conflict with the provisions of this chapter.

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

21 **Sec. 159.** The applicable professional licensing boards shall not take any
22 disciplinary action against an attending provider of health care on the basis that
23 the attending provider of health care:

24 1. Regardless of whether the person is a resident of this State, advised a
25 person whom the attending provider of health care has diagnosed as having a
26 chronic or debilitating medical condition, or a person whom the attending
27 provider of health care knows has been so diagnosed by another provider of
28 health care licensed or certified pursuant to the law of this State:

29 (a) About the possible risks and benefits of the medical use of cannabis; or

30 (b) That the medical use of cannabis may mitigate the symptoms or effects of
31 the person's chronic or debilitating medical condition,

32 ↪ if the advice is based on the attending provider of health care's personal
33 assessment of the person's medical history and current medical condition.

34 2. Provided or maintained the written documentation or signature, as
35 applicable, required pursuant to paragraph (a) of subsection 2 of section 139 of
36 this act for the issuance of a registry identification card or letter of approval or
37 pursuant to subparagraph (1) of paragraph (b) of subsection 1 of section 142 of
38 this act for the renewal of a registry identification card or letter of approval, or
39 any similar documentation required for the person to be authorized to engage in
40 the medical use of cannabis pursuant to the laws of another state or jurisdiction,
41 if:

42 (a) Such documentation is based on the attending provider of health care's
43 personal assessment of the person's medical history and current medical
44 condition; and

45 (b) The attending provider of health care has advised the person about the
46 possible risks and benefits of the medical use of cannabis.

47 **Sec. 160.** A professional licensing board shall not take any disciplinary
48 action against a person licensed by the board on the basis that:

49 1. The person engages in or has engaged in the medical use of cannabis in
50 accordance with the provisions of this chapter; or

51 2. The person acts as or has acted as the designated primary caregiver of a
52 person who holds a registry identification card or letter of approval issued to him
53 or her pursuant to paragraph (a) of subsection 1 of section 140 of this act.

1 **Sec. 161. 1.** *The University of Nevada, Reno, School of Medicine shall*
2 *establish a program for the evaluation and research of the medical use of*
3 *cannabis in the care and treatment of persons who have been diagnosed with a*
4 *chronic or debilitating medical condition.*

5 2. *Before the School of Medicine establishes a program pursuant to*
6 *subsection 1, the School of Medicine shall aggressively seek and must receive*
7 *approval of the program by the Federal Government pursuant to 21 U.S.C. § 823*
8 *or other applicable provisions of federal law, to allow the creation of a federally*
9 *approved research program for the use and distribution of cannabis for medical*
10 *purposes.*

11 3. *A research program established pursuant to this section must include*
12 *residents of this State who volunteer to act as participants and subjects, as*
13 *determined by the School of Medicine.*

14 4. *A resident of this State who wishes to serve as a participant and subject*
15 *in a research program established pursuant to this section may notify the School*
16 *of Medicine and may apply to participate by submitting an application on a form*
17 *prescribed by the Department of Administration of the School of Medicine.*

18 5. *The School of Medicine shall, on a quarterly basis, report to the Interim*
19 *Finance Committee with respect to:*

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

22 (b) *If the research program receives federal approval, the status of, activities*
23 *of and information received from the research program.*

24 **Sec. 162. 1.** *Except as otherwise provided in this section and NRS*
25 *239.0115, the University of Nevada, Reno, School of Medicine shall maintain the*
26 *confidentiality of and shall not disclose:*

27 (a) *The contents of any applications, records or other written materials that*
28 *the School of Medicine creates or receives pursuant to the research program*
29 *described in section 161 of this act; or*

30 (b) *The name or any other identifying information of a person who has*
31 *applied to or who participates in the research program described in section 161 of*
32 *this act.*

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

36 2. *Notwithstanding the provisions of subsection 1, the School of Medicine*
37 *may release the name and other identifying information of a person who has*
38 *applied to or who participates in the research program described in section 161 of*
39 *this act to:*

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

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

45 **Sec. 163. 1.** *The Department of Administration of the University of*
46 *Nevada, Reno, School of Medicine may apply for or accept any gifts, grants,*
47 *donations or contributions from any source to carry out the provisions of section*
48 *161 of this act.*

49 2. *Any money the Department of Administration receives pursuant to*
50 *subsection 1 must be deposited in the State Treasury pursuant to section 164 of*
51 *this act.*

52 **Sec. 164. 1.** *Any money the Department of Administration of the*
53 *University of Nevada, Reno, School of Medicine receives pursuant to section 163*

1 of this act or that is appropriated to carry out the provisions of section 161 of this
2 act:

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

5 (b) May only be used to carry out the provisions of section 161 of this act,
6 including the dissemination of information concerning the provisions of that
7 section and such other information as is determined appropriate by the
8 Department of Administration; and

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

10 2. The Department of Administration of the School of Medicine shall
11 administer the account. Any interest or income earned on the money in the
12 account must be credited to the account. Any claims against the account must be
13 paid as other claims against the State are paid.

14 **Sec. 165.** 1. Except as otherwise provided in this section, NRS 239.0155
15 and subsection 4 of section 139 of this act, the Division shall not disclose the
16 name or other identifying information of:

17 (a) An attending provider of health care; or

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

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

23 2. Notwithstanding the provisions of subsection 1, the Division or its
24 designee:

25 (a) Shall release the name and other identifying information of a person who
26 has applied for a registry identification card to authorized employees of the
27 Division of Parole and Probation of the Department of Public Safety, if notified
28 by the Division of Parole and Probation that the applicant is on parole or
29 probation.

30 (b) May release the name and other identifying information of a person to
31 whom the Division or its designee has issued a registry identification card or
32 letter of approval to:

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

35 (2) Authorized employees of state and local law enforcement agencies,
36 only as necessary to verify that a person is the lawful holder of a registry
37 identification card or letter of approval issued to him or her pursuant to section
38 140 or 144 of this act.

39 **Sec. 166.** 1. A person may submit to the Division a petition requesting
40 that a particular disease or condition be included among the diseases and
41 conditions that qualify as chronic or debilitating medical conditions pursuant to
42 section 128 of this act.

43 2. The Division shall adopt regulations setting forth the manner in which
44 the Division will accept and evaluate petitions submitted pursuant to this section.
45 The regulations must provide, without limitation, that:

46 (a) The Division will approve or deny a petition within 180 days after the
47 Division receives the petition; and

48 (b) The decision of the Division to deny a petition is a final decision for the
49 purposes of judicial review.

50 **Sec. 167.** 1. The Administrator of the Division or his or her designee may
51 apply for or accept any gifts, grants, donations or contributions from any source
52 to carry out the provisions of this chapter governing the issuance of registry

1 identification cards and letters of approval and the regulation of the holders of
2 such cards and letters.

3 2. Any money the Administrator or his or her designee receives pursuant to
4 subsection 1 must be deposited in the State Treasury pursuant to section 168 of
5 this act.

6 **Sec. 168.** 1. Any money the Division receives pursuant to section 167 of
7 this act or that is appropriated to carry out the provisions of this chapter
8 governing the issuance of registry identification cards and letters of approval and
9 the regulation of the holders of such cards and letters:

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

12 (b) May only be used to carry out:

13 (1) The provisions of this chapter governing the issuance of registry
14 identification cards and letters of approval and the regulation of the holders of
15 such cards and letters, including the dissemination of information concerning
16 those provisions and such other information as determined appropriate by the
17 Division;

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

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

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

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

26 **Sec. 169.** The Administrator of the Division shall adopt such regulations as
27 the Administrator determines are necessary to carry out the provisions of this
28 chapter governing the issuance of registry identification cards and letters of
29 approval and the regulation of the holders of such cards and letters. The
30 regulations must set forth, without limitation:

31 1. Procedures pursuant to which the Division will issue a registry
32 identification card or letter of approval or ~~in cooperation with the Department~~
33 ~~of Motor Vehicles,~~ cause a registry identification card to be prepared and issued
34 to a qualified person. ~~as a type of identification card described in NRS 483.810~~
35 ~~to 483.890, inclusive. The procedures described in this subsection must provide~~
36 ~~that the Division will:~~

37 ~~(a) Issue a registry identification card or letter of approval to a qualified~~
38 ~~person; or~~

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

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

44 ~~(2) The Department of Motor Vehicles, before issuing the registry~~
45 ~~identification card, confirms by telephone or other reliable means that the~~
46 ~~Division has approved the issuance of a registry identification card to the~~
47 ~~person;}~~

48 2. ~~[That if the Division issues a registry identification card pursuant to~~
49 ~~subsection 1, the Division may charge and collect any fee authorized for the~~
50 ~~issuance of an identification card described in NRS 483.810 to 483.890, inclusive.~~

51 ~~3.] Fees for processing and issuing a registry identification card or letter of~~
52 ~~approval, which must not exceed:~~

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

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

5 **Sec. 170.** *The provisions of this chapter do not:*

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

9 2. *Require any employer to allow the medical use of cannabis in the*
10 *workplace.*

11 3. *Except as otherwise provided in subsection 4, require an employer to*
12 *modify the job or working conditions of a person who engages in the medical use*
13 *of cannabis that are based upon the reasonable business purposes of the*
14 *employer but the employer must attempt to make reasonable accommodations for*
15 *the medical needs of an employee who engages in the medical use of cannabis if*
16 *the employee holds a valid registry identification card, provided that such*
17 *reasonable accommodation would not:*

18 (a) *Pose a threat of harm or danger to persons or property or impose an*
19 *undue hardship on the employer; or*

20 (b) *Prohibit the employee from fulfilling any and all of his or her job*
21 *responsibilities.*

22 4. *Prohibit a law enforcement agency from adopting policies and*
23 *procedures that preclude an employee from engaging in the medical use of*
24 *cannabis.*

25 5. *As used in this section, "law enforcement agency" means:*

26 (a) *The Office of the Attorney General, the office of a district attorney within*
27 *this State or the Nevada Gaming Control Board and any attorney, investigator,*
28 *special investigator or employee who is acting in his or her professional or*
29 *occupational capacity for such an office or the Nevada Gaming Control Board;*
30 *or*

31 (b) *Any other law enforcement agency within this State and any peace officer*
32 *or employee who is acting in his or her professional or occupational capacity for*
33 *such an agency.*

34 **Sec. 171.** *The State must not be held responsible for any deleterious*
35 *outcomes from the medical use of cannabis by any person.*

36 **Sec. 172.** *The title of NRS created by section 1 of this act is hereby amended*
37 *by adding thereto a new chapter to consist of the provisions set forth as sections*
38 *173 to 187, inclusive, of this act.*

39 **Sec. 173.** *As used in this chapter, unless the context otherwise requires, the*
40 *words and terms defined in sections 174 to 177, inclusive, of this act have the*
41 *meanings ascribed to them in those sections.*

42 **Sec. 174.** *"Concentrated cannabis" has the meaning ascribed to it in NRS*
43 *453.042.*

44 **Sec. 175.** *"Enclosed, locked facility" has the meaning ascribed to it in*
45 *section 86 of this act.*

46 **Sec. 176.** *"State prosecution" has the meaning ascribed to it in section 134*
47 *of this act.*

48 **Sec. 177.** *"Usable cannabis" has the meaning ascribed to it in section 135*
49 *of this act.*

50 **Sec. 178.** 1. *Except as otherwise provided in section 179 of this act, a*
51 *person who is 21 years of age or older is exempt from state prosecution for:*

52 (a) *The possession, delivery or production of cannabis;*

53 (b) *The possession or delivery of paraphernalia;*

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

(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 cannabis 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 adult use of cannabis in accordance with the provisions of this title.

3. The exemption from state prosecution set forth in subsection 1 applies only to the extent that a person ~~who is~~:

~~(a)~~ (a) Is 21 years of age or older ~~;~~

~~(a)~~ ;

~~(b)~~ (b) Is not employed by any agency or political subdivision of this State in a position which requires the person to be certified by the Peace Officers' Standards and Training Commission;

~~(c)~~ (c) Engages in the adult use of cannabis in accordance with the provisions of this title;

~~(d)~~ (d) Does not, at any one time, possess, deliver or produce more than:

(1) One ounce of usable cannabis;

(2) One-eighth of an ounce of concentrated cannabis;

(3) Six cannabis plants, irrespective of whether the cannabis plants are mature or immature; and

(4) A maximum allowable quantity of adult-use cannabis products as established by regulation of the Board ~~;~~

~~(e)~~ ;

~~(e)~~ (e) Cultivates, grows or produces not more than six cannabis plants:

(1) Within an enclosed area that is not exposed to public view that is equipped with locks or other security devices which allow access only by an authorized person; and

(2) At a residence or upon the grounds of a residence in which not more than 12 cannabis plants are cultivated, grown or produced ~~;~~

~~(d)~~ ;

~~(f)~~ (f) Delivers 1 ounce or less of usable cannabis or one-eighth of an ounce or less of concentrated cannabis without remuneration to a person who is 21 years of age or older so long as such delivery is not advertised or promoted to the public; and

~~(g)~~ (g) Assists another person who is 21 years of age or older in carrying out any of the acts described in paragraphs (a) to ~~(d)~~ (f), inclusive.

4. If a person possesses, uses or produces cannabis in an amount which exceeds the amount set forth in paragraph ~~(b)~~ (d) of subsection 3 or in any manner other than that set forth in subsection 3, the person is not exempt from state prosecution for the possession, delivery or production of cannabis.

5. A person who holds an adult-use cannabis establishment license issued to the person pursuant to section 91 of this act or a cannabis establishment agent registration card issued to the person pursuant to section 103 of this act or a cannabis establishment agent registration card for a cannabis executive issued to the person pursuant to section 104 of this act, and confines his or her activities to

1 *those authorized by this title, and the regulations adopted by the Board pursuant*
2 *thereto, is exempt from state prosecution for:*

- 3 *(a) The possession, delivery or production of cannabis;*
- 4 *(b) The possession or delivery of paraphernalia;*
- 5 *(c) Aiding and abetting another in the possession, delivery or production of*
6 *cannabis;*
- 7 *(d) Aiding and abetting another in the possession or delivery of*
8 *paraphernalia;*
- 9 *(e) Any combination of the acts described in paragraphs (a) to (d), inclusive;*
10 *and*
- 11 *(f) Any other criminal offense in which the possession, delivery or*
12 *production of cannabis or the possession or delivery of paraphernalia is an*
13 *element.*

14 *6. The commission of any act by a person for which the person is exempt*
15 *from state prosecution pursuant to this section must not be used as the basis for*
16 *the seizure or forfeiture of any property of the person or for the imposition of a*
17 *civil penalty.*

18 **Sec. 179. 1. A person is not exempt from state prosecution for any of the**
19 **following acts:**

20 *(a) Driving, operating or being in actual physical control of a vehicle or a*
21 *vessel under power or sail while under the influence of cannabis.*

22 *(b) Engaging in any other conduct prohibited by NRS 484C.110, 484C.120,*
23 *484C.130, 484C.430, subsection 2 of NRS 488.400, NRS 488.410, 488.420,*
24 *488.425 or 493.130.*

25 *(c) Possessing a firearm in violation of paragraph (b) of subsection 1 of NRS*
26 *202.257.*

27 *(d) Possessing cannabis in violation of NRS 453.336 or possessing*
28 *paraphernalia in violation of NRS 453.560 or 453.566:*

29 *(1) If the possession of the cannabis or paraphernalia is discovered*
30 *because the person engaged in the adult use of cannabis in:*

31 *(I) Any public place or in any place open to the public or exposed to*
32 *public view; or*

33 *(II) Any local detention facility, county jail, state prison, reformatory*
34 *or other correctional facility, including, without limitation, any facility for the*
35 *detention of juvenile offenders; or*

36 *(2) If the possession of the cannabis or paraphernalia occurs on school*
37 *property.*

38 *(e) Knowingly delivering cannabis to another person who is not 21 years of*
39 *age or older unless:*

40 *(1) The recipient holds a valid registry identification card or letter of*
41 *approval issued to the person by the Board or its designee pursuant to section 140*
42 *or 144 of this act.*

43 *(2) The person demanded and was shown bona fide documentary*
44 *evidence of the age and identity of the recipient issued by a federal, state, county*
45 *or municipal government, or subdivision or agency thereof;*

46 *2. As used in this section, "school property" means the grounds of any*
47 *public school described in NRS 388.020 and any private school as defined in NRS*
48 *394.103.*

49 **Sec. 180. 1. The provisions of this chapter do not prohibit:**

50 *(a) A public or private employer from maintaining, enacting and enforcing a*
51 *workplace policy prohibiting or restricting actions or conduct otherwise permitted*
52 *under this chapter;*

(b) A state or local governmental agency that occupies, owns or controls a building from prohibiting or otherwise restricting the consumption, cultivation, processing, manufacture, sale, delivery or transfer of cannabis in that building;

(c) A person who occupies, owns or controls a privately owned property from prohibiting or otherwise restricting the smoking, cultivation, processing, manufacture, sale, delivery or transfer of cannabis on that property; or

(d) A local government from adopting and enforcing local cannabis control measures pertaining to zoning and land use for adult-use cannabis establishments.

2. Nothing in the provisions of this chapter shall be construed as in any manner affecting the provisions of the chapter consisting of sections 125 to 171, inclusive, of this act relating to the medical use of cannabis.

Sec. 181. 1. Except as otherwise provided in the chapter consisting of sections 125 to 171, inclusive, of this act, any person shall not:

(a) Cultivate cannabis within 25 miles of an adult-use cannabis retail store licensed pursuant to the chapter consisting of sections 84 to 123, inclusive, of this act, unless the person is an adult-use cannabis cultivation facility or is a cannabis establishment agent volunteering at, employed by or providing labor to an adult-use cannabis cultivation facility;

(b) Cultivate cannabis plants where they are visible from a public place by normal unaided vision; or

(c) Cultivate cannabis on property not in the cultivator's lawful possession or without the consent of the person in lawful physical possession of the property.

2. A person who violates the provisions of subsection 1 is guilty of:

(a) For a first violation, a misdemeanor punished by a fine of not more than \$600.

(b) For a second violation, a misdemeanor punished by a fine of not more than \$1,000.

(c) For a third violation, a gross misdemeanor.

(d) For a fourth or subsequent violation, a category E felony.

3. ~~Except as otherwise provided in subsection 9, a~~ A person who smokes or otherwise consumes cannabis or a cannabis product in a public place, in an adult-use cannabis retail store or in a ~~(moving)~~ vehicle is guilty of a misdemeanor punished by a fine of not more than \$600.

4. A person under 21 years of age who falsely represents himself or herself to be 21 years of age or older to obtain cannabis is guilty of a misdemeanor.

5. A person under 21 years of age who knowingly enters, loiters or remains on the premises of an adult-use cannabis establishment shall be punished by a fine of not more than \$500 unless the person is authorized to possess cannabis pursuant to the chapter consisting of sections 125 to 171, inclusive, of this act and the adult-use cannabis establishment is a dual licensee.

6. A person who manufactures cannabis by chemical extraction or chemical synthesis, unless done pursuant to an adult-use cannabis establishment license for an adult-use cannabis production facility issued by the Board or authorized by this title, is guilty of a category E felony.

7. A person who knowingly gives cannabis or a cannabis product to any person under 21 years of age or who knowingly leaves or deposits any cannabis or cannabis product in any place with the intent that it will be procured by any person under 21 years of age is guilty of a misdemeanor.

8. A person who knowingly gives cannabis to any person under 18 years of age or who knowingly leaves or deposits any cannabis in any place with the intent that it will be procured by any person under 18 years of age is guilty of a gross misdemeanor.

~~9. A person may smoke or otherwise consume cannabis or a cannabis product in a cannabis consumption lounge that is licensed pursuant to section 100 of this act.~~

Sec. 182. An adult-use cultivation facility may cultivate cannabis outdoors if the outdoor cultivation is sufficiently hidden from public view and adequately isolated. The Board shall adopt regulations establishing requirements for the outdoor cultivation of cannabis.

Sec. 183. An adult-use cannabis establishment shall not transport cannabis or adult-use edible cannabis products or adult-use cannabis-infused products to an adult-use cannabis retail store unless the adult-use cannabis establishment:

1. Holds a license for an adult-use cannabis distributor;

2. Holds a medical cannabis establishment license and is only transporting cannabis or medical edible cannabis products or medical cannabis-infused products for the medical use of cannabis;

3. Is an adult-use cannabis independent testing laboratory transporting samples for testing; or

4. Is a dual licensee and is only transporting cannabis or medical edible cannabis products or medical cannabis-infused products for the medical use of cannabis to a medical cannabis dispensary or a dual licensee.

Sec. 184. 1. An adult-use edible cannabis product or an adult-use cannabis-infused product must be 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.

2. An adult-use ~~edible~~ cannabis product ~~for an adult-use cannabis-infused product~~ must be sold in a single package. A single package must not contain:

(a) More than 1 ounce of usable cannabis or one-eighth of an ounce of concentrated cannabis.

~~(b) For an adult-use ~~edible~~ cannabis product ~~for an adult-use cannabis-infused product~~ sold as a capsule, more than 100 milligrams of THC per capsule or more than 800 milligrams of THC per package.~~

~~((b)) (c) For an adult-use ~~edible~~ cannabis product ~~for an adult-use cannabis-infused product~~ sold as a tincture, more than 800 milligrams of THC.~~

~~((c)) (d) For an adult-use edible cannabis product ~~for an adult-use cannabis-infused product sold as a food product,~~ more than 100 milligrams of THC.~~

~~((d)) (e) For an adult-use ~~edible~~ cannabis product ~~for an adult-use cannabis-infused product~~ sold as a topical product, a concentration of more than 6 percent THC or more than 800 milligrams of THC per package.~~

~~((e)) (f) For an adult-use ~~edible~~ cannabis product ~~for an adult-use cannabis-infused 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)) (g) For any other adult-use ~~edible~~ cannabis product ~~for an adult-use cannabis-infused product,~~ more than 800 milligrams of THC.~~

Sec. 185. 1. An adult-use cannabis establishment:

(a) Shall not engage in advertising which contains any statement or illustration that:

(1) Is false or misleading;

(2) Promotes overconsumption of cannabis or cannabis products;

(3) Depicts the actual consumption of cannabis or cannabis products; or

(4) Depicts a child or other person who is less than 21 years of age consuming cannabis or cannabis products or objects suggesting the presence of a child, including, without limitation, toys, characters or cartoons, or contains any

1 *other depiction which is designed in any manner to be appealing to or encourage*
2 *consumption of cannabis or cannabis products by a person who is less than 21*
3 *years of age.*

4 *(b) Shall not advertise in any publication or on radio, television or any other*
5 *medium if 30 percent or more of the audience of that medium is reasonably*
6 *expected to be persons who are less than 21 years of age.*

7 *(c) Shall not place an advertisement:*

8 *(1) Within 1,000 feet of a public or private school, playground, public*
9 *park or library, but may maintain such an advertisement if it was initially placed*
10 *before the school, playground, public park or library was located within 1,000*
11 *feet of the location of the advertisement;*

12 *(2) On or inside of a motor vehicle used for public transportation or any*
13 *shelter for public transportation; or*

14 *(3) At a sports or entertainment event to which persons who are less than*
15 *21 years of age are allowed entry.*

16 *(d) Shall not advertise or offer any cannabis or cannabis product as "free"*
17 *or "donated" without a purchase.*

18 *(e) Shall ensure that all advertising by the adult-use cannabis establishment*
19 *contains such warnings as may be prescribed by the Board, which must include,*
20 *without limitation, the following words:*

21 *(1) "Keep out of reach of children"; and*

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

23 *2. Nothing in subsection 1 shall be construed to prohibit a local*
24 *government, pursuant to chapter 244, 268 or 278 of NRS, from adopting an*
25 *ordinance for the regulation of advertising relating to cannabis which is more*
26 *restrictive than the provisions of subsection 1 relating to:*

27 *(a) The number, location and size of signs, including, without limitation, any*
28 *signs carried or displayed by a natural person;*

29 *(b) Handbills, pamphlets, cards or other types of advertisements that are*
30 *distributed, excluding an advertisement placed in a newspaper of general*
31 *circulation, trade publication or other form of print media; and*

32 *(c) Any stationary or moving display that is located on or near the premises*
33 *of an adult-use cannabis establishment.*

34 *3. If an adult-use cannabis establishment is operated by a dual licensee, the*
35 *adult-use cannabis establishment may:*

36 *(a) For the purpose of tracking cannabis, maintain a combined inventory*
37 *with a medical cannabis establishment operated by the dual licensee; and*

38 *(b) For the purpose of reporting on the inventory of the adult-use cannabis*
39 *establishment, maintain a combined inventory with a medical cannabis*
40 *establishment operated by the dual licensee and report the combined inventory*
41 *under a single medical cannabis license or adult-use cannabis license.*

42 *4. If a cannabis establishment is operated by a dual licensee, the cannabis*
43 *establishment shall:*

44 *(a) For the purpose of reporting on the sales of any adult-use cannabis*
45 *establishment or medical cannabis establishment operated by the dual licensee,*
46 *designate each sale as a sale pursuant to the provisions of this chapter or the*
47 *chapter consisting of sections 125 to 171, inclusive, of this act; and*

48 *(b) Verify that each person who purchases cannabis or cannabis products in*
49 *a sale designated as a sale pursuant to the provisions of the chapter consisting of*
50 *sections 125 to 171, inclusive, of this act holds a valid registry identification card.*

51 *5. An adult-use cannabis retail store shall not sell cannabis or cannabis*
52 *products through the use of, or accept a sale of cannabis or cannabis products*

1 from, a third party, intermediary business, broker or any other business that does
2 not hold an adult-use cannabis establishment license.

3 6. An adult-use cannabis retail store may contract with a third party or
4 intermediary business to deliver cannabis or cannabis products only if:

5 (a) Every sale of cannabis or cannabis products which is delivered by the
6 third party or intermediary business is made directly from the adult-use cannabis
7 retail store or an Internet website, digital network or software application service
8 of the adult-use cannabis retail store;

9 (b) The third party or intermediary business does not advertise that it sells,
10 offers to sell or appears to sell cannabis or cannabis products or allows the
11 submission of an order for cannabis or cannabis products;

12 (c) In addition to any other requirements imposed by the Board by
13 regulation, the name of the adult-use cannabis retail store and all independent
14 contractors who perform deliveries on behalf of the adult-use cannabis retail
15 store has been published on the Internet website of the Board; and

16 (d) The delivery ~~[complies with the requirements of section 114 of this act.]~~ is
17 made by a cannabis establishment agent who is authorized to make the delivery
18 by the adult-use cannabis retail store by which he or she is employed.

19 7. As used in this section, "motor vehicle used for public transportation"
20 does not include a taxicab, as defined in NRS 706.124.

21 **Sec. 186.** 1. An adult-use cannabis distributor may transport cannabis
22 and cannabis products between an adult-use cannabis establishment and another
23 adult-use cannabis establishment or between the buildings of an adult-use
24 cannabis establishment.

25 2. An adult-use cannabis establishment shall not transport cannabis or
26 cannabis products to an adult-use cannabis retail store unless the adult-use
27 cannabis establishment holds an adult-use cannabis establishment license for an
28 adult-use cannabis distributor.

29 3. An adult-use cannabis distributor shall not purchase or sell cannabis or
30 cannabis products unless the adult-use cannabis distributor also holds an adult-
31 use cannabis establishment license for a type of adult-use cannabis establishment
32 authorized by law to purchase or sell cannabis or cannabis products.

33 4. An adult-use cannabis distributor may enter into an agreement or
34 contract with an adult-use cannabis establishment for the transport of cannabis
35 or cannabis products. Such an agreement or contract may include, without
36 limitation, provisions relating to insurance coverage, climate control and theft by
37 a third party or an employee.

38 5. An adult-use cannabis distributor, and each cannabis establishment
39 agent employed by the adult-use cannabis distributor who is involved in the
40 transportation, is responsible for cannabis and cannabis products once the adult-
41 use cannabis distributor takes control of the cannabis or cannabis products and
42 leaves the premises of an adult-use cannabis establishment.

43 6. The Board may adopt regulations establishing additional requirements
44 for the operations of an adult-use cannabis distributor.

45 **Sec. 187.** The Board may adopt regulations necessary or convenient to
46 carry out the provisions of this chapter. Such regulations must not require a
47 consumer to provide an adult-use cannabis retail store with personally
48 identifiable information other than government-issued identification to determine
49 the age of the consumer.

50 **Sec. 188.** NRS 52.400 is hereby amended to read as follows:

51 52.400 Except as otherwise provided in ~~[NRS 453A.400:]~~ section 157 of this
52 act:

1 1. At any time after a substance which is alleged to be marijuana is seized
2 from a defendant by a peace officer, the law enforcement agency of which the
3 officer is a member may, without the prior approval of the district court in the
4 county in which the defendant is charged, destroy any amount of the substance that
5 exceeds 10 pounds.

6 2. The law enforcement agency must, before destroying the substance
7 pursuant to this section:

8 (a) Accurately weigh and record the weight of the substance.

9 (b) Take and retain, for evidentiary purposes, at least five random and
10 representative samples of the substance in addition to the amount which is not
11 authorized to be destroyed pursuant to subsection 1. If the substance is alleged to
12 consist of growing or harvested marijuana plants, the 10 pounds retained pursuant
13 to subsection 1 may include stalks, branches, leaves and buds, but the five
14 representative samples must consist of only leaves or buds.

15 (c) Take photographs that reasonably demonstrate the total amount of the
16 substance. A sign which clearly and conspicuously shows the title or the case
17 number of the matter, proceeding or action to which the substance relates must
18 appear next to the substance in any photograph taken.

19 3. A law enforcement agency that destroys a substance pursuant to this
20 section shall, not later than 30 days after the destruction of the substance, file an
21 affidavit in the court which has jurisdiction over the pending criminal proceedings,
22 if any, pertaining to that substance. The affidavit must establish that the law
23 enforcement agency has complied with the requirements of subsection 2, specify
24 the date and time of the destruction of the substance and provide the publicly
25 known address of the agency. If there are no criminal proceedings pending which
26 pertain to the substance, the affidavit may be filed in any court within the county
27 which would have jurisdiction over a person against whom such criminal charges
28 might be filed.

29 4. If the substance is finally determined not to be marijuana, the owner may
30 file a claim against the county to recover the reasonable value of the property
31 destroyed pursuant to this section.

32 5. The law enforcement agency's finding as to the weight of any substance
33 alleged to be marijuana and destroyed pursuant to this section is admissible in any
34 subsequent proceeding arising out of the same transaction.

35 **Sec. 189.** NRS 159.0613 is hereby amended to read as follows:

36 159.0613 1. Except as otherwise provided in subsection 3, in a proceeding
37 to appoint a guardian for a protected person or proposed protected person, the court
38 shall give preference to a nominated person or relative, in that order of preference:

39 (a) Whether or not the nominated person or relative is a resident of this State;
40 and

41 (b) If the court determines that the nominated person or relative is qualified
42 and suitable to be appointed as guardian for the protected person or proposed
43 protected person.

44 2. In determining whether any nominated person, relative or other person
45 listed in subsection 4 is qualified and suitable to be appointed as guardian for a
46 protected person or proposed protected person, the court shall consider, if
47 applicable and without limitation:

48 (a) The ability of the nominated person, relative or other person to provide for
49 the basic needs of the protected person or proposed protected person, including,
50 without limitation, food, shelter, clothing and medical care;

51 (b) Whether the nominated person, relative or other person has engaged in the
52 habitual use of alcohol or any controlled substance during the previous 6 months,

except the use of marijuana in accordance with the provisions of *the* chapter ~~[453A of NRS,]~~ *consisting of sections 125 to 171, inclusive, of this act;*

(c) Whether the nominated person, relative or other person has been judicially determined to have committed abuse, neglect, exploitation, isolation or abandonment of a child, his or her spouse, his or her parent or any other adult, unless the court finds that it is in the best interests of the protected person or proposed protected person to appoint the person as guardian for the protected person or proposed protected person;

(d) Whether the nominated person, relative or other person is incapacitated or has a disability; and

(e) Whether the nominated person, relative or other person has been convicted in this State or any other jurisdiction of a felony, unless the court determines that any such conviction should not disqualify the person from serving as guardian for the protected person or proposed protected person.

3. If the court finds that two or more nominated persons are qualified and suitable to be appointed as guardian for a protected person or proposed protected person, the court may appoint two or more nominated persons as co-guardians or shall give preference among them in the following order of preference:

(a) A person whom the protected person or proposed protected person nominated for the appointment as guardian for the protected person or proposed protected person in a will, trust or other written instrument that is part of the established estate plan of the protected person or proposed protected person and was executed by the protected person or proposed protected person while he or she was not incapacitated.

(b) A person whom the protected person or proposed protected person requested for the appointment as guardian for the protected person or proposed protected person in a request to nominate a guardian that is executed in accordance with NRS 159.0753.

4. Subject to the preferences set forth in subsections 1 and 3, the court shall appoint as guardian the qualified person who is most suitable and is willing to serve. In determining which qualified person is most suitable, the court shall, in addition to considering any applicable factors set forth in subsection 2, give consideration, among other factors, to:

(a) Any nomination or request for the appointment as guardian by the protected person or proposed protected person.

(b) Any nomination or request for the appointment as guardian by a relative.

(c) The relationship by blood, adoption, marriage or domestic partnership of the proposed guardian to the protected person or proposed protected person. In considering preferences of appointment, the court may consider relatives of the half blood equally with those of the whole blood. The court may consider any relative in the following order of preference:

(1) A spouse or domestic partner.

(2) A child.

(3) A parent.

(4) Any relative with whom the protected person or proposed protected person has resided for more than 6 months before the filing of the petition or any relative who has a power of attorney executed by the protected person or proposed protected person while he or she was not incapacitated.

(5) Any relative currently acting as agent.

(6) A sibling.

(7) A grandparent or grandchild.

(8) An uncle, aunt, niece, nephew or cousin.

1 (9) Any other person recognized to be in a familial relationship with the
2 protected person or proposed protected person.

3 (d) Any recommendation made by a master of the court or special master
4 pursuant to NRS 159.0615.

5 (e) Any request for the appointment of any other interested person that the
6 court deems appropriate, including, without limitation, a person who is not a
7 relative and who has a power of attorney executed by the protected person or
8 proposed protected person while he or she was not incapacitated.

9 5. The court may appoint as guardian any nominated person, relative or other
10 person listed in subsection 4 who is not a resident of this State. The court shall not
11 give preference to a resident of this State over a nonresident if the court determines
12 that:

13 (a) The nonresident is more qualified and suitable to serve as guardian; and

14 (b) The distance from the proposed guardian's place of residence and the place
15 of residence of the protected person or proposed protected person will not affect the
16 quality of the guardianship or the ability of the proposed guardian to make
17 decisions and respond quickly to the needs of the protected person or proposed
18 protected person because:

19 (1) A person or care provider in this State is providing continuing care and
20 supervision for the protected person or proposed protected person;

21 (2) The protected person or proposed protected person is in a secured
22 residential long-term care facility in this State; or

23 (3) Within 30 days after the appointment of the proposed guardian, the
24 proposed guardian will move to this State or the protected person or proposed
25 protected person will move to the proposed guardian's state of residence.

26 6. If the court appoints a nonresident as guardian for the protected person or
27 proposed protected person:

28 (a) The jurisdictional requirements of NRS 159.1991 to 159.2029, inclusive,
29 must be met.

30 (b) The court shall order the guardian to designate a registered agent in this
31 State in the same manner as a represented entity pursuant to chapter 77 of NRS and
32 provide notice of the designation of a registered agent to the court. After the court is
33 provided with such notice, the court shall monitor the information of the registered
34 agent using the records of the Secretary of State.

35 (c) The court may require the guardian to complete any available training
36 concerning guardianships pursuant to NRS 159.0592, in this State or in the state of
37 residence of the guardian, regarding:

38 (1) The legal duties and responsibilities of the guardian pursuant to this
39 chapter;

40 (2) The preparation of records and the filing of annual reports regarding the
41 finances and well-being of the protected person or proposed protected person
42 required pursuant to NRS 159.073;

43 (3) The rights of the protected person or proposed protected person;

44 (4) The availability of local resources to aid the protected person or
45 proposed protected person; and

46 (5) Any other matter the court deems necessary or prudent.

47 7. If the court finds that there is not any suitable nominated person, relative or
48 other person listed in subsection 4 to appoint as guardian, the court may appoint as
49 guardian:

50 (a) The public guardian of the county where the protected person or proposed
51 protected person resides if:

52 (1) There is a public guardian in the county where the protected person or
53 proposed protected person resides; and

(2) The protected person or proposed protected person qualifies for a public guardian pursuant to chapter 253 of NRS;

(b) A private fiduciary who may obtain a bond in this State and who is a resident of this State, if the court finds that the interests of the protected person or proposed protected person will be served appropriately by the appointment of a private fiduciary; or

(c) A private professional guardian who meets the requirements of NRS 159.0595 or 159A.0595.

8. A person is not qualified to be appointed as guardian for a protected person or proposed protected person if the person has been suspended for misconduct or disbarred from any of the professions listed in this subsection, but the disqualification applies only during the period of the suspension or disbarment. This subsection applies to:

(a) The practice of law;

(b) The practice of accounting; or

(c) Any other profession that:

(1) Involves or may involve the management or sale of money, investments, securities or real property; and

(2) Requires licensure in this State or any other state in which the person practices his or her profession.

9. As used in this section:

(a) "Domestic partner" means a person in a domestic partnership.

(b) "Domestic partnership" means a domestic partnership as defined in NRS 122A.040.

(c) "Nominated person" means a person, whether or not a relative, whom a protected person or proposed protected person:

(1) Nominates for the appointment as guardian for the protected person or proposed protected person in a will, trust or other written instrument that is part of the established estate plan of the protected person or proposed protected person and was executed by the protected person or proposed protected person while he or she was not incapacitated.

(2) Requests for the appointment as guardian for the protected person or proposed protected person in a request to nominate a guardian that is executed in accordance with NRS 159.0753.

(d) "Relative" means a person who is 18 years of age or older and who is related to the protected person or proposed protected person by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity.

Sec. 190. NRS 159A.061 is hereby amended to read as follows:

159A.061 1. The parents of a proposed protected minor, or either parent, if qualified and suitable, are preferred over all others for appointment as guardian for the person or estate or person and estate of the proposed protected minor. The appointment of a parent as guardian for the person or estate of a proposed protected minor must not conflict with a valid order for custody of the proposed protected minor.

2. Except as otherwise provided in subsection 4, if a parent of a proposed protected minor files a petition seeking appointment as guardian for the proposed protected minor, the parent is presumed to be suitable to serve as guardian for the proposed protected minor.

3. In determining whether the parents of a proposed protected minor, or either parent, or any other person who seeks appointment as guardian for the proposed protected minor is qualified and suitable, the court shall consider, if applicable and without limitation:

1 (a) Which parent has physical custody of the proposed protected minor;

2 (b) The ability of the parents, parent or other person to provide for the basic
3 needs of the proposed protected minor, including, without limitation, food, shelter,
4 clothing and medical care, taking into consideration any special needs of the
5 proposed protected minor;

6 (c) Whether the parents, parent or other person has engaged in the habitual use
7 of alcohol or any controlled substance during the previous 6 months, except the use
8 of marijuana in accordance with the provisions of *the* chapter ~~[453A of NRS,]~~
9 *consisting of sections 125 to 171, inclusive, of this act;*

10 (d) Whether the parents, parent or other person has been convicted of a crime
11 of moral turpitude, a crime involving domestic violence or a crime involving the
12 abuse, neglect, exploitation, isolation or abandonment of a child, his or her spouse,
13 his or her parent or any other adult;

14 (e) Whether the parents, parent or other person has been convicted in this State
15 or any other jurisdiction of a felony; and

16 (f) Whether the parents, parent or other person has engaged in one or more acts
17 of domestic violence against the proposed protected minor, a parent of the proposed
18 protected minor or any other person who resides with the proposed protected minor.

19 4. A parent of a proposed protected minor is presumed to be unsuitable to
20 care for the proposed protected minor if:

21 (a) The parent is unable to provide for any or all of the basic needs of the
22 proposed protected minor, including, without limitation:

23 (1) Food;

24 (2) Shelter;

25 (3) Clothing;

26 (4) Medical care; and

27 (5) Education;

28 (b) Because of action or inaction, the parent poses a significant safety risk of
29 either physical or emotional danger to the proposed protected minor; or

30 (c) The proposed protected minor has not been in the care, custody and control
31 of the parent for the 6 months immediately preceding the filing of the petition. The
32 presumption created by this paragraph is a rebuttable presumption.

33 5. Subject to the preference set forth in subsection 1 and except as otherwise
34 provided in subsection 7, the court shall appoint as guardian the qualified person
35 who is most suitable and is willing to serve.

36 6. In determining which qualified person is most suitable, the court shall, in
37 addition to considering any applicable factors set forth in subsections 2, 3 and 4,
38 give consideration, among other factors, to:

39 (a) Any nomination of a guardian for the proposed protected minor contained
40 in a will or other written instrument executed by a parent of the proposed protected
41 minor.

42 (b) Any request made by the proposed protected minor, if he or she is 14 years
43 of age or older, for the appointment of a person as guardian for the proposed
44 protected minor.

45 (c) The relationship by blood or adoption of the proposed guardian to the
46 proposed protected minor. In considering preferences of appointment, the court
47 may consider relatives of the half blood equally with those of the whole blood. The
48 court may consider relatives in the following order of preference:

49 (1) Parent.

50 (2) Adult sibling.

51 (3) Grandparent.

52 (4) Uncle or aunt.

(d) Any recommendation made by a master of the court or special master pursuant to NRS 159A.0615.

(e) Any recommendation made by:

(1) An agency which provides child welfare services, an agency which provides child protective services or a similar agency; or

(2) A guardian ad litem or court appointed special advocate who represents the proposed protected minor.

(f) Any request for the appointment of any other interested person that the court deems appropriate.

7. The court may award temporary guardianship pursuant to this section, supported by findings of suitability, pending a trial or evidentiary hearing if that appointment is supported by findings.

8. Notwithstanding the presumption set forth in subsection 4, in the event of competing petitions for the appointment of guardianship of a proposed protected minor, any finding of unsuitability of a parent of the proposed protected minor must be found by clear and convincing evidence after a hearing on the merits or an evidentiary hearing.

9. In determining whether to appoint a guardian of the person or estate of a proposed protected minor and who should be appointed, the court must always act in the best interests of the proposed protected minor.

10. As used in this section, "agency which provides child welfare services" has the meaning ascribed to it in NRS 432B.030.

Sec. 191. NRS 176.01247 is hereby amended to read as follows:

176.01247 1. There is hereby created the Subcommittee on the Medical Use of Marijuana of the Commission.

2. The Chair of the Commission shall appoint the members of the Subcommittee. The Subcommittee must consist of legislative and nonlegislative members, including, without limitation:

(a) At least four Legislators, who may or may not be members of the Commission.

(b) A representative of the Division of Public and Behavioral Health of the Department of Health and Human Services.

(c) A patient who holds a valid registry identification card to engage in the medical use of marijuana pursuant to *the* chapter ~~[453A of NRS.]~~ *consisting of sections 125 to 171, inclusive, of this act.*

(d) An owner or operator of a *medical cannabis* cultivation facility that is certified to operate pursuant to *the* chapter ~~[453A of NRS.]~~ *consisting of sections 84 to 123, inclusive, of this act.*

(e) An owner or operator of a *medical cannabis production* facility ~~[for the production of edible marijuana products or marijuana-infused products]~~ that is certified to operate pursuant to *the* chapter ~~[453A of NRS.]~~ *consisting of sections 84 to 123, inclusive, of this act.*

(f) An owner or operator of a medical ~~[marijuana]~~ *cannabis* dispensary that is certified to operate pursuant to *the* chapter ~~[453A of NRS.]~~ *consisting of sections 84 to 123, inclusive, of this act.*

(g) A representative of the Attorney General.

(h) A representative of a civil liberties organization.

(i) A representative of an organization which advocates for persons who use marijuana for medicinal purposes.

(j) A representative of a law enforcement agency located within the jurisdiction of Clark County.

(k) A representative of a law enforcement agency located within the jurisdiction of Washoe County.

1 (l) A representative of local government.

2 3. The Chair of the Commission shall designate one of the legislative
3 members of the Commission as Chair of the Subcommittee.

4 4. The Subcommittee shall meet at the times and places specified by a call of
5 the Chair. A majority of the members of the Subcommittee constitutes a quorum,
6 and a quorum may exercise any power or authority conferred on the Subcommittee.

7 5. The Subcommittee shall:

8 (a) Consider issues concerning the medical use of marijuana, the dispensation
9 of marijuana for medical use and the implementation of provisions of law providing
10 for the dispensation of marijuana for medical use; and

11 (b) Evaluate, review and submit a report to the Commission with
12 recommendations concerning such issues.

13 6. Any Legislators who are members of the Subcommittee are entitled to
14 receive the salary provided for a majority of the members of the Legislature during
15 the first 60 days of the preceding session for each day's attendance at a meeting of
16 the Subcommittee.

17 7. While engaged in the business of the Subcommittee, to the extent of
18 legislative appropriation, each member of the Subcommittee is entitled to receive
19 the per diem allowance and travel expenses provided for state officers and
20 employees generally.

21 **Sec. 192.** NRS 207.335 is hereby amended to read as follows:

22 207.335 1. It is unlawful for any person to:

23 (a) Counterfeit or forge or attempt to counterfeit or forge a registry
24 identification card or letter of approval; or

25 (b) Have in his or her possession with the intent to use any counterfeit or
26 forged registry identification card or letter of approval.

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

29 3. As used in this section:

30 (a) "Letter of approval" has the meaning ascribed to it in ~~NRS 453A.109.]~~
31 *section 132 of this act.*

32 (b) "Registry identification card" has the meaning ascribed to it in ~~NRS~~
33 ~~453A.140.]~~ *section 133 of this act.*

34 **Sec. 193.** NRS 212.160 is hereby amended to read as follows:

35 212.160 1. A person, who is not authorized by law, who knowingly
36 furnishes, attempts to furnish, or aids or assists in furnishing or attempting to
37 furnish to a prisoner confined in an institution of the Department of Corrections, or
38 any other place where prisoners are authorized to be or are assigned by the Director
39 of the Department, any deadly weapon, explosive, a facsimile of a firearm or an
40 explosive, any controlled substance or intoxicating liquor, shall be punished:

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

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

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

50 3. A prisoner confined in an institution of the Department of Corrections, or
51 any other place where prisoners are authorized to be or are assigned by the Director
52 of the Department, who possesses a controlled substance without lawful
53 authorization or marijuana or marijuana paraphernalia, regardless of whether the

1 person holds a valid registry identification card to engage in the medical use of
2 marijuana pursuant to *the* chapter ~~[453A of NRS,]~~ *consisting of sections 125 to*
3 *171, inclusive, of this act* is guilty of a category D felony and shall be punished as
4 provided in NRS 193.130.

5 **Sec. 194.** NRS 213.123 is hereby amended to read as follows:

6 213.123 1. Upon the granting of parole to a prisoner, the Board may, when
7 the circumstances warrant, require as a condition of parole that the parolee submit
8 to periodic tests to determine whether the parolee is using any controlled substance.
9 Any such use, except the use of marijuana in accordance with the provisions of *the*
10 chapter ~~[453A of NRS]~~ *consisting of sections 125 to 171, inclusive, of this act* or
11 any failure or refusal to submit to a test is a ground for revocation of parole.

12 2. Any expense incurred as a result of any test is a charge against the
13 Division.

14 **Sec. 195.** NRS 223.250 is hereby amended to read as follows:

15 223.250 1. The Governor or his or her designee may enter into one or more
16 agreements with tribal governments in this State to efficiently coordinate the cross-
17 jurisdictional administration of the laws of this State and the laws of tribal
18 governments relating to the use of marijuana. Such an agreement may include,
19 without limitation, provisions relating to:

- 20 (a) Criminal and civil law enforcement;
21 (b) Regulatory issues relating to the possession, delivery, production,
22 processing or use of marijuana ~~[, edible marijuana products, marijuana-infused~~
23 ~~products and marijuana]~~ *or cannabis* products;
24 (c) Medical and pharmaceutical research involving marijuana;
25 (d) The administration of laws relating to taxation;
26 (e) Any immunity, preemption or conflict of law relating to the possession,
27 delivery, production, processing, transportation or use of marijuana ~~[, edible~~
28 ~~marijuana products, marijuana-infused products and marijuana]~~ *or cannabis*
29 products; and
30 (f) The resolution of any disputes between a tribal government and this State,
31 which may include, without limitation, the use of mediation or other nonjudicial
32 processes.

33 2. An agreement entered into pursuant to this section must:

- 34 (a) Provide for the preservation of public health and safety;
35 (b) Ensure the security of ~~[medical marijuana establishments and marijuana]~~
36 *cannabis* establishments and the corresponding facilities on tribal land; and
37 (c) Establish provisions regulating business involving marijuana which passes
38 between tribal land and non-tribal land in this State.

39 3. As used in this section:

40 (a) ~~[“Edible marijuana”]~~ *“Cannabis establishment” has the meaning ascribed*
41 *to it in section 22 of this act.*

42 (b) *“Cannabis products”* has the meaning ascribed to it in ~~[NRS 453A.101,~~
43 ~~—(b)]~~ *section 27 of this act.*

44 (c) *“Marijuana”* has the meaning ascribed to it in NRS 453.096.

45 ~~[(c) “Marijuana establishment” has the meaning ascribed to it in NRS~~
46 ~~453D.030.]~~

47 ~~[(d) “Marijuana-infused products” has the meaning ascribed to it in NRS~~
48 ~~453A.112.]~~

49 ~~—(e) “Marijuana product” has the meaning ascribed to it in NRS 453D.030.~~

50 ~~—(f) “Tribal government”~~ means a federally recognized American Indian tribe
51 pursuant to 25 C.F.R. §§ 83.1 to 83.13, inclusive.

1 **Sec. 196.** NRS 233B.039 is hereby amended to read as follows:

2 233B.039 1. The following agencies are entirely exempted from the
3 requirements of this chapter:

4 (a) The Governor.

5 (b) Except as otherwise provided in NRS 209.221, the Department of
6 Corrections.

7 (c) The Nevada System of Higher Education.

8 (d) The Office of the Military.

9 (e) The Nevada Gaming Control Board.

10 (f) Except as otherwise provided in NRS 368A.140 and 463.765, the Nevada
11 Gaming Commission.

12 (g) Except as otherwise provided in NRS 425.620, the Division of Welfare and
13 Supportive Services of the Department of Health and Human Services.

14 (h) Except as otherwise provided in NRS 422.390, the Division of Health Care
15 Financing and Policy of the Department of Health and Human Services.

16 (i) The State Board of Examiners acting pursuant to chapter 217 of NRS.

17 (j) Except as otherwise provided in NRS 533.365, the Office of the State
18 Engineer.

19 (k) The Division of Industrial Relations of the Department of Business and
20 Industry acting to enforce the provisions of NRS 618.375.

21 (l) The Administrator of the Division of Industrial Relations of the Department
22 of Business and Industry in establishing and adjusting the schedule of fees and
23 charges for accident benefits pursuant to subsection 2 of NRS 616C.260.

24 (m) The Board to Review Claims in adopting resolutions to carry out its duties
25 pursuant to NRS 445C.310.

26 (n) The Silver State Health Insurance Exchange.

27 **(o) The Cannabis Compliance Board.**

28 2. Except as otherwise provided in subsection 5 and NRS 391.323, the
29 Department of Education, the Board of the Public Employees' Benefits Program
30 and the Commission on Professional Standards in Education are subject to the
31 provisions of this chapter for the purpose of adopting regulations but not with
32 respect to any contested case.

33 3. The special provisions of:

34 (a) Chapter 612 of NRS for the distribution of regulations by and the judicial
35 review of decisions of the Employment Security Division of the Department of
36 Employment, Training and Rehabilitation;

37 (b) Chapters 616A to 617, inclusive, of NRS for the determination of contested
38 claims;

39 (c) Chapter 91 of NRS for the judicial review of decisions of the Administrator
40 of the Securities Division of the Office of the Secretary of State; and

41 (d) NRS 90.800 for the use of summary orders in contested cases,
42 ➤ prevail over the general provisions of this chapter.

43 4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do
44 not apply to the Department of Health and Human Services in the adjudication of
45 contested cases involving the issuance of letters of approval for health facilities and
46 agencies.

47 5. The provisions of this chapter do not apply to:

48 (a) Any order for immediate action, including, but not limited to, quarantine
49 and the treatment or cleansing of infected or infested animals, objects or premises,
50 made under the authority of the State Board of Agriculture, the State Board of
51 Health, or any other agency of this State in the discharge of a responsibility for the
52 preservation of human or animal health or for insect or pest control;

(b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 453.2184;

(c) A regulation adopted by the State Board of Education pursuant to NRS 388.255 or 394.1694;

(d) The judicial review of decisions of the Public Utilities Commission of Nevada; or

(e) The adoption, amendment or repeal of policies by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation pursuant to NRS 426.561 or 615.178.

6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.

Sec. 197. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.035, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 433.534, 433A.360, 437.145, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 445A.665, 445B.570, 449.209, 449.245, 449A.112, 450.140, 453.164, 453.720, ~~453A.610,~~ ~~453A.700,~~ 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.365, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 501.344, 503.452, 522.040,

534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.325, 641A.191, 641A.289, 641B.170, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 710.159, 711.600, *and sections 66, 162 and 165 of this act*, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.

4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:

(a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.

(b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.

Sec. 197.5. NRS 244.335 is hereby amended to read as follows:

244.335 1. Except as otherwise provided in subsections 2, 3 ~~and 4~~, 4 and 9, and NRS 244.33501, 244.35253 and 244.3535, a board of county commissioners may:

(a) Except as otherwise provided in NRS 244.331 to 244.3345, inclusive, 598D.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 244.3359 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 license 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.

9. A board of county commissioners shall not license or otherwise allow a person to operate a business that allows cannabis, as defined in section 18 of this act, or cannabis products, as defined in section 27 of this act, to be consumed on the premises of the business.

Sec. 198. NRS 244.35253 is hereby amended to read as follows:

244.35253 1. Except as otherwise provided in this section, a board of county commissioners shall not fix, impose or collect a license tax for revenue or for regulation, or for both revenue and regulation, on a ~~["marijuana establishment or medical marijuana"]~~ **cannabis** establishment located in the county.

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

(a) Flat fee;

(b) Percentage of the gross revenue of the ~~["marijuana establishment or medical marijuana"]~~ **cannabis** establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the ~~["marijuana establishment or medical marijuana"]~~ **cannabis** establishment.

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

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

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

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

(c) A licensing tax for a business activity engaged in by a ~~{marijuana establishment or medical-marijuana}~~ **cannabis** establishment located in the county outside of the limits of incorporated cities ~~{and towns}~~ for which ~~{registration pursuant to chapter 453A of NRS or}~~ licensing pursuant to ~~{chapter 453D of NRS}~~ **the chapter consisting of sections 84 to 123, inclusive, of this act** is not required only if:

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

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

5. 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}~~ **or cannabis** products;

(b) The kinds of marijuana ~~{, edible marijuana products, marijuana products and marijuana infused}~~ **or cannabis** products authorized to be sold pursuant to ~~{chapters 453A and 453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;}~~ **the title consisting of sections 3 to 82, inclusive, 84 to 123, inclusive, 125 to 171, inclusive, and 173 to 187, inclusive, of this act;**

(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}~~ **or cannabis** products other than the direct transportation of marijuana ~~{, edible marijuana products, marijuana products or marijuana infused}~~ **or cannabis** products to a consumer and a requirement to notify the county of any transportation of marijuana ~~{, edible marijuana products, marijuana products or marijuana infused}~~ **or cannabis** 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}~~ **cannabis** establishment agents or employees of a ~~{marijuana}~~ **cannabis** establishment; or

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

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

7. As used in this section:

(a) ~~["Edible marijuana"]~~ *"Cannabis establishment" has the meaning ascribed to it in section 22 of this act.*

(b) *"Cannabis establishment agent" has the meaning ascribed to it in section 23 of this act.*

(c) *"Cannabis products" has the meaning ascribed to it in ~~[NRS 453A.101. (b)]~~ section 27 of this act.*

(d) *"Letter of approval" has the meaning ascribed to it in ~~[NRS 453A.109.]~~ section 132 of this act.*

~~[(e) "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)] section 133 of this act.~~

(f) *"Written documentation" has the meaning ascribed to it in ~~[NRS 453A.170.]~~ section 136 of this act.*

Sec. 198.5. NRS 268.095 is hereby amended to read as follows:

268.095 1. Except as otherwise provided in ~~[subsection]~~ subsections 4 and 9 and NRS 268.0951, 268.0977 and 268.0979, 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, 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 (1) To pay the principal, interest or any other indebtedness on any general
2 or special obligations issued by the city pursuant to the laws of this State;

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

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

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

12 3. The proceeds of any tax imposed pursuant to this section that are pledged
13 for the repayment of general obligations may be treated as "pledged revenues" for
14 the purposes of NRS 350.020.

15 4. The city council or other governing body of an incorporated city shall not
16 require a person to obtain a license or pay a license tax on the sole basis that the
17 person is a professional. As used in this subsection, "professional" means a person
18 who:

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

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

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

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

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

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

35 (a) Presents written evidence that:

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

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

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

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

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

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

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

53 (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 city council or other governing body of an incorporated city shall not license or otherwise allow a person to operate a business that allows cannabis, as defined in section 18 of this act, or cannabis products, as defined in section 27 of this act, to be consumed on the premises of the business.*

10. 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. 199. NRS 268.0977 is hereby amended to read as follows:

268.0977 1. Except as otherwise provided in this section, the governing body of an incorporated city, whether organized under general law or special charter, shall not fix, impose or collect for revenues or for regulation, or both, a license tax on a ~~["marijuana establishment or medical marijuana"]~~ *cannabis* establishment located within its corporate limits.

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

(a) Flat fee;

(b) Percentage of the gross revenue of the ~~["marijuana establishment or medical marijuana"]~~ *cannabis* establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the ~~["marijuana establishment or medical marijuana"]~~ *cannabis* establishment.

3. The total amount of a license tax imposed on a ~~["marijuana establishment or medical marijuana"]~~ *cannabis* establishment pursuant to subsection 2, regardless of whether the license tax is imposed in the form described in paragraph (a), (b) or (c)

1 of subsection 2, must not exceed 3 percent of the gross revenue of the ~~{marijuana~~
2 ~~establishment or medical-marijuana}~~ *cannabis* establishment, as applicable.

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

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

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

11 (c) A licensing tax for a business activity engaged in by a ~~{marijuana~~
12 ~~establishment or medical-marijuana}~~ *cannabis* establishment located within its
13 corporate limits for which ~~{registration pursuant to chapter 453A of NRS or}~~
14 licensing pursuant to *the* chapter ~~{453D of NRS}~~ *consisting of sections 84 to 123,*
15 *inclusive, of this act* is not required only if:

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

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

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

23 (a) The packaging, labeling, testing, dosage or potency of marijuana ~~{, edible~~
24 ~~marijuana products, marijuana products or marijuana infused}~~ *or cannabis*
25 products;

26 (b) The kinds of ~~{edible marijuana products, marijuana products and~~
27 ~~marijuana infused}~~ *cannabis* products authorized to be sold pursuant to ~~{chapters~~
28 ~~453A and 453D of NRS and any regulations adopted pursuant to chapter 453A of~~
29 ~~NRS;} the title consisting of sections 3 to 82, inclusive, 84 to 123, inclusive, 125 to~~
30 ~~171, inclusive, and 173 to 187, inclusive, of this act;~~

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

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

33 (e) The transportation of marijuana ~~{, edible marijuana products, marijuana~~
34 ~~products or marijuana infused}~~ *or cannabis* products other than the direct
35 transportation of marijuana ~~{, edible marijuana products, marijuana products or~~
36 ~~marijuana infused}~~ *or cannabis* products to a consumer and a requirement to notify
37 the city of any transportation of marijuana ~~{, edible marijuana products, marijuana~~
38 ~~products or marijuana infused}~~ *or cannabis* products;

39 (f) The issuance or verification of a registry identification card, letter of
40 approval or written documentation;

41 (g) The training or certification of ~~{medical-marijuana}~~ *cannabis* establishment
42 agents ~~;~~ ~~{for employees of a marijuana establishment;}~~ or

43 (h) The creation or maintenance of a registry or other system to obtain and
44 track information relating to customers of ~~{marijuana}~~ *cannabis* establishments or
45 holders of a registry identification card or letter of approval.

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

49 7. As used in this section:

50 (a) ~~{“Edible marijuana”}~~ *“Cannabis establishment” has the meaning ascribed*
51 *to it in section 22 of this act.*

52 (b) *“Cannabis establishment agent” has the meaning ascribed to it in section*
53 *23 of this act.*

1 (c) "~~Cannabis~~ products" has the meaning ascribed to it in ~~[NRS 453A.101-~~
2 ~~(b)] section 27 of this act.~~
3 (d) "Letter of approval" has the meaning ascribed to it in ~~[NRS 453A.109.]~~
4 ~~section 132 of this act.~~
5 ~~[(e) "Marijuana establishment" has the meaning ascribed to it in NRS~~
6 ~~453D.030.~~
7 ~~(d) "Marijuana products" has the meaning ascribed to it in NRS 453D.030.]~~
8 (e) ~~["Marijuana infused products" has the meaning ascribed to it in NRS~~
9 ~~453A.112.~~
10 ~~(f) "Medical marijuana establishment" has the meaning ascribed to it in NRS~~
11 ~~453A.116.~~
12 ~~(g) "Medical marijuana establishment agent" has the meaning ascribed to it in~~
13 ~~NRS 453A.117.~~
14 ~~(h)] "Registry identification card" has the meaning ascribed to it in [NRS~~
15 ~~453A.140.~~
16 ~~(i)] section 133 of this act.~~
17 (f) "Written documentation" has the meaning ascribed to it in ~~[NRS~~
18 ~~453A.170.] section 136 of this act.~~
19 **Sec. 199.3. NRS 269.170 is hereby amended to read as follows:**
20 269.170 1. Except as otherwise provided in ~~[subsection]~~ **subsections 5 and**
21 **6** and NRS 269.183, 576.128, 598D.150 and 640C.100, the town board or board of
22 county commissioners may, in any unincorporated town:
23 (a) Fix and collect a license tax on, and regulate, having due regard to the
24 amount of business done by each person so licensed, and all places of business and
25 amusement so licensed, as follows:
26 (1) Artisans, artists, assayers, auctioneers, bakers, banks and bankers,
27 barbers, boilermakers, cellars and places where soft drinks are kept or sold, clothes
28 cleaners, foundries, laundries, lumberyards, manufacturers of soap, soda, borax or
29 glue, markets, newspaper publishers, pawnbrokers, funeral directors and wood and
30 coal dealers.
31 (2) Bootmakers, cobblers, dressmakers, milliners, shoemakers and tailors.
32 (3) Boardinghouses, hotels, lodging houses, restaurants and refreshment
33 saloons.
34 (4) Barrooms, gaming, manufacturers of liquors and other beverages, and
35 saloons.
36 (5) Billiard tables, bowling alleys, caravans, circuses, concerts and other
37 exhibitions, dance houses, melodeons, menageries, shooting galleries, skating rinks
38 and theaters.
39 (6) Corrals, hay yards, livery and sale stables and wagon yards.
40 (7) Electric light companies, illuminating gas companies, power
41 companies, telegraph companies, telephone companies and water companies.
42 (8) Carts, drays, express companies, freight companies, job wagons,
43 omnibuses and stages.
44 (9) Brokers, commission merchants, factors, general agents, mercantile
45 agents, merchants, traders and stockbrokers.
46 (10) Drummers, hawkers, peddlers and solicitors.
47 (11) Insurance analysts, adjusters and managing general agents and
48 producers of insurance within the limitations and under the conditions prescribed in
49 NRS 680B.020.
50 (b) Fix and collect a license tax upon all professions, trades or business within
51 the town not specified in paragraph (a).
52 2. No license to engage in business as a seller of tangible personal property
53 may be granted unless the applicant for the license presents written evidence that:

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

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

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

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

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

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

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

22 6. The town board or board of county commissioners shall not license or
23 otherwise allow a person to operate a business that allows cannabis, as defined in
24 section 18 of this act, or cannabis products, as defined in section 27 of this act, to
25 be consumed on the premises of the business.

26 Sec. 199.5. NRS 269.170 is hereby amended to read as follows:

27 269.170 1. Except as otherwise provided in subsections 5, ~~and~~ 6 and 7
28 and NRS 269.183, 576.128, 598D.150 and 640C.100, the town board or board of
29 county commissioners may, in any unincorporated town:

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

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

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

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

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

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

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

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

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

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

53 (10) Drummers, hawkers, peddlers and solicitors.

(11) Insurance analysts, adjusters and managing general agents and producers of insurance 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.

6. The town board or board of county commissioners shall not require a person to obtain a license or pay a license tax pursuant to this section for a cannabis establishment, as defined in section 22 of this act.

7. The town board or board of county commissioners shall not license or otherwise allow a person to operate a business that allows cannabis, as defined in section 18 of this act, or cannabis products, as defined in section 27 of this act, to be consumed on the premises of the business.

Sec. 199.7. NRS 269.170 is hereby amended to read as follows:

269.170 1. Except as otherwise provided in subsections 5 ~~and~~ 6 ~~and 7~~ and NRS 269.183, 576.128, 598D.150 and 640C.100, 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 analysts, adjusters and managing general agents and producers of insurance 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.

6. The town board or board of county commissioners shall not require a person to obtain a license or pay a license tax pursuant to this section for a cannabis establishment, as defined in section 22 of this act.

~~17. The town board or board of county commissioners shall not license or otherwise allow a person to operate a business that allows cannabis, as defined in section 18 of this act, or cannabis products, as defined in section 27 of this act, to be consumed on the premises of the business.~~

Sec. 200. ~~[NRS 269.183 is hereby amended to read as follows:~~

~~269.183 1. Except as otherwise provided in this section, the town board or board of county commissioners in any unincorporated town shall not fix or collect a license tax on a [marijuana establishment or medical marijuana] cannabis establishment located within the town.~~

~~2. Except as otherwise provided in subsection 3, the town board or board of county commissioners in any unincorporated town may fix and collect a license tax~~

1 on a [marijuana establishment or medical marijuana] ~~cannabis~~ establishment
2 located within the town as a:

3 ~~— (a) Flat fee;~~

4 ~~— (b) Percentage of the gross revenue of the [marijuana establishment or medical~~
5 ~~marijuana] ~~cannabis~~ establishment; or~~

6 ~~— (c) Combination of a flat fee and a percentage of gross revenue of the~~
7 ~~[marijuana establishment or medical marijuana] ~~cannabis~~ establishment.~~

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

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

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

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

21 ~~— (c) A licensing tax for a business activity engaged in by a [marijuana~~
22 ~~establishment or medical marijuana] ~~cannabis~~ establishment located within the~~
23 ~~town for which [registration pursuant to chapter 453A of NRS or] licensing~~
24 ~~pursuant to the chapter [453D of NRS] ~~consisting of sections 84 to 123, inclusive,~~~~
25 ~~*of this act* is not required only if:~~

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

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

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

33 ~~— (a) The packaging, labeling, testing, dosage or potency of marijuana [, edible~~
34 ~~marijuana products, marijuana products or marijuana infused] ~~or cannabis~~~~
35 ~~products;~~

36 ~~— (b) The kinds of marijuana [, edible marijuana products, marijuana products~~
37 ~~and marijuana infused] ~~or cannabis~~ products authorized to be sold pursuant to~~
38 ~~[chapters 453A and 453D of NRS and any regulations adopted pursuant to chapter~~
39 ~~453A of NRS:] ~~the title consisting of sections 3 to 82, inclusive, 84 to 123,~~~~
40 ~~~~inclusive, 125 to 171, inclusive, and 173 to 187, inclusive, of this act;~~~~

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

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

43 ~~— (e) The transportation of marijuana [, edible marijuana products, marijuana~~
44 ~~products or marijuana infused] ~~or cannabis~~ products other than the direct~~
45 ~~transportation of marijuana [, edible marijuana products, marijuana products or~~
46 ~~marijuana infused] ~~or cannabis~~ products to a consumer and a requirement to notify~~
47 ~~the town of any transportation of marijuana [, edible marijuana products, marijuana~~
48 ~~products or marijuana infused] ~~or cannabis~~ products;~~

49 ~~— (f) The issuance or verification of a registry identification card, letter of~~
50 ~~approval or written documentation;~~

51 ~~— (g) The training or certification of [medical marijuana] ~~cannabis~~ establishment~~
52 ~~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] cannabis establishments or holders of a registry identification card or letter of approval.~~

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

~~7. As used in this section:~~

~~(a) ["Edible marijuana"] "Cannabis establishment" has the meaning ascribed to it in section 22 of this act.~~

~~(b) "Cannabis establishment agent" has the meaning ascribed to it in section 23 of this act.~~

~~(c) "Cannabis products" has the meaning ascribed to it in [NRS 453A.101.~~

~~(b)] section 27 of this act.~~

~~(d) "Letter of approval" has the meaning ascribed to it in [NRS 453A.109.] section 132 of this act.~~

~~(e) "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)] section 133 of this act.~~

~~(f) "Written documentation" has the meaning ascribed to it in [NRS 453A.170.] section 136 of this act.] (Deleted by amendment.)~~

Sec. 201. NRS 284.4062 is hereby amended to read as follows:

284.4062 1. Except as otherwise provided in subsections 3 and 4, an employee who:

(a) Consumes or is under the influence of alcohol while on duty, unless the alcohol is an integral part of a commonly recognized medication which the employee consumes pursuant to the manufacturer's instructions or in accordance with a lawfully issued prescription;

(b) Possesses, consumes or is under the influence of a controlled substance while on duty, at a work site or on state property, except in accordance with a lawfully issued prescription; or

(c) Consumes or is under the influence of any other drug which could interfere with the safe and efficient performance of the employee's duties, unless the drug is an integral part of a commonly recognized medication which the employee consumes pursuant to the manufacturer's instructions or in accordance with a lawfully issued prescription,

is subject to disciplinary action. An appointing authority may summarily discharge an employee who, within a period of 5 years, commits a second act which would subject the employee to disciplinary action pursuant to this subsection.

2. Except as otherwise provided in subsection 3, a state agency shall refer an employee who:

(a) Tests positive for the first time in a screening test; and

(b) Has committed no other acts for which the employee is subject to termination during the course of conduct giving rise to the screening test,

1 ↳ to an employee assistance program. An employee who fails to accept such a
2 referral or fails to complete such a program successfully is subject to further
3 disciplinary action.

4 3. The Commission may adopt regulations setting forth the circumstances
5 under which a person who holds a valid registry identification card to engage in the
6 medical use of marijuana pursuant to *the* chapter ~~[453A of NRS]~~ *consisting of*
7 *sections 125 to 171, inclusive, of this act* is subject to disciplinary action pursuant
8 to subsection 1 or must be referred to an employee assistance program pursuant to
9 subsection 2.

10 4. Subsection 1 does not apply to:

11 (a) An employee who consumes alcohol in the course of the employment of the
12 employee while hosting or attending a special event.

13 (b) A peace officer who possesses a controlled substance or consumes alcohol
14 within the scope of the peace officer's duties.

15 **Sec. 202.** NRS 284.4063 is hereby amended to read as follows:

16 284.4063 1. Except as otherwise provided in subsection 2 and subsection 5
17 of NRS 284.4065, an employee who:

18 (a) Fails to notify the employee's supervisor as soon as possible after
19 consuming any drug which could interfere with the safe and efficient performance
20 of the employee's duties;

21 (b) Fails or refuses to submit to a screening test as requested by a state agency
22 pursuant to subsection 1 or 2 of NRS 284.4065; or

23 (c) After taking a screening test which indicates the presence of a controlled
24 substance, fails to provide proof, within 72 hours after being requested by the
25 employee's appointing authority, that the employee had taken the controlled
26 substance as directed pursuant to a current and lawful prescription issued in the
27 employee's name,

28 ↳ is subject to disciplinary action.

29 2. The Commission may adopt regulations setting forth the circumstances
30 under which a person who holds a valid registry identification card to engage in the
31 medical use of marijuana pursuant to *the* chapter ~~[453A of NRS]~~ *consisting of*
32 *sections 125 to 171, inclusive, of this act* is subject to disciplinary action pursuant
33 to this section.

34 **Sec. 203.** NRS 284.4064 is hereby amended to read as follows:

35 284.4064 1. If an employee informs the employee's appointing authority
36 that the employee has consumed any drug which could interfere with the safe and
37 efficient performance of the employee's duties, the appointing authority may
38 require the employee to obtain clearance from the employee's physician before the
39 employee continues to work.

40 2. If an appointing authority reasonably believes, based upon objective facts,
41 that an employee's ability to perform the employee's duties safely and efficiently:

42 (a) May be impaired by the consumption of alcohol or other drugs, it may ask
43 the employee whether the employee has consumed any alcohol or other drugs and,
44 if so:

45 (1) The amount and types of alcohol or other drugs consumed and the time
46 of consumption;

47 (2) If a controlled substance other than marijuana was consumed, the name
48 of the person who prescribed its use; and

49 (3) If marijuana was consumed, to provide proof that the employee holds a
50 valid registry identification card to engage in the medical use of marijuana pursuant
51 to *the* chapter ~~[453A of NRS.]~~ *consisting of sections 125 to 171, inclusive, of this*
52 *act.*

(b) Is impaired by the consumption of alcohol or other drugs, it shall prevent the employee from continuing work and transport the employee or cause the employee to be transported safely away from the employee's place of employment in accordance with regulations adopted by the Commission.

Sec. 204. NRS 284.4066 is hereby amended to read as follows:

284.4066 1. Each appointing authority shall, subject to the approval of the Commission, determine whether each of its positions of employment affects the public safety. The appointing authority shall not hire an applicant for such a position unless the applicant submits to a screening test to detect the general presence of a controlled substance. Notice of the provisions of this section must be given to each applicant for such a position at or before the time of application.

2. An appointing authority shall consider the results of a screening test in determining whether to employ an applicant. If those results indicate the presence of a controlled substance other than marijuana, the appointing authority shall not hire the applicant unless the applicant provides, within 72 hours after being requested, proof that the applicant had taken the controlled substance as directed pursuant to a current and lawful prescription issued in the applicant's name.

3. An appointing authority shall, at the request of an applicant, provide the applicant with the results of the applicant's screening test.

4. If the results of a screening test indicate the presence of a controlled substance, the appointing authority shall:

(a) Provide the Administrator with the results of the applicant's screening test.

(b) If applicable, inform the Administrator whether the applicant holds a valid registry identification card to engage in the medical use of marijuana pursuant to the chapter ~~[453A of NRS.]~~ *consisting of sections 125 to 171, inclusive, of this act.*

5. The Commission may adopt regulations relating to an applicant for a position which affects the public safety who tests positive for marijuana and holds a valid registry identification card to engage in the medical use of marijuana pursuant to the chapter ~~[453A of NRS.]~~ *consisting of sections 125 to 171, inclusive, of this act.*

Sec. 205. Chapter 289 of NRS is hereby amended by adding thereto a new section to read as follows:

A person designated as an enforcement agent by the Cannabis Compliance Board is a peace officer for the purpose of the enforcement of the provisions of the title consisting of sections 3 to 82, inclusive, 84 to 123, inclusive, 125 to 171, inclusive, and 173 to 187, inclusive, of this act, including, without limitation, the prevention of unlicensed cannabis sales.

Sec. 206. NRS 289.470 is hereby amended to read as follows:

289.470 "Category II peace officer" means:

1. The bailiffs of the district courts, justice courts and municipal courts whose duties require them to carry weapons and make arrests;

2. Subject to the provisions of NRS 258.070, constables and their deputies;

3. Inspectors employed by the Nevada Transportation Authority who exercise those powers of enforcement conferred by chapters 706 and 712 of NRS;

4. Special investigators who are employed full-time by the office of any district attorney or the Attorney General;

5. Investigators of arson for fire departments who are specially designated by the appointing authority;

6. The brand inspectors of the State Department of Agriculture who exercise the powers of enforcement conferred by chapter 565 of NRS;

7. The field agents and inspectors of the State Department of Agriculture who exercise the powers of enforcement conferred by NRS 561.225;

8. Investigators for the State Forester Firewarden who are specially designated by the State Forester Firewarden and whose primary duties are related to the investigation of arson;

9. School police officers employed by the board of trustees of any county school district;

10. Agents of the Nevada Gaming Control Board who exercise the powers of enforcement specified in NRS 289.360, 463.140 or 463.1405, except those agents whose duties relate primarily to auditing, accounting, the collection of taxes or license fees, or the investigation of applicants for licenses;

11. Investigators and administrators of the Division of Compliance Enforcement of the Department of Motor Vehicles who perform the duties specified in subsection 2 of NRS 481.048;

12. Officers and investigators of the Section for the Control of Emissions From Vehicles and the Enforcement of Matters Related to the Use of Special Fuel of the Department of Motor Vehicles who perform the duties specified in subsection 3 of NRS 481.0481;

13. Legislative police officers of the State of Nevada;

14. Parole counselors of the Division of Child and Family Services of the Department of Health and Human Services;

15. Juvenile probation officers and deputy juvenile probation officers employed by the various judicial districts in the State of Nevada or by a department of juvenile justice services established by ordinance pursuant to NRS 62G.210 whose official duties require them to enforce court orders on juvenile offenders and make arrests;

16. Field investigators of the Taxicab Authority;

17. Security officers employed full-time by a city or county whose official duties require them to carry weapons and make arrests;

18. The chief of a department of alternative sentencing created pursuant to NRS 211A.080 and the assistant alternative sentencing officers employed by that department;

19. *Agents of the Cannabis Compliance Board who exercise the powers of enforcement specified in section 205 of this act;*

20. Criminal investigators who are employed by the Secretary of State; and

~~20.~~ 21. The Inspector General of the Department of Corrections and any person employed by the Department as a criminal investigator.

Sec. 206.5. NRS 360.255 is hereby amended to read as follows:

360.255 1. Except as otherwise provided in this section and NRS 239.0115 and 360.250, the records and files of the Department concerning the administration or collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action are confidential and privileged. The Department, an employee of the Department and any other person engaged in the administration or collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action or charged with the custody of any such records or files:

(a) Shall not disclose any information obtained from those records or files; and

(b) May not be required to produce any of the records or files for the inspection of any person or governmental entity or for use in any action or proceeding.

2. The records and files of the Department concerning the administration and collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action are not confidential and privileged in the following cases:

1 (a) Testimony by a member or employee of the Department and production of
2 records, files and information on behalf of the Department or a person in any action
3 or proceeding before
4 the Nevada Tax Commission, the State Board of Equalization, the Department , a
5 grand jury or any court in this State if that testimony or the records, files or
6 information, or the facts shown thereby, are directly involved in the action or
7 proceeding.

8 (b) Delivery to a person or his or her authorized representative of a copy of any
9 document filed by the person pursuant to the provisions of any law of this State.

10 (c) Publication of statistics so classified as to prevent the identification of a
11 particular business or document.

12 (d) Exchanges of information with the Internal Revenue Service in accordance
13 with compacts made and provided for in such cases, or disclosure to any federal
14 agency , state or local law enforcement agency , including, without limitation, the
15 Cannabis Compliance Board, or local regulatory agency that requests the
16 information for the use of the agency in a federal , state or local prosecution or
17 criminal , civil or regulatory investigation.

18 (e) Disclosure in confidence to the Governor or his or her agent in the exercise
19 of the Governor's general supervisory powers, or to any person authorized to audit
20 the accounts of the Department in pursuance of an audit, or to the Attorney General
21 or other legal representative of the State in connection with an action or proceeding
22 relating to a taxpayer or licensee, or to any agency of this or any other state charged
23 with the administration or enforcement of laws relating to workers' compensation,
24 unemployment compensation, public assistance, taxation, labor or gaming.

25 (f) Exchanges of information pursuant to an agreement between the Nevada
26 Tax Commission and any county fair and recreation board or the governing body of
27 any county, city or town.

28 (g) Upon written request made by a public officer of a local government,
29 disclosure of the name and address of a taxpayer or licensee who must file a return
30 with the Department. The request must set forth the social security number of the
31 taxpayer or licensee about which the request is made and contain a statement signed
32 by the proper authority of the local government certifying that the request is made
33 to allow the proper authority to enforce a law to recover a debt or obligation owed
34 to the local government. Except as otherwise provided in NRS 239.0115, the
35 information obtained by the local government is confidential and privileged and
36 may not be used or disclosed for any purpose other than the collection of a debt or
37 obligation owed to that local government. The Executive Director may charge a
38 reasonable fee for the cost of providing the requested information.

39 (h) Disclosure of information as to amounts of any unpaid tax or amounts of
40 tax required to be collected, interest and penalties to successors, receivers, trustees,
41 executors, administrators, assignees and guarantors, if directly interested.

42 (i) Disclosure of relevant information as evidence in an appeal by the taxpayer
43 from a determination of tax due if the Nevada Tax Commission has determined the
44 information is not proprietary or confidential in a hearing conducted pursuant to
45 NRS 360.247.

46 (j) Disclosure of the identity of a person and the amount of tax assessed and
47 penalties imposed against the person at any time after a determination, decision or
48 order of the Executive Director or other officer of the Department imposing upon
49 the person a penalty for fraud or intent to evade a tax imposed by law becomes final
50 or is affirmed by the Nevada Tax Commission.

51 (k) Disclosure of the identity of a licensee against whom disciplinary action
52 has been taken and the type of disciplinary action imposed against the licensee at
53 any time after a determination, decision or order of the Executive Director or other

officer of the Department imposing upon the licensee disciplinary action becomes final or is affirmed by the Nevada Tax Commission.

(l) Disclosure of information pursuant to subsection 2 of NRS 370.257.

(m) With respect to an application for a registration certificate to operate a medical marijuana establishment pursuant to chapter 453A of NRS, as that chapter existed on June 30, 2020, or a license to operate a marijuana establishment pursuant to chapter 453D of NRS, as that chapter existed on June 30, 2020, which was submitted on or after May 1, 2017, and on or before June 30, 2020, and regardless of whether the application was ultimately approved, disclosure of the following information:

(1) The identity of an applicant, including, without limitation, any owner, officer or board member of an applicant;

(2) The contents of any tool used by the Department to evaluate an applicant;

(3) The methodology used by the Department to score and rank applicants and any documentation or other evidence showing how that methodology was applied; and

(4) The final ranking and scores of an applicant, including, without limitation, the score assigned to each criterion in the application that composes a part of the total score of an applicant.

(n) Disclosure of the name of a licensee and the jurisdiction of that licensee pursuant to chapter 453A or 453D of NRS, as those chapters existed on June 30, 2020, and any regulations adopted pursuant thereto.

3. The Executive Director shall periodically, as he or she deems appropriate, but not less often than annually, transmit to the Administrator of the Division of Industrial Relations of the Department of Business and Industry a list of the businesses of which the Executive Director has a record. The list must include the mailing address of the business as reported to the Department.

4. The Executive Director may request from any other governmental agency or officer such information as the Executive Director deems necessary to carry out his or her duties with respect to the administration or collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action. If the Executive Director obtains any confidential information pursuant to such a request, he or she shall maintain the confidentiality of that information in the same manner and to the same extent as provided by law for the agency or officer from whom the information was obtained.

5. As used in this section:

(a) "Applicant" means any person listed on the application for a registration certificate to operate a medical marijuana establishment pursuant to chapter 453A of NRS, as that chapter existed on June 30, 2020, or a license to operate a marijuana establishment pursuant to chapter 453D of NRS § , as that chapter existed on June 30, 2020.

(b) "Disciplinary action" means any suspension or revocation of a license, registration, permit or certificate issued by the Department pursuant to this title or chapter 453A or 453D of NRS, as those chapters existed on June 30, 2020, or any other disciplinary action against the holder of such a license, registration, permit or certificate.

(c) "Licensee" means a person to whom the Department has issued a license, registration, permit or certificate pursuant to this title or chapter 453A or 453D of NRS § , as those chapters existed on June 30, 2020. The term includes, without limitation, any owner, officer or board member of an entity to whom the Department has issued a license.

(d) "Records" or "files" means any records and files related to an investigation or audit or a disciplinary action, financial information, correspondence, advisory opinions, decisions of a hearing officer in an administrative hearing and any other information specifically related to a taxpayer or licensee.

(e) "Taxpayer" means a person who pays any tax, fee, assessment or other amount required by law to the Department.

Sec. 207. NRS 372A.060 is hereby amended to read as follows:

372A.060 1. The provisions of NRS 372A.060 to 372A.130, inclusive, do not apply to:

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

(b) Any person who acquires, possesses, cultivates, manufactures, delivers, transfers, transports, supplies, sells or dispenses marijuana for the medical use of marijuana as authorized pursuant to *the* chapter ~~[453A of NRS.]~~ *consisting of sections 125 to 171, inclusive, of this act.*

2. Compliance with the provisions of NRS 372A.060 to 372A.130, inclusive, does not immunize a person from criminal prosecution for the violation of any other provision of law.

Sec. 208. NRS 372A.070 is hereby amended to read as follows:

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

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

(b) Pays a tax on:

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

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

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

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

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

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

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

7. As used in this section:

(a) *"Cannabis product" has the meaning ascribed to it in section 27 of this act.*

(b) "Controlled substance" does not include marijuana ~~[edible marijuana products or marijuana infused]~~ *or cannabis* products.

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

~~—(c) "Marijuana infused products" has the meaning ascribed to it in NRS 453A.112.]~~

1 **Sec. 209.** NRS 372A.210 is hereby amended to read as follows:
2 372A.210 ~~["Cultivation"]~~ **"Cannabis cultivation** facility" has the meaning
3 ascribed to it in ~~[NRS 453A.056.]~~ **section 21 of this act.**

4 **Sec. 210.** NRS 372A.243 is hereby amended to read as follows:
5 372A.243 ~~["Retail marijuana"]~~ **"Adult-use cannabis retail** store" has the
6 meaning ascribed to it in ~~[NRS 453D.030.]~~ **section 14 of this act.**

7 **Sec. 211.** NRS 372A.250 is hereby amended to read as follows:

8 372A.250 "Taxpayer" means a:

9 1. ~~["Cultivation"]~~ **Cannabis cultivation** facility; or

10 2. ~~["Retail marijuana"]~~ **Adult-use cannabis retail** store.

11 **Sec. 212.** NRS 372A.285 is hereby amended to read as follows:

12 372A.285 1. Each ~~[cultivation facility and each marijuana]~~ **cannabis**
13 cultivation facility shall submit a report to the Department that includes the
14 following information, reported separately for each calendar month included in the
15 report:

16 (a) The current production of the ~~[cultivation facility or marijuana]~~ **cannabis**
17 cultivation facility;

18 (b) Sales by product type;

19 (c) Prices by product type; and

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

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

25 (a) The amount of marijuana purchased;

26 (b) The amount of ~~[edible marijuana products, marijuana-infused products and~~
27 ~~marijuana]~~ **cannabis** products produced;

28 (c) Sales by product type;

29 (d) Prices by product type; and

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

31 3. Each ~~[medical marijuana dispensary and each retail marijuana store]~~
32 **cannabis sales facility** shall submit a report to the Department that includes the
33 following information, reported separately for each calendar month included in the
34 report:

35 (a) The amount of marijuana purchased by the ~~[dispensary or store]~~ **cannabis**
36 **sales facility** from **cannabis** cultivation facilities ~~[, marijuana cultivation facilities,~~
37 ~~facilities for the production of edible marijuana products or marijuana infused~~
38 ~~products or marijuana product manufacturing]~~ **or cannabis production** facilities;

39 (b) Sales to consumers by product type;

40 (c) Prices by product type; and

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

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

45 5. As used in this section:

46 (a) ~~["Cultivation"]~~ **"Cannabis production** facility" has the meaning ascribed to
47 it in ~~[NRS 453A.056.]~~

48 ~~(b) "Edible marijuana"~~ **section 28 of this act.**

49 ~~(b) "Cannabis products"~~ has the meaning ascribed to it in ~~[NRS 453A.101.]~~

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

52 ~~(d) "Marijuana cultivation facility"~~ has the meaning ascribed to it in ~~NRS~~
53 ~~453D.030.]~~

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

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

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

~~(h) “Medical marijuana dispensary” has the meaning ascribed to it in NRS 453A.115.] section 27 of this act.~~

(c) “Cannabis sales facility” has the meaning ascribed to it in section 29 of this act.

Sec. 213. NRS 372A.290 is hereby amended to read as follows:

372A.290 1. An excise tax is hereby imposed on each wholesale sale in this State of marijuana by a *medical cannabis* cultivation facility to another ~~medical marijuana~~ *cannabis* establishment at the rate of 15 percent of the fair market value at wholesale of the marijuana. The excise tax imposed pursuant to this subsection is the obligation of the *medical cannabis* cultivation facility.

2. *An excise tax is hereby imposed on each wholesale sale in this State of marijuana by an adult-use cannabis cultivation facility to another cannabis establishment at the rate of 15 percent of the fair market value at wholesale of the marijuana. The excise tax imposed pursuant to this subsection is the obligation of the adult-use cannabis cultivation facility.*

3. An excise tax is hereby imposed on each retail sale in this State of marijuana or ~~marijuana~~ *cannabis* products by ~~an adult-use cannabis~~ *retail* ~~marijuana~~ *cannabis* store at the rate of 10 percent of the sales price of the marijuana or ~~marijuana~~ *cannabis* products. The excise tax imposed pursuant to this subsection:

(a) Is the obligation of the *adult-use cannabis* retail ~~marijuana~~ store.

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

~~3.] 4.~~ *The revenues collected from the excise tax imposed pursuant to subsection 1 must be distributed:*

(a) To the ~~Department~~ *Cannabis Compliance Board* and to local governments in an amount determined to be necessary by the ~~Department~~ *Board* to pay the costs of the ~~Department~~ *Board* and local governments in carrying out the provisions of *the* chapter ~~453A of NRS;~~ *consisting of sections 125 to 171, inclusive, of this act; and*

(b) If any money remains after the revenues are distributed pursuant to paragraph (a), to the State Treasurer to be deposited to the credit of the State Distributive School Account in the State General Fund.

~~4.] 5.~~ *The revenues collected from the excise tax imposed pursuant to subsection 2 must be distributed:*

(a) *To the Cannabis Compliance Board and to local governments in an amount determined to be necessary by the Board to pay the costs of the Board and local governments in carrying out the provisions of the chapter consisting of sections 173 to 187, inclusive, of this act; and*

(b) *If any money remains after the revenues are distributed pursuant to paragraph (a), to the State Treasurer to be deposited to the credit of the State Distributive School Account in the State General Fund.*

6. For the purpose of ~~subsection 3~~ *subsections 4* and ~~NRS 453D.510.] 5,~~ a total amount of \$5,000,000 of the revenues collected from the excise tax imposed pursuant to subsection 1 and the excise tax imposed pursuant to ~~NRS 453D.500] subsection 2~~ in each fiscal year shall be deemed sufficient to pay the costs of all local governments to carry out the provisions of *the* chapters ~~453A and 453D of NRS;~~ *consisting of sections 125 to 171, inclusive, of this act and consisting of sections 173 to 187, inclusive, of this act.* The ~~Department~~ *Board* shall, by

regulation, determine the manner in which local governments may be reimbursed for the costs of carrying out the provisions of *the* chapters ~~[453A and 453D of NRS]~~ *consisting of sections 125 to 171, inclusive, of this act and consisting of sections 173 to 187, inclusive, of this act.*

~~[5.]~~ 7. The revenues collected from the excise tax imposed pursuant to subsection ~~[2.]~~ 3 must be paid over as collected to the State Treasurer to be deposited to the credit of the Account to Stabilize the Operation of the State Government created in the State General Fund pursuant to NRS 353.288.

~~[6.]~~ 8. As used in this section:

(a) *"Adult-use cannabis cultivation facility" has the meaning ascribed to it in section 6 of this act.*

(b) *"Adult-use cannabis retail store" has the meaning ascribed to it in section 14 of this act.*

(c) *"Cannabis product" has the meaning ascribed to it in section 27 of this act.*

(d) "Local government" has the meaning ascribed to it in NRS 360.640.

~~[(b)]~~ ~~"Marijuana products" has the meaning ascribed to it in NRS 453D.030.~~

~~—[(e)]~~ (e) *"Medical cannabis cultivation facility" has the meaning ascribed to it in section 37 of this act.*

(f) "Medical ~~[marijuana]~~ cannabis establishment" has the meaning ascribed to it in ~~[NRS 453A.116.]~~ *section 39 of this act.*

Sec. 213.5. Chapter 439 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Unless federal law or regulation otherwise requires, a person shall not sell or offer to sell any commodity or product containing industrial hemp which is intended for human consumption or any other commodity or product that purports to contain cannabidiol with a THC concentration that does not exceed the maximum THC concentration established by federal law for industrial hemp unless such a commodity or product:

(a) Has been tested by a cannabis independent testing laboratory and meets the standards established by regulation of Department pursuant to subsection 3; and

(b) Is labeled in accordance with the regulations adopted by the Department pursuant to subsection 3.

2. A person who produces or offers for sale a commodity or product described in subsection 1 may submit such a commodity or product to a cannabis independent testing laboratory for testing pursuant to this section and a cannabis independent testing laboratory may perform such testing.

3. The Department shall adopt regulations requiring the testing and labeling of any commodity or product described in subsection 1. Such regulations must:

(a) Set forth protocols and procedures for the testing of the commodities and products described in subsection 1; and

(b) Require that any commodity or product described in subsection 1 is labeled in a manner that is not false or misleading in accordance with the applicable provisions of chapters 446 and 585 of NRS.

4. As used in this section:

(a) "Cannabis independent testing laboratory" has the meaning ascribed to it in section 26 of this act.

(b) "Industrial hemp" has the meaning ascribed to it in NRS 557.160.

(c) "Intended for human consumption" means intended for ingestion or inhalation by a human for topical application to the skin or hair of a human.

(d) "THC" has the meaning ascribed to it in NRS 453.139.

1 **Sec. 214.** NRS 453.005 is hereby amended to read as follows:

2 453.005 The provisions of this chapter do not apply to the extent that they are
3 inconsistent with the provisions of *the* chapter ~~[453A of NRS.]~~ *consisting of*
4 *sections 125 to 171, inclusive, of this act.*

5 **Sec. 215.** ~~[NRS 453.316 is hereby amended to read as follows:~~

6 ~~453.316 1. A person who opens or maintains any place for the purpose of~~
7 ~~unlawfully selling, giving away or using any controlled substance is guilty of a~~
8 ~~category B felony and shall be punished by imprisonment in the state prison for a~~
9 ~~minimum term of not less than 1 year and a maximum term of not more than 6~~
10 ~~years, and may be further punished by a fine of not more than \$10,000, except as~~
11 ~~otherwise provided in subsection 2.~~

12 ~~2. If a person convicted of violating this section has previously been~~
13 ~~convicted of violating this section, or if, in the case of a first conviction of violating~~
14 ~~this section, the person has been convicted of an offense under the laws of the~~
15 ~~United States or any state, territory or district which, if committed in this State,~~
16 ~~would amount to a felony under this section, the person is guilty of a category B~~
17 ~~felony and shall be punished by imprisonment in the state prison for a minimum~~
18 ~~term of not less than 2 years and a maximum term of not more than 10 years, and~~
19 ~~may be further punished by a fine of not more than \$20,000. The court shall not~~
20 ~~grant probation to or suspend the sentence of a person convicted of violating this~~
21 ~~section if the person has been previously convicted under this section or of any~~
22 ~~other offense described in this subsection.~~

23 ~~3. This section does not apply to [any].~~

24 ~~(a) Any rehabilitation clinic established or licensed by the Division of Public~~
25 ~~and Behavioral Health of the Department.~~

26 ~~(b) A cannabis consumption lounge, as defined in section 19 of this act, that~~
27 ~~does not sell or give away any controlled substance. This paragraph must not be~~
28 ~~construed to prohibit a cannabis consumption lounge from turning over to a law~~
29 ~~enforcement agency any controlled substance which is left on its premises.]~~
30 (Deleted by amendment.)

31 **Sec. 216.** NRS 453.3393 is hereby amended to read as follows:

32 453.3393 1. A person shall not knowingly or intentionally manufacture,
33 grow, plant, cultivate, harvest, dry, propagate or process marijuana, except as
34 specifically authorized by the provisions of this chapter or ~~[chapter 453A of NRS.]~~
35 *the title consisting of sections 3 to 82, inclusive, 84 to 123, inclusive, 125 to 171,*
36 *inclusive, and 173 to 187, inclusive, of this act.*

37 2. Unless a greater penalty is provided in subsection 3 or NRS 453.339, a
38 person who violates subsection 1, if the quantity involved is more than 12
39 marijuana plants, irrespective of whether the marijuana plants are mature or
40 immature, is guilty of a category E felony and shall be punished as provided in
41 NRS 193.130.

42 3. A person shall not knowingly or intentionally extract concentrated
43 cannabis, except as specifically authorized by the provisions of ~~[chapter 453A of~~
44 ~~NRS.]~~ *the title consisting of sections 3 to 82, inclusive, 84 to 123, inclusive, 125 to*
45 *171, inclusive, and 173 to 187, inclusive, of this act.* Unless a greater penalty is
46 provided in NRS 453.339, a person who violates this subsection is guilty of a
47 category C felony and shall be punished as provided in NRS 193.130.

48 4. In addition to any punishment imposed pursuant to this section, the court
49 shall order a person convicted of a violation of this section to pay all costs
50 associated with any necessary cleanup and disposal related to the manufacturing,
51 growing, planting, cultivation, harvesting, drying, propagation or processing of the
52 marijuana or the extraction of concentrated cannabis.

53 **Sec. 216.3.** NRS 453A.322 is hereby amended to read as follows:

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

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

5 3. Except as otherwise provided in NRS 453A.324, 453A.326, 453A.328 and
6 453A.340, not later than 90 days after receiving an application to operate a medical
7 marijuana establishment, the Department shall register the medical marijuana
8 establishment and issue a medical marijuana establishment registration certificate
9 and a random 20-digit alphanumeric identification number if:

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

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

13 (2) An application, which must include:

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

15 (II) The physical address where the proposed medical marijuana
16 establishment will be located and the physical address of any co-owned additional
17 or otherwise associated medical marijuana establishments, the locations of which
18 may not be within 1,000 feet of a public or private school that provides formal
19 education traditionally associated with preschool or kindergarten through grade 12
20 and that existed on the date on which the application for the proposed medical
21 marijuana establishment was submitted to the Department, ~~for~~ within 300 feet of a
22 community facility that existed on the date on which the application for the
23 proposed medical marijuana establishment was submitted to the Department ~~for~~ or,
24 if the proposed medical marijuana establishment will be located in a county
25 whose population is 100,000 or more, within 1,500 feet of an establishment that
26 holds a nonrestricted gaming license described in subsection 1 or 2 of NRS
27 463.0177 and that existed on the date on which the application for the proposed
28 medical marijuana establishment was submitted to the Department;

29 (III) Evidence that the applicant controls not less than \$250,000 in
30 liquid assets to cover the initial expenses of opening the proposed medical
31 marijuana establishment and complying with the provisions of NRS 453A.320 to
32 453A.370, inclusive;

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

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

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

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

49 (3) Operating procedures consistent with rules of the Department for
50 oversight of the proposed medical marijuana establishment, including, without
51 limitation:

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

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

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

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

13 (6) Such other information as the Department may require by regulation;

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

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

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

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

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

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

33 5. Except as otherwise provided in subsection 6, if an application for
34 registration as a medical marijuana establishment satisfies the requirements of this
35 section and the establishment is not disqualified from being registered as a medical
36 marijuana establishment pursuant to this section or other applicable law, the
37 Department shall issue to the establishment a medical marijuana establishment
38 registration certificate. A medical marijuana establishment registration certificate
39 expires 1 year after the date of issuance and may be renewed upon:

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

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

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

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

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

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

7. The Department:

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

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

8. For the purposes of sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3, the distance must be measured from the front door of the proposed medical marijuana establishment to the closest point of the property line of a school, community facility or gaming establishment.

9. 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. 216.7. NRS 453D.210 is hereby amended to read as follows:

453D.210 1. No later than 12 months after January 1, 2017, the Department shall begin receiving applications for marijuana establishments.

2. For 18 months after the Department begins to receive applications for marijuana establishments, the Department shall only accept applications for licenses for retail marijuana stores, marijuana product manufacturing facilities, and marijuana cultivation facilities pursuant to this chapter from persons holding a medical marijuana establishment registration certificate pursuant to chapter 453A of NRS.

3. For 18 months after the Department begins to receive applications for marijuana establishments, the Department shall issue licenses for marijuana distributors pursuant to this chapter only to persons holding a wholesale dealer license pursuant to chapter 369 of NRS, unless the Department determines that an insufficient number of marijuana distributors will result from this limitation.

4. Upon receipt of a complete marijuana establishment license application, the Department shall, within 90 days:

(a) Issue the appropriate license if the license application is approved; or

(b) Send a notice of rejection setting forth the reasons why the Department did not approve the license application.

5. The Department shall approve a license application if:

(a) The prospective marijuana establishment has submitted an application in compliance with regulations adopted by the Department and the application fee required pursuant to NRS 453D.230;

(b) The physical address where the proposed marijuana establishment will operate is owned by the applicant or the applicant has the written permission of the property owner to operate the proposed marijuana establishment on that property;

(c) The property is not located within:

(1) One thousand 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 marijuana establishment was submitted to the Department; ~~for~~

(2) Three hundred feet of a community facility that existed on the date on which the application for the proposed marijuana establishment was submitted to the Department; *or*

(3) If the proposed marijuana establishment will be located in a county whose population is 100,000 or more, 1,500 feet of an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177 and that existed on the date on which the application for the proposed marijuana establishment was submitted to the Department;

(d) The proposed marijuana establishment is a proposed retail marijuana store and there are not more than:

(1) Eighty licenses already issued in a county with a population greater than 700,000;

(2) Twenty licenses already issued in a county with a population that is less than 700,000 but more than 100,000;

(3) Four licenses already issued in a county with a population that is less than 100,000 but more than 55,000;

(4) Two licenses already issued in a county with a population that is less than 55,000;

(5) Upon request of a county government, the Department may issue retail marijuana store licenses in that county in addition to the number otherwise allowed pursuant to this paragraph;

(e) The locality in which the proposed marijuana establishment will be located does not affirm to the Department that the proposed marijuana establishment will be in violation of zoning or land use rules adopted by the locality; and

(f) The persons who are proposed to be owners, officers, or board members of the proposed marijuana establishment:

(1) Have not been convicted of an excluded felony offense; and

(2) Have not served as an owner, officer, or board member for a medical marijuana establishment or a marijuana establishment that has had its registration certificate or license revoked.

6. When competing applications are submitted for a proposed retail marijuana store within a single county, the Department shall use an impartial and numerically scored competitive bidding process to determine which application or applications among those competing will be approved.

7. For the purposes of subparagraph (3) of paragraph (c) of subsection 5, the distance must be measured from the front door of the proposed marijuana establishment to the closest point of the property line of a school, community facility or gaming establishment.

Sec. 217. NRS 455B.080 is hereby amended to read as follows:

455B.080 1. A passenger shall not embark on an amusement ride while intoxicated or under the influence of a controlled substance, unless in accordance with:

(a) A prescription lawfully issued to the person; or

(b) The provisions of *the* chapter ~~[453A of NRS.]~~ *consisting of sections 125 to 171, inclusive, of this act.*

2. An authorized agent or employee of an operator may prohibit a passenger from boarding an amusement ride if he or she reasonably believes that the passenger is under the influence of alcohol, prescription drugs or a controlled

substance. An agent or employee of an operator is not civilly or criminally liable for prohibiting a passenger from boarding an amusement ride pursuant to this subsection.

Sec. 218. NRS 455B.460 is hereby amended to read as follows:

455B.460 1. A person shall not enter or use a recreation area while intoxicated or under the influence of a controlled substance, unless in accordance with:

(a) A prescription lawfully issued to the person; or

(b) The provisions of *the* chapter ~~[453A of NRS]~~ *consisting of sections 125 to 171, inclusive, of this act.*

2. An operator or an authorized agent or employee of an operator may prohibit a person from entering or using a recreation area if he or she reasonably believes that the person is under the influence of alcohol, prescription drugs or a controlled substance. An operator or an authorized agent or employee of an operator is not civilly or criminally liable for prohibiting a person from entering or using a recreation area pursuant to this subsection.

Sec. 219. NRS 458.094 is hereby amended to read as follows:

458.094 The Division shall use any money not needed to carry out the provisions of *the* chapter ~~[453A of NRS]~~ *consisting of sections 125 to 171, inclusive, of this act* to provide alcohol and drug abuse programs to persons referred to the Division by agencies which provide child welfare services as authorized pursuant to ~~[NRS 453A.730]~~ *section 168 of this act.*

Sec. 220. NRS 484C.210 is hereby amended to read as follows:

484C.210 1. If a person fails to submit to an evidentiary test as requested by a police officer pursuant to NRS 484C.160, the license, permit or privilege to drive of the person must be revoked as provided in NRS 484C.220, and the person is not eligible for a license, permit or privilege to drive for a period of:

(a) One year; or

(b) Three years, if the license, permit or privilege to drive of the person has been revoked during the immediately preceding 7 years for failure to submit to an evidentiary test.

2. If the result of a test given under NRS 484C.150 or 484C.160 shows that a person had a concentration of alcohol of 0.08 or more in his or her blood or breath or a detectable amount of a controlled substance or prohibited substance in his or her blood or urine for which he or she did not have a valid prescription, as defined in NRS 453.128, or hold a valid registry identification card, as defined in ~~[NRS 453A.140]~~ *section 133 of this act*, at the time of the test, the license, permit or privilege of the person to drive must be revoked as provided in NRS 484C.220 and the person is not eligible for a license, permit or privilege for a period of 90 days.

3. Except as otherwise provided in subsection 1, at any time while a person is not eligible for a license, permit or privilege to drive following a revocation under subsection 1 or 2 which was based on the person having a concentration of alcohol of 0.08 or more in his or her blood or breath, the person shall install, at his or her own expense, a device in any motor vehicle which the person operates as a condition to obtaining a restricted license pursuant to NRS 483.490.

4. If a revocation of a person's license, permit or privilege to drive under NRS 62E.640 or 483.460 follows a revocation under subsection 2 which was based on the person having a concentration of alcohol of 0.08 or more in his or her blood or breath, the Department shall cancel the revocation under that subsection and give the person credit for any period during which the person was not eligible for a license, permit or privilege.

5. If an order to install a device pursuant to NRS 62E.640 or 484C.460 follows the installation of a device pursuant to subsection 3, the court may give the

1 person day-for-day credit for any period during which the person installed a device
2 as a condition to obtaining a restricted license.

3 6. Periods of ineligibility for a license, permit or privilege to drive which are
4 imposed pursuant to this section must run consecutively.

5 7. As used in this section, "device" has the meaning ascribed to it in NRS
6 484C.450.

7 **Sec. 221.** NRS 484C.220 is hereby amended to read as follows:

8 484C.220 1. As agent for the Department, the officer who requested that a
9 test be given pursuant to NRS 484C.150 or 484C.160 or who obtained the result of
10 a test given pursuant to NRS 484C.150 or 484C.160 shall immediately serve an
11 order of revocation of the license, permit or privilege to drive on a person who
12 failed to submit to a test requested by the police officer pursuant to NRS 484C.150
13 or 484C.160 or who has a concentration of alcohol of 0.08 or more in his or her
14 blood or breath or has a detectable amount of a controlled substance or prohibited
15 substance in his or her blood or urine for which he or she did not have a valid
16 prescription, as defined in NRS 453.128, or hold a valid registry identification card,
17 as defined in ~~NRS 453A.140.~~ *section 133 of this act*, if that person is present, and
18 shall seize the license or permit to drive of the person. The officer shall then, unless
19 the information is expressly set forth in the order of revocation, advise the person of
20 his or her right to administrative and judicial review of the revocation pursuant to
21 NRS 484C.230 and, except as otherwise provided in this subsection, that the person
22 has a right to request a temporary license. The officer shall also, unless the
23 information is expressly set forth in the order of revocation, advise the person that
24 he or she is required to install a device pursuant to NRS 484C.210. If the person
25 currently is driving with a temporary license that was issued pursuant to this section
26 or NRS 484C.230, the person is not entitled to request an additional temporary
27 license pursuant to this section or NRS 484C.230, and the order of revocation
28 issued by the officer must revoke the temporary license that was previously issued.
29 If the person is entitled to request a temporary license, the officer shall issue the
30 person a temporary license on a form approved by the Department if the person
31 requests one, which is effective for only 7 days including the date of issuance. The
32 officer shall immediately transmit the person's license or permit to the Department
33 along with the written certificate required by subsection 2.

34 2. When a police officer has served an order of revocation of a driver's
35 license, permit or privilege on a person pursuant to subsection 1, or later receives
36 the result of an evidentiary test which indicates that a person, not then present, had
37 a concentration of alcohol of 0.08 or more in his or her blood or breath or had a
38 detectable amount of a controlled substance or prohibited substance in his or her
39 blood or urine for which he or she did not have a valid prescription, as defined in
40 NRS 453.128, or hold a valid registry identification card, as defined in ~~NRS~~
41 ~~453A.140.~~ *section 133 of this act*, the officer shall immediately prepare and
42 transmit to the Department, together with the seized license or permit and a copy of
43 the result of the test, if any, a written certificate that the officer had reasonable
44 grounds to believe that the person had been driving or in actual physical control of
45 a vehicle:

46 (a) With a concentration of alcohol of 0.08 or more in his or her blood or
47 breath or with a detectable amount of a controlled substance or prohibited substance
48 in his or her blood or urine for which he or she did not have a valid prescription, as
49 defined in NRS 453.128, or hold a valid registry identification card, as defined in
50 ~~NRS 453A.140.~~ *section 133 of this act*, as determined by a chemical test; or

51 (b) While under the influence of intoxicating liquor or a controlled substance
52 or with a prohibited substance in his or her blood or urine and the person refused to
53 submit to a required evidentiary test.

1 ➤ The certificate must also indicate whether the officer served an order of
2 revocation on the person and whether the officer issued the person a temporary
3 license.

4 3. The Department, upon receipt of such a certificate for which an order of
5 revocation has not been served, after examining the certificate and copy of the
6 result of the chemical test, if any, and finding that revocation is proper, shall issue
7 an order revoking the person's license, permit or privilege to drive by mailing the
8 order to the person at the person's last known address. The order must indicate the
9 grounds for the revocation and the period during which the person is not eligible for
10 a license, permit or privilege to drive and state that the person has a right to
11 administrative and judicial review of the revocation and to have a temporary
12 license. The order must also indicate that the person is required to install a device
13 pursuant to NRS 484C.210. The order of revocation becomes effective 5 days after
14 mailing.

15 4. Notice of an order of revocation and notice of the affirmation of a prior
16 order of revocation or the cancellation of a temporary license provided in NRS
17 484C.230 is sufficient if it is mailed to the person's last known address as shown by
18 any application for a license. The date of mailing may be proved by the certificate
19 of any officer or employee of the Department, specifying the time of mailing the
20 notice. The notice is presumed to have been received upon the expiration of 5 days
21 after it is deposited, postage prepaid, in the United States mail.

22 5. As used in this section, "device" has the meaning ascribed to it in NRS
23 484C.450.

24 **Sec. 222.** NRS 484C.230 is hereby amended to read as follows:

25 484C.230 1. At any time while a person is not eligible for a license, permit
26 or privilege to drive following an order of revocation issued pursuant to NRS
27 484C.220, the person may request in writing a hearing by the Department to review
28 the order of revocation, but the person is only entitled to one hearing. The hearing
29 must be conducted as soon as is practicable at any location, if the hearing officer
30 permits each party and witness to attend the hearing by telephone, videoconference
31 or other electronic means. The Director or agent of the Director may issue
32 subpoenas for the attendance of witnesses and the production of relevant books and
33 papers and may require a reexamination of the requester. Unless the person is
34 ineligible for a temporary license pursuant to NRS 484C.220, the Department shall
35 issue an additional temporary license for a period which is sufficient to complete
36 the administrative review. A person who is issued a temporary license is not subject
37 to and is exempt from the requirement to install a device pursuant to NRS
38 484C.210.

39 2. The scope of the hearing must be limited to the issue of whether the person:

40 (a) Failed to submit to a required test provided for in NRS 484C.150 or
41 484C.160; or

42 (b) At the time of the test, had a concentration of alcohol of 0.08 or more in his
43 or her blood or breath or a detectable amount of a controlled substance or
44 prohibited substance in his or her blood or urine for which he or she did not have a
45 valid prescription, as defined in NRS 453.128, or hold a valid registry identification
46 card, as defined in ~~NRS 453A.140.~~ *section 133 of this act.*

47 ➤ Upon an affirmative finding on either issue, the Department shall affirm the
48 order of revocation. Otherwise, the order of revocation must be rescinded.

49 3. If, after the hearing, the order of revocation is affirmed, the person whose
50 license, permit or privilege to drive has been revoked shall, if not previously
51 installed, install a device pursuant to NRS 484C.210.

52 4. If, after the hearing, the order of revocation is affirmed, the person whose
53 license, privilege or permit has been revoked is entitled to a review of the same

issues in district court in the same manner as provided by chapter 233B of NRS. The court shall notify the Department upon the issuance of a stay, and the Department shall issue an additional temporary license for a period which is sufficient to complete the review. A person who is issued a temporary license is not subject to and is exempt from the requirement to install a device pursuant to NRS 484C.210.

5. If a hearing officer grants a continuance of a hearing at the request of the person whose license was revoked, or a court does so after issuing a stay of the revocation, the officer or court shall notify the Department, and the Department shall cancel the temporary license and notify the holder by mailing the order of cancellation to the person's last known address.

6. As used in this section, "device" has the meaning ascribed to it in NRS 484C.450.

Sec. 223. ~~[Chapter 557 of NRS is hereby amended by adding thereto a new section to read as follows:]~~

~~1. The Cannabis Compliance Board shall adopt regulations establishing quality standards and requirements for the packaging and labeling of:~~

~~(a) Any commodity or product made using industrial hemp which is intended for human or animal consumption; and~~

~~(b) Any other commodity or product that purports to contain cannabidiol with a THC concentration of not more than 0.3 percent which is intended for human or animal consumption.~~

~~2. A handler may submit a commodity or product described in subsection 1 to a cannabis independent testing laboratory for testing pursuant to this section and a cannabis independent laboratory may perform such testing.~~

~~3. A handler may not sell a commodity or product described in subsection 1 unless the commodity or product has been submitted to a cannabis independent testing laboratory and the cannabis independent testing laboratory has confirmed that the commodity or product satisfies the standards established by the Board pursuant to this section.~~

~~4. The Board shall adopt regulations establishing protocols and procedures for the testing of commodities and products described in subsection 1, including, without limitation, determining appropriate standards for sampling and for the size of batches for testing.~~

~~5. The Board may adopt regulations establishing additional standards for the conduct of handlers who receive industrial hemp for processing into commodities or products described in subsection 1.~~

~~6. As used in this section, "intended for human or animal consumption" means intended for ingestion or inhalation by a human or animal or for topical application to the skin or hair of a human or animal.] (Deleted by amendment.)~~

Sec. 224. NRS 557.060 is hereby amended to read as follows:

557.060 "THC" has the meaning ascribed to it in ~~NRS 453A.155, section 51 of this act.] 453.139.~~

Sec. 225. ~~[NRS 557.100 is hereby amended to read as follows:]~~

~~557.100 As used in NRS 557.100 to 557.290, inclusive, and section 223 of this act, unless the context otherwise requires, the words and terms defined in NRS 557.110 to 557.180, inclusive, have the meanings ascribed to them in those sections.] (Deleted by amendment.)~~

Sec. 226. NRS 557.180 is hereby amended to read as follows:

557.180 "THC" has the meaning ascribed to it in ~~NRS 453A.155, section 51 of this act.] 453.139.~~

Sec. 227. NRS 557.270 is hereby amended to read as follows:

557.270 1. A grower, handler or producer may submit industrial hemp or a commodity or product made using industrial hemp, *other than a commodity or product described in subsection 1 of section 213.5 of this act*, to ~~an~~ *a cannabis* independent testing laboratory for testing pursuant to this section and ~~an~~ *a cannabis* independent testing laboratory may perform such testing.

2. ~~A handler may not sell a commodity or product made using industrial hemp which is intended for human consumption unless the commodity or product has been submitted to an independent testing laboratory for testing and the independent testing laboratory has confirmed that the commodity or product satisfies the standards established by the Department for the content and quality of industrial hemp.~~

~~3.~~ The Department shall adopt regulations establishing protocols and procedures for the testing of *industrial hemp and* commodities and products made using industrial hemp ~~other than commodities and products described in subsection 1 of section 223 of this act,~~ including, without limitation, determining appropriate standards for sampling and for the size of batches for testing.

~~4.~~ 3. The Department may adopt regulations requiring the submission of a sample of a crop of industrial hemp by a grower to ~~an~~ *a cannabis* independent testing laboratory to determine whether the crop has a THC concentration of not more than 0.3 percent on a dry weight basis. The regulations may include, without limitation:

(a) Protocols and procedures for the testing of a crop, including, without limitation, determining appropriate standards for sampling and for the size of batches for testing; and

(b) A requirement that ~~an~~ *a cannabis* independent testing laboratory provide the results of the testing directly to the Department in a manner prescribed by the Department.

~~5.~~ 4. As used in this section ~~:~~

~~(a) "Independent", "cannabis independent testing laboratory" means a facility certified as an independent testing laboratory pursuant to NRS 453A.368.~~

~~(b) "Intended for human consumption" means intended for ingestion or inhalation by a human or for topical application to the skin or hair of a human. has the meaning ascribed to it in section 26 of this act.~~

Sec. 228. ~~NRS 557.280 is hereby amended to read as follows:~~

~~557.280 1. The Department may refuse to issue or renew, suspend or revoke the registration of a grower, handler or producer for a violation of any provision of NRS 557.100 to 557.290, inclusive, and section 223 of this act, the regulations adopted pursuant thereto or any lawful order of the Department [.] or Cannabis Compliance Board.~~

~~2. In addition to any other penalty provided by law, the Department may impose an administrative fine on any person who violates any of the provisions of NRS 557.100 to 557.290, inclusive, and section 223 of this act, the regulations adopted pursuant thereto or any lawful order of the Department or Cannabis Compliance Board in an amount not to exceed \$2,500.~~

~~3. All fines collected by the Department pursuant to subsection 2 must be deposited with the State Treasurer for credit to the State General Fund. (Deleted by amendment.)~~

Sec. 229. NRS 586.550 is hereby amended to read as follows:

586.550 1. A ~~marijuana establishment or medical marijuana~~ *cannabis* establishment may use a pesticide in the cultivation and production of marijuana ~~;~~

~~edible marijuana products, marijuana products and marijuana infused~~ and *cannabis* products if the pesticide:

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

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

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

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

3. As used in this section:

(a) ~~“Edible marijuana”~~ *“Cannabis establishment” has the meaning ascribed to it in section 22 of this act.*

(b) *“Cannabis products”* has the meaning ascribed to it in ~~NRS 453A.101.~~ *section 27 of this act.*

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

~~(e) “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.~~ *453.096.*

Sec. 230. NRS 630.306 is hereby amended to read as follows:

630.306 1. The following acts, among others, constitute grounds for initiating disciplinary action or denying licensure:

(a) Inability to practice medicine with reasonable skill and safety because of illness, a mental or physical condition or the use of alcohol, drugs, narcotics or any other substance.

(b) Engaging in any conduct:

(1) Which is intended to deceive;

(2) Which the Board has determined is a violation of the standards of practice established by regulation of the Board; or

(3) Which is in violation of a regulation adopted by the State Board of Pharmacy.

(c) Administering, dispensing or prescribing any controlled substance, or any dangerous drug as defined in chapter 454 of NRS, to or for himself or herself or to others except as authorized by law.

(d) Performing, assisting or advising the injection of any substance containing liquid silicone into the human body, except for the use of silicone oil to repair a retinal detachment.

(e) Practicing or offering to practice beyond the scope permitted by law or performing services which the licensee knows or has reason to know that he or she is not competent to perform or which are beyond the scope of his or her training.

(f) Performing, without first obtaining the informed consent of the patient or the patient's family, any procedure or prescribing any therapy which by the current standards of the practice of medicine is experimental.

(g) Continual failure to exercise the skill or diligence or use the methods ordinarily exercised under the same circumstances by physicians in good standing practicing in the same specialty or field.

(h) Habitual intoxication from alcohol or dependency on controlled substances.

(i) Making or filing a report which the licensee or applicant knows to be false or failing to file a record or report as required by law or regulation.

(j) Failing to comply with the requirements of NRS 630.254.

(k) Failure by a licensee or applicant to report in writing, within 30 days, any disciplinary action taken against the licensee or applicant by another state, the Federal Government or a foreign country, including, without limitation, the revocation, suspension or surrender of a license to practice medicine in another jurisdiction.

(l) Failure by a licensee or applicant to report in writing, within 30 days, any criminal action taken or conviction obtained against the licensee or applicant, other than a minor traffic violation, in this State or any other state or by the Federal Government, a branch of the Armed Forces of the United States or any local or federal jurisdiction of a foreign country.

(m) Failure to be found competent to practice medicine as a result of an examination to determine medical competency pursuant to NRS 630.318.

(n) Operation of a medical facility at any time during which:

(1) The license of the facility is suspended or revoked; or
(2) An act or omission occurs which results in the suspension or revocation of the license pursuant to NRS 449.160.

➤ This paragraph applies to an owner or other principal responsible for the operation of the facility.

(o) Failure to comply with the requirements of NRS 630.373.

(p) Engaging in any act that is unsafe or unprofessional conduct in accordance with regulations adopted by the Board.

(q) Knowingly or willfully procuring or administering a controlled substance or a dangerous drug as defined in chapter 454 of NRS that is not approved by the United States Food and Drug Administration, unless the unapproved controlled substance or dangerous drug:

(1) Was procured through a retail pharmacy licensed pursuant to chapter 639 of NRS;

(2) Was procured through a Canadian pharmacy which is licensed pursuant to chapter 639 of NRS and which has been recommended by the State Board of Pharmacy pursuant to subsection 4 of NRS 639.2328;

(3) Is marijuana being used for medical purposes in accordance with *the chapter ~~453A of NRS;~~ consisting of sections 125 to 171, inclusive, of this act;* or

(4) Is an investigational drug or biological product prescribed to a patient pursuant to NRS 630.3735 or 633.6945.

(r) Failure to supervise adequately a medical assistant pursuant to the regulations of the Board.

(s) Failure to comply with the provisions of NRS 630.3745.

(t) Failure to obtain any training required by the Board pursuant to NRS 630.2535.

(u) Failure to comply with the provisions of NRS 454.217 or 629.086.

2. As used in this section, "investigational drug or biological product" has the meaning ascribed to it in NRS 454.351.

Sec. 231. NRS 630.3066 is hereby amended to read as follows:

630.3066 A physician is not subject to disciplinary action solely for:

1. Prescribing or administering to a patient under his or her care a controlled substance which is listed in schedule II, III, IV or V by the State Board of

1 Pharmacy pursuant to NRS 453.146, if the controlled substance is lawfully
2 prescribed or administered for the treatment of intractable pain in accordance with
3 the provisions of NRS 639.23507 and 639.2391 to 639.23916, inclusive, any
4 regulations adopted by the State Board of Pharmacy pursuant thereto and any other
5 regulations adopted by the Board of Medical Examiners.

6 2. Engaging in any activity in accordance with the provisions of *the* chapter
7 ~~[453A of NRS.]~~ *consisting of sections 125 to 171, inclusive, of this act.*

8 **Sec. 232.** NRS 631.3475 is hereby amended to read as follows:

9 631.3475 The following acts, among others, constitute unprofessional
10 conduct:

11 1. Malpractice;
12 2. Professional incompetence;
13 3. Suspension or revocation of a license to practice dentistry, the imposition
14 of a fine or other disciplinary action by any agency of another state authorized to
15 regulate the practice of dentistry in that state;

16 4. More than one act by the dentist or dental hygienist constituting
17 substandard care in the practice of dentistry or dental hygiene;

18 5. Administering, dispensing or prescribing any controlled substance or any
19 dangerous drug as defined in chapter 454 of NRS, if it is not required to treat the
20 dentist's patient;

21 6. Knowingly procuring or administering a controlled substance or a
22 dangerous drug as defined in chapter 454 of NRS that is not approved by the United
23 States Food and Drug Administration, unless the unapproved controlled substance
24 or dangerous drug:

25 (a) Was procured through a retail pharmacy licensed pursuant to chapter 639 of
26 NRS;

27 (b) Was procured through a Canadian pharmacy which is licensed pursuant to
28 chapter 639 of NRS and which has been recommended by the State Board of
29 Pharmacy pursuant to subsection 4 of NRS 639.2328; or

30 (c) Is marijuana being used for medical purposes in accordance with *the*
31 chapter ~~[453A of NRS.]~~ *consisting of sections 125 to 171, inclusive, of this act;*

32 7. Chronic or persistent inebriety or addiction to a controlled substance, to
33 such an extent as to render the person unsafe or unreliable as a practitioner, or such
34 gross immorality as tends to bring reproach upon the dental profession;

35 8. Conviction of a felony or misdemeanor involving moral turpitude or which
36 relates to the practice of dentistry in this State, or conviction of any criminal
37 violation of this chapter;

38 9. Conviction of violating any of the provisions of NRS 616D.200, 616D.220,
39 616D.240 or 616D.300 to 616D.440, inclusive;

40 10. Failure to comply with the provisions of NRS 453.163, 453.164, 453.226,
41 639.23507 and 639.2391 to 639.23916, inclusive, and any regulations adopted by
42 the State Board of Pharmacy pursuant thereto.

43 11. Fraudulent, illegal, unauthorized or otherwise inappropriate prescribing,
44 administering or dispensing of a controlled substance listed in schedule II, III or IV;

45 12. Failure to comply with the provisions of NRS 454.217 or 629.086;

46 13. Failure to obtain any training required by the Board pursuant to NRS
47 631.344; or

48 14. Operation of a medical facility, as defined in NRS 449.0151, at any time
49 during which:

50 (a) The license of the facility is suspended or revoked; or

51 (b) An act or omission occurs which results in the suspension or revocation of
52 the license pursuant to NRS 449.160.

1 ➤ This subsection applies to an owner or other principal responsible for the
2 operation of the facility.

3 **Sec. 233.** NRS 632.347 is hereby amended to read as follows:

4 632.347 1. The Board may deny, revoke or suspend any license or
5 certificate applied for or issued pursuant to this chapter, or take other disciplinary
6 action against a licensee or holder of a certificate, upon determining that the
7 licensee or certificate holder:

8 (a) Is guilty of fraud or deceit in procuring or attempting to procure a license or
9 certificate pursuant to this chapter.

10 (b) Is guilty of any offense:

11 (1) Involving moral turpitude; or

12 (2) Related to the qualifications, functions or duties of a licensee or holder
13 of a certificate,

14 ➤ in which case the record of conviction is conclusive evidence thereof.

15 (c) Has been convicted of violating any of the provisions of NRS 616D.200,
16 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive.

17 (d) Is unfit or incompetent by reason of gross negligence or recklessness in
18 carrying out usual nursing functions.

19 (e) Uses any controlled substance, dangerous drug as defined in chapter 454 of
20 NRS, or intoxicating liquor to an extent or in a manner which is dangerous or
21 injurious to any other person or which impairs his or her ability to conduct the
22 practice authorized by the license or certificate.

23 (f) Is a person with mental incompetence.

24 (g) Is guilty of unprofessional conduct, which includes, but is not limited to,
25 the following:

26 (1) Conviction of practicing medicine without a license in violation of
27 chapter 630 of NRS, in which case the record of conviction is conclusive evidence
28 thereof.

29 (2) Impersonating any applicant or acting as proxy for an applicant in any
30 examination required pursuant to this chapter for the issuance of a license or
31 certificate.

32 (3) Impersonating another licensed practitioner or holder of a certificate.

33 (4) Permitting or allowing another person to use his or her license or
34 certificate to practice as a licensed practical nurse, registered nurse, nursing
35 assistant or medication aide - certified.

36 (5) Repeated malpractice, which may be evidenced by claims of
37 malpractice settled against the licensee or certificate holder.

38 (6) Physical, verbal or psychological abuse of a patient.

39 (7) Conviction for the use or unlawful possession of a controlled substance
40 or dangerous drug as defined in chapter 454 of NRS.

41 (h) Has willfully or repeatedly violated the provisions of this chapter. The
42 voluntary surrender of a license or certificate issued pursuant to this chapter is
43 prima facie evidence that the licensee or certificate holder has committed or expects
44 to commit a violation of this chapter.

45 (i) Is guilty of aiding or abetting any person in a violation of this chapter.

46 (j) Has falsified an entry on a patient's medical chart concerning a controlled
47 substance.

48 (k) Has falsified information which was given to a physician, pharmacist,
49 podiatric physician or dentist to obtain a controlled substance.

50 (l) Has knowingly procured or administered a controlled substance or a
51 dangerous drug as defined in chapter 454 of NRS that is not approved by the United
52 States Food and Drug Administration, unless the unapproved controlled substance
53 or dangerous drug:

(1) Was procured through a retail pharmacy licensed pursuant to chapter 639 of NRS;

(2) Was procured through a Canadian pharmacy which is licensed pursuant to chapter 639 of NRS and which has been recommended by the State Board of Pharmacy pursuant to subsection 4 of NRS 639.2328;

(3) Is marijuana being used for medical purposes in accordance with ~~the chapter 453A of NRS;~~ *consisting of sections 125 to 171, inclusive, of this act;* or

(4) Is an investigational drug or biological product prescribed to a patient pursuant to NRS 630.3735 or 633.6945.

(m) Has been disciplined in another state in connection with a license to practice nursing or a certificate to practice as a nursing assistant or medication aide - certified, or has committed an act in another state which would constitute a violation of this chapter.

(n) Has engaged in conduct likely to deceive, defraud or endanger a patient or the general public.

(o) Has willfully failed to comply with a regulation, subpoena or order of the Board.

(p) Has operated a medical facility at any time during which:

(1) The license of the facility was suspended or revoked; or

(2) An act or omission occurred which resulted in the suspension or revocation of the license pursuant to NRS 449.160.

➤ This paragraph applies to an owner or other principal responsible for the operation of the facility.

(q) Is an advanced practice registered nurse who has failed to obtain any training required by the Board pursuant to NRS 632.2375.

(r) Is an advanced practice registered nurse who has failed to comply with the provisions of NRS 453.163, 453.164, 453.226, 639.23507, 639.2391 to 639.23916, inclusive, and any regulations adopted by the State Board of Pharmacy pursuant thereto.

(s) Has engaged in the fraudulent, illegal, unauthorized or otherwise inappropriate prescribing, administering or dispensing of a controlled substance listed in schedule II, III or IV.

(t) Has violated the provisions of NRS 454.217 or 629.086.

2. For the purposes of this section, a plea or verdict of guilty or guilty but mentally ill or a plea of nolo contendere constitutes a conviction of an offense. The Board may take disciplinary action pending the appeal of a conviction.

3. A licensee or certificate holder is not subject to disciplinary action solely for administering auto-injectable epinephrine pursuant to a valid order issued pursuant to NRS 630.374 or 633.707.

4. As used in this section, "investigational drug or biological product" has the meaning ascribed to it in NRS 454.351.

Sec. 234. NRS 633.511 is hereby amended to read as follows:

633.511 1. The grounds for initiating disciplinary action pursuant to this chapter are:

(a) Unprofessional conduct.

(b) Conviction of:

(1) A violation of any federal or state law regulating the possession, distribution or use of any controlled substance or any dangerous drug as defined in chapter 454 of NRS;

(2) A felony relating to the practice of osteopathic medicine or practice as a physician assistant;

(3) A violation of any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive;

1 (4) Murder, voluntary manslaughter or mayhem;
2 (5) Any felony involving the use of a firearm or other deadly weapon;
3 (6) Assault with intent to kill or to commit sexual assault or mayhem;
4 (7) Sexual assault, statutory sexual seduction, incest, lewdness, indecent
5 exposure or any other sexually related crime;
6 (8) Abuse or neglect of a child or contributory delinquency; or
7 (9) Any offense involving moral turpitude.
8 (c) The suspension of a license to practice osteopathic medicine or to practice
9 as a physician assistant by any other jurisdiction.
10 (d) Malpractice or gross malpractice, which may be evidenced by a claim of
11 malpractice settled against a licensee.
12 (e) Professional incompetence.
13 (f) Failure to comply with the requirements of NRS 633.527.
14 (g) Failure to comply with the requirements of subsection 3 of NRS 633.471.
15 (h) Failure to comply with the provisions of NRS 633.694.
16 (i) Operation of a medical facility, as defined in NRS 449.0151, at any time
17 during which:
18 (1) The license of the facility is suspended or revoked; or
19 (2) An act or omission occurs which results in the suspension or revocation
20 of the license pursuant to NRS 449.160.
21 ➤ This paragraph applies to an owner or other principal responsible for the
22 operation of the facility.
23 (j) Failure to comply with the provisions of subsection 2 of NRS 633.322.
24 (k) Signing a blank prescription form.
25 (l) Knowingly or willfully procuring or administering a controlled substance or
26 a dangerous drug as defined in chapter 454 of NRS that is not approved by the
27 United States Food and Drug Administration, unless the unapproved controlled
28 substance or dangerous drug:
29 (1) Was procured through a retail pharmacy licensed pursuant to chapter
30 639 of NRS;
31 (2) Was procured through a Canadian pharmacy which is licensed pursuant
32 to chapter 639 of NRS and which has been recommended by the State Board of
33 Pharmacy pursuant to subsection 4 of NRS 639.2328;
34 (3) Is marijuana being used for medical purposes in accordance with *the*
35 chapter ~~[453A of NRS;]~~ *consisting of sections 125 to 171, inclusive, of this act;* or
36 (4) Is an investigational drug or biological product prescribed to a patient
37 pursuant to NRS 630.3735 or 633.6945.
38 (m) Attempting, directly or indirectly, by intimidation, coercion or deception,
39 to obtain or retain a patient or to discourage the use of a second opinion.
40 (n) Terminating the medical care of a patient without adequate notice or
41 without making other arrangements for the continued care of the patient.
42 (o) In addition to the provisions of subsection 3 of NRS 633.524, making or
43 filing a report which the licensee knows to be false, failing to file a record or report
44 that is required by law or knowingly or willfully obstructing or inducing another to
45 obstruct the making or filing of such a record or report.
46 (p) Failure to report any person the licensee knows, or has reason to know, is in
47 violation of the provisions of this chapter or the regulations of the Board within 30
48 days after the date the licensee knows or has reason to know of the violation.
49 (q) Failure by a licensee or applicant to report in writing, within 30 days, any
50 criminal action taken or conviction obtained against the licensee or applicant, other
51 than a minor traffic violation, in this State or any other state or by the Federal
52 Government, a branch of the Armed Forces of the United States or any local or
53 federal jurisdiction of a foreign country.

(r) Engaging in any act that is unsafe in accordance with regulations adopted by the Board.

(s) Failure to comply with the provisions of NRS 629.515.

(t) Failure to supervise adequately a medical assistant pursuant to the regulations of the Board.

(u) Failure to obtain any training required by the Board pursuant to NRS 633.473.

(v) Failure to comply with the provisions of NRS 633.6955.

(w) Failure to comply with the provisions of NRS 453.163, 453.164, 453.226, 639.23507, 639.2391 to 639.23916, inclusive, and any regulations adopted by the State Board of Pharmacy pursuant thereto.

(x) Fraudulent, illegal, unauthorized or otherwise inappropriate prescribing, administering or dispensing of a controlled substance listed in schedule II, III or IV.

(y) Failure to comply with the provisions of NRS 454.217 or 629.086.

2. As used in this section, "investigational drug or biological product" has the meaning ascribed to it in NRS 454.351.

Sec. 235. NRS 633.521 is hereby amended to read as follows:

633.521 An osteopathic physician is not subject to disciplinary action solely for:

1. Prescribing or administering to a patient under his or her care:

(a) Amygdalin (laetrile), if the patient has consented to the use of the substance.

(b) Procaine hydrochloride with preservatives and stabilizers (Gerovital H3).

(c) A controlled substance which is listed in schedule II, III, IV or V by the State Board of Pharmacy pursuant to NRS 453.146, if the controlled substance is lawfully prescribed or administered for the treatment of intractable pain in accordance with the provisions of NRS 639.23507, 639.2391 to 639.23916, inclusive, and any regulations adopted by the State Board of Pharmacy pursuant thereto and the accepted standards for the practice of osteopathic medicine.

2. Engaging in any activity in accordance with the provisions of ~~the~~ chapter ~~[453A of NRS.]~~ **consisting of sections 125 to 171, inclusive, of this act.**

Sec. 236. NRS 635.130 is hereby amended to read as follows:

635.130 1. The Board, after notice and a hearing as required by law, and upon any cause enumerated in subsection 2, may take one or more of the following disciplinary actions:

(a) Deny an application for a license or refuse to renew a license.

(b) Suspend or revoke a license.

(c) Place a licensee on probation.

(d) Impose a fine not to exceed \$5,000.

2. The Board may take disciplinary action against a licensee for any of the following causes:

(a) The making of a false statement in any affidavit required of the applicant for application, examination or licensure pursuant to the provisions of this chapter.

(b) Lending the use of the holder's name to an unlicensed person.

(c) If the holder is a podiatric physician, permitting an unlicensed person in his or her employ to practice as a podiatry hygienist.

(d) Habitual indulgence in the use of alcohol or any controlled substance which impairs the intellect and judgment to such an extent as in the opinion of the Board incapacitates the holder in the performance of his or her professional duties.

(e) Conviction of a crime involving moral turpitude.

(f) Conviction of violating any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive.

(g) Conduct which in the opinion of the Board disqualifies the licensee to practice with safety to the public.

(h) The commission of fraud by or on behalf of the licensee regarding his or her license or practice.

(i) Gross incompetency.

(j) Affliction of the licensee with any mental or physical disorder which seriously impairs his or her competence as a podiatric physician or podiatry hygienist.

(k) False representation by or on behalf of the licensee regarding his or her practice.

(l) Unethical or unprofessional conduct.

(m) Failure to comply with the requirements of subsection 1 of NRS 635.118.

(n) Willful or repeated violations of this chapter or regulations adopted by the Board.

(o) Willful violation of the regulations adopted by the State Board of Pharmacy.

(p) Knowingly procuring or administering a controlled substance or a dangerous drug as defined in chapter 454 of NRS that is not approved by the United States Food and Drug Administration, unless the unapproved controlled substance or dangerous drug:

(1) Was procured through a retail pharmacy licensed pursuant to chapter 639 of NRS;

(2) Was procured through a Canadian pharmacy which is licensed pursuant to chapter 639 of NRS and which has been recommended by the State Board of Pharmacy pursuant to subsection 4 of NRS 639.2328; or

(3) Is marijuana being used for medical purposes in accordance with *the chapter ~~453A of NRS~~ consisting of sections 125 to 171, inclusive, of this act.*

(q) Operation of a medical facility, as defined in NRS 449.0151, at any time during which:

(1) The license of the facility is suspended or revoked; or

(2) An act or omission occurs which results in the suspension or revocation of the license pursuant to NRS 449.160.

➤ This paragraph applies to an owner or other principal responsible for the operation of the facility.

(r) Failure to obtain any training required by the Board pursuant to NRS 635.116.

(s) Failure to comply with the provisions of NRS 453.163, 453.164, 453.226, 639.23507 and 639.2391 to 639.23916, inclusive, and any regulations adopted by the State Board of Pharmacy pursuant thereto.

(t) Fraudulent, illegal, unauthorized or otherwise inappropriate prescribing, administering or dispensing of a controlled substance listed in schedule II, III or IV.

(u) Failure to comply with the provisions of NRS 454.217 or 629.086.

Sec. 237. NRS 636.295 is hereby amended to read as follows:

636.295 The following acts, conduct, omissions, or mental or physical conditions, or any of them, committed, engaged in, omitted, or being suffered by a licensee, constitute sufficient cause for disciplinary action:

1. Affliction of the licensee with any communicable disease likely to be communicated to other persons.

2. Commission by the licensee of a felony relating to the practice of optometry or a gross misdemeanor involving moral turpitude of which the licensee has been convicted and from which he or she has been sentenced by a final judgment of a federal or state court in this or any other state, the judgment not

1 having been reversed or vacated by a competent appellate court and the offense not
2 having been pardoned by executive authority.

3 3. Conviction of any of the provisions of NRS 616D.200, 616D.220,
4 616D.240 or 616D.300 to 616D.440, inclusive.

5 4. Commission of fraud by or on behalf of the licensee in obtaining a license
6 or a renewal thereof, or in practicing optometry thereunder.

7 5. Habitual drunkenness or addiction to any controlled substance.

8 6. Gross incompetency.

9 7. Affliction with any mental or physical disorder or disturbance seriously
10 impairing his or her competency as an optometrist.

11 8. Making false or misleading representations, by or on behalf of the licensee,
12 with respect to optometric materials or services.

13 9. Practice by the licensee, or attempting or offering so to do, while in an
14 intoxicated condition.

15 10. Perpetration of unethical or unprofessional conduct in the practice of
16 optometry.

17 11. Knowingly procuring or administering a controlled substance or a
18 dangerous drug as defined in chapter 454 of NRS that is not approved by the United
19 States Food and Drug Administration, unless the unapproved controlled substance
20 or dangerous drug:

21 (a) Was procured through a retail pharmacy licensed pursuant to chapter 639 of
22 NRS;

23 (b) Was procured through a Canadian pharmacy which is licensed pursuant to
24 chapter 639 of NRS and which has been recommended by the State Board of
25 Pharmacy pursuant to subsection 4 of NRS 639.2328; or

26 (c) Is marijuana being used for medical purposes in accordance with *the*
27 chapter ~~453A of NRS~~ *consisting of sections 125 to 171, inclusive, of this act.*

28 12. Any violation of the provisions of this chapter or any regulations adopted
29 pursuant thereto.

30 13. Operation of a medical facility, as defined in NRS 449.0151, at any time
31 during which:

32 (a) The license of the facility is suspended or revoked; or

33 (b) An act or omission occurs which results in the suspension or revocation of
34 the license pursuant to NRS 449.160.

35 ➤ This subsection applies to an owner or other principal responsible for the
36 operation of the facility.

37 14. Failure to obtain any training required by the Board pursuant to NRS
38 636.2881.

39 15. Failure to comply with the provisions of NRS 453.163, 453.164, 453.226,
40 639.23507, 639.2391 to 639.23916, inclusive, and any regulations adopted by the
41 State Board of Pharmacy pursuant thereto.

42 16. Fraudulent, illegal, unauthorized or otherwise inappropriate prescribing,
43 administering or dispensing of a controlled substance listed in schedule II, III or IV.

44 **Sec. 238.** 1. As soon as practicable after passage and approval of this act,
45 the Governor ~~[shall]~~ *may* appoint three members to the Cannabis Compliance
46 Board created by section 54 of this act to serve in a temporary capacity. The
47 members must meet the requirements for membership set forth in sections 55 and
48 57 of this act.

49 2. The members appointed pursuant to subsection 1 shall have all the powers
50 of the Board as necessary and convenient for the purpose of adopting regulations
51 and performing any administrative tasks necessary to carry out the provisions of
52 this act.

3. The term of office for the members appointed pursuant to subsection 1 expires on June 30, 2021.

Sec. 239. Notwithstanding the provisions of section 61 of this act, the Governor ~~shall~~ may appoint the initial Executive Director of the Cannabis Compliance Board created by section 54 of this act as soon as practicable after the effective date of this act.

Sec. 239.5. 1. As soon as practicable after the appointment pursuant to section 238 of this act of members to the Cannabis Compliance Board created by section 54 of this act and the appointment pursuant to section 239 of this act of the initial Executive Director of the Cannabis Compliance Board, the Board and the Executive Director shall study the feasibility and safe implementation of licensing for businesses in which cannabis may be consumed, including, without limitation:

(a) The appropriate distance between such a business and any space of particular economic or community concern, including, without limitation, a school, daycare center, establishment with a nonrestricted gaming license or church.

(b) The appropriate method of licensing and regulation of such businesses.

(c) Whether such a business would be subject to civil liability under existing law for the actions of a patron under the influence of cannabis after the patron leaves the premises of the business and whether any change to existing law is appropriate.

(d) Whether the number of licenses for such businesses should be limited and whether the issuance of such licenses to certain groups of people should be prioritized.

(e) The level of fees or taxes that would be appropriate for such businesses and whether fees or taxes should be imposed at the state or local level.

(f) Any other issue relating to such businesses that the Board and Executive Director determine to be appropriate.

2. On or before January 1, 2021, the Cannabis Compliance Board created by section 54 of this act and the Executive Director of the Cannabis Compliance Board shall report the findings of the study to the Director of the Legislative Counsel Bureau for transmission to the 81st Session of the Legislature.

Sec. 240. 1. The administrative regulations adopted by the Department of Taxation pursuant to chapters 453A and 453D of NRS governing the licensing and regulation of marijuana establishments and medical marijuana establishments remain in force and are hereby transferred to become the administrative regulations of the Cannabis Compliance Board on ~~January 2,~~ July 1, 2020. On and after ~~January 2,~~ July 1, 2020, these regulations must be interpreted in a manner so that all references to the Department of Taxation and its constituent parts are read and interpreted as being references to the Cannabis Compliance Board and its constituent parts, regardless of whether those references have been conformed pursuant to section 244 of this act at the time of interpretation.

2. Any contracts or other agreements entered into by the Department of Taxation and its constituent parts pursuant to chapters 453A and 453D of NRS governing the licensing and regulation of marijuana establishments and medical marijuana establishments are binding upon the Cannabis Compliance Board on and after ~~January 2,~~ July 1, 2020, rather than the Department of Taxation and its constituent parts. Such contracts and other agreements may be enforced by the Cannabis Compliance Board on and after ~~January 2,~~ July 1, 2020.

3. Any action taken by the Department of Taxation or its constituent parts pursuant to chapter 453A and 453D of NRS governing the licensing and regulation

1 of marijuana establishments and medical marijuana establishments before ~~January~~
2 ~~21~~ **July 1**, 2020, remains in effect as if taken by the Cannabis Compliance Board or
3 its constituent parts on and after ~~January 21~~ **July 1**, 2020.

4 4. As used in this section:

5 (a) "Cannabis Compliance Board" means the Cannabis Compliance Board
6 created by section 54 of this act.

7 (b) "Marijuana establishment" has the meaning ascribed to it in NRS
8 453D.030, as that section existed on ~~January 11~~ **June 30**, 2020.

9 (c) "Medical marijuana establishment" has the meaning ascribed to it in NRS
10 453A.116, as that section existed on ~~January 11~~ **June 30**, 2020.

11 **Sec. 241.** A person who, on ~~January 21~~ **July 1**, 2020:

12 1. Is the holder of a valid medical marijuana establishment registration
13 certificate issued pursuant to NRS 453A.322, as that section existed on ~~January 11~~
14 **June 30**, 2020, or license to operate a marijuana establishment issued pursuant to
15 NRS 453D.200, as that section existed on ~~January 11~~ **June 30**, 2020, and who is
16 otherwise qualified to hold such a license on that date shall be deemed to hold an
17 appropriate license issued pursuant to section 91 or 96 of this act until his or her
18 medical marijuana establishment registration certificate or license to operate a
19 marijuana establishment expires or is revoked, whichever occurs first.

20 2. Is the holder of a medical marijuana establishment agent registration card
21 issued pursuant to NRS 453A.322, as that section existed on ~~January 11~~ **June 30**,
22 2020, or a marijuana establishment agent registration card issued pursuant to NAC
23 453D.340, as that section existed on ~~January 11~~ **June 30**, 2020, and who is
24 otherwise qualified to hold such a registration card on that date shall be deemed to
25 hold a cannabis establishment agent registration card issued pursuant to section 103
26 of this act until his or her medical marijuana establishment agent registration card
27 or marijuana establishment agent registration card expires or is revoked, whichever
28 occurs first.

29 **Sec. 242.** Notwithstanding the amendatory provisions of this act:

30 1. A person who holds an ownership interest of 5 percent or more in a
31 cannabis establishment may continue to own his or her ownership interest without
32 obtaining a cannabis establishment agent registration card for a cannabis executive
33 until ~~January 21~~ **July 1**, 2022, or such other date as the Cannabis Compliance
34 Board may prescribe by regulation.

35 2. A person who holds an ownership interest of less than 5 percent in a
36 cannabis establishment may continue to hold his or her ownership interest without
37 obtaining a cannabis establishment agent registration card until ~~January 21~~ **July 1**,
38 2022, or such other date as the Cannabis Compliance Board may prescribe by
39 regulation.

40 3. As used in this section:

41 (a) "Cannabis Compliance Board" means the Cannabis Compliance Board
42 created by section 54 of this act.

43 (b) "Cannabis establishment" has the meaning ascribed to it in section 22 of
44 this act.

45 (c) "Cannabis establishment agent registration card" has the meaning ascribed
46 to it in section 24 of this act.

47 (d) "Cannabis establishment agent registration card for a cannabis executive"
48 has the meaning ascribed to it in section 25 of this act.

49 **Sec. 243.** The provisions of subsection 1 of NRS 218D.380 do not apply to
50 any provision of this act which adds or revises a requirement to submit a report to
51 the Legislature.

52 **Sec. 244.** The Legislative Counsel shall in preparing supplements to the
53 Nevada Administrative Code, appropriately change any references to an officer,

agency or other entity whose name is changed or whose responsibilities are transferred pursuant to the provisions of this act to refer to the appropriate officer, agency or other entity.

Sec. 245. NRS 269.183, 453A.010, 453A.020, 453A.030, 453A.040, 453A.050, 453A.053, 453A.056, 453A.060, 453A.075, 453A.080, 453A.090, 453A.101, 453A.102, 453A.103, 453A.104, 453A.105, 453A.107, 453A.108, 453A.109, 453A.110, 453A.112, 453A.115, 453A.116, 453A.117, 453A.118, 453A.119, 453A.120, 453A.125, 453A.130, 453A.140, 453A.150, 453A.155, 453A.160, 453A.170, 453A.200, 453A.205, 453A.208, 453A.210, 453A.220, 453A.225, 453A.230, 453A.240, 453A.250, 453A.300, 453A.310, 453A.320, 453A.322, 453A.324, 453A.326, 453A.328, 453A.330, 453A.332, 453A.334, 453A.336, 453A.338, 453A.340, 453A.342, 453A.344, 453A.350, 453A.352, 453A.354, 453A.356, 453A.358, 453A.360, 453A.362, 453A.364, 453A.366, 453A.368, 453A.369, 453A.370, 453A.400, 453A.410, 453A.500, 453A.510, 453A.600, 453A.610, 453A.620, 453A.630, 453A.700, 453A.710, 453A.720, 453A.730, 453A.740, 453A.800, 453A.810, 453D.010, 453D.020, 453D.030, 453D.100, 453D.110, 453D.120, 453D.130, 453D.140, 453D.200, 453D.205, 453D.210, 453D.220, 453D.230, 453D.300, 453D.310, 453D.320, 453D.400, 453D.500, 453D.510 and 453D.600 are hereby repealed.

Sec. 246. 1. This section and sections 199.3, 216.3 and 239.5 of this act become effective upon passage and approval.

2. Sections 197.5 and 198.5 of this act become effective upon passage and approval and expire by limitation on June 30, 2021.

3. Section 216.7 of this act becomes effective on November 23, 2019.

4. Sections 1 to 197, inclusive, 198, 199, 199.5, 201 to 216, inclusive, 217 to 239, inclusive, and 240 to 245, inclusive, of this act ~~become~~ become effective:

(a) Upon passage and approval for the purposes of adopting regulations and performing any other preparatory tasks that are necessary to carry out the provisions of this act; and

(b) On ~~January 2,~~ July 1, 2020, for all other purposes.

~~2-~~ 5. Section 199.7 of this act becomes effective on July 1, 2021.

6. Sections 108 and 109 of this act expire by limitation on the date 2 years after the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or

(b) Are in arrears in the payment for the support of one or more children,
 ➤ are repealed by the Congress of the United States.

LEADLINES OF REPEALED SECTIONS

269.183 Marijuana and medical marijuana establishments: License taxes; fees; exceptions.

453A.010 Definitions.

453A.020 "Administer" defined.

453A.030 "Attending provider of health care" defined.

453A.040 "Cachexia" defined.

- 453A.050 “Chronic or debilitating medical condition” defined.
- 453A.053 “Crime of violence” defined.
- 453A.056 “Cultivation facility” defined.
- 453A.060 “Deliver” and “delivery” defined.
- 453A.075 “Department” defined.
- 453A.080 “Designated primary caregiver” defined.
- 453A.090 “Division” defined.
- 453A.101 “Edible marijuana products” defined.
- 453A.102 “Electronic verification system” defined.
- 453A.103 “Enclosed, locked facility” defined.
- 453A.104 “Excluded felony offense” defined.
- 453A.105 “Facility for the production of edible marijuana products or marijuana-infused products” defined.
- 453A.107 “Independent testing laboratory” defined.
- 453A.108 “Inventory control system” defined.
- 453A.109 “Letter of approval” defined.
- 453A.110 “Marijuana” defined.
- 453A.112 “Marijuana-infused products” defined.
- 453A.115 “Medical marijuana dispensary” defined.
- 453A.116 “Medical marijuana establishment” defined.
- 453A.117 “Medical marijuana establishment agent” defined.
- 453A.118 “Medical marijuana establishment agent registration card” defined.
- 453A.119 “Medical marijuana establishment registration certificate” defined.
- 453A.120 “Medical use of marijuana” defined.
- 453A.125 “Paraphernalia” defined.
- 453A.130 “Production” defined.
- 453A.140 “Registry identification card” defined.
- 453A.150 “State prosecution” defined.
- 453A.155 “THC” defined.
- 453A.160 “Usable marijuana” defined.
- 453A.170 “Written documentation” defined.
- 453A.200 Holder of valid registry identification card or medical marijuana establishment registration certificate exempt from state prosecution for certain acts involving marijuana and paraphernalia; no crime for mere presence in vicinity of medical use of marijuana; limitation on exemption from state prosecution; affirmative defense; holder of card prohibited from cultivating, growing or producing marijuana if dispensary opens in county of residence; exceptions.
- 453A.205 Holder of valid letter of approval exempt from state prosecution for certain acts involving marijuana and paraphernalia; limitation on exemption.
- 453A.208 Employee of State Department of Agriculture exempt from state prosecution for certain acts involving marijuana; no person subject to prosecution for being in presence or vicinity of medical use of marijuana.
- 453A.210 Registry identification cards and letters of approval: Program for issuance; application; required accompanying information; distribution of copies of application; verification of information contained in application; permissible grounds for denial of application; judicial review of decision to deny application; reapplication; applicant and caregiver deemed to hold card or letter pending approval or denial of application; provider of health care required to maintain documentation of application.

453A.220 Registry identification cards and letters of approval: Issuance to applicant; issuance of card to primary caregiver if primary caregiver has been designated at time of application; required contents; duration; renewal.

453A.225 Registry identification cards and letters of approval: Revocation; duties; judicial review; reapplication prohibited for 12 months.

453A.230 Registry identification cards and letters of approval: Holder to notify Division of certain changes in information; required update of documentation from attending provider of health care; designation of primary caregiver after initial issuance of card; card or letter deemed expired for failure to comply with provisions.

453A.240 Registry identification cards and letters of approval: Card or letter to be returned to Division following diagnosis of absence of chronic or debilitating medical condition.

453A.250 Registry identification cards and letters of approval: General requirements concerning designation of primary caregiver; only one designated primary caregiver allowed; timing of issuance of card or letter to caregiver if caregiver designated after initial issuance of card or letter to patient; parent or guardian who is also patient may be designated caregiver for child.

453A.300 Acts for which holder of registry identification card or letter of approval is not exempt from state prosecution and may not raise affirmative defense; additional penalty.

453A.310 Affirmative defenses.

453A.320 Purpose of registration; no vested right acquired by holder of registration certificate or registration card.

453A.322 Registration of establishments: Requirements; expiration and renewal.

453A.324 Registration of establishments: Limitation on total number of certificates that can be issued in each jurisdiction; reallocation of certificates if county has no qualified applicants; acceptance of applications.

453A.326 Registration of establishments in larger counties: Limitation on number of medical marijuana dispensaries located in any one governmental jurisdiction within county; limitation on number of certificates issued to any one person; certificates deemed provisional pending compliance with local requirements and issuance of local business license.

453A.328 Registration of establishments: Considerations in determining whether to issue registration certificate.

453A.330 Records concerning oversight of medical marijuana establishment to be maintained by agency of local government; provision of records to establishment; fees paid by establishment; use of fees; appeal of fee.

453A.332 Agents required to register with Department; requirements for registration; establishment required to notify Department if agent ceases to be employed by, volunteer at or provide labor at establishment; expiration and renewal of registration; authorized activities of registrant; applicant deemed temporarily registered.

453A.334 Registration cards and registration certificates nontransferable unless ownership of establishment is transferred; requirements for transfer of registration card or registration certificate if ownership is transferred.

453A.336 Payment of child support: Statement by applicant for registration card or registration certificate; grounds for denial; duties of Department.

453A.338 Suspension of registration card or registration certificate for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of registration card or registration certificate.

453A.340 Grounds for immediate revocation of registration certificate.

453A.342 Grounds for immediate revocation of registration card.

453A.344 Fees.

453A.350 Location, land use, appearance and signage; change of location; certain provisions inapplicable to dual licensee.

453A.352 Operating documents; security measures; actions of establishment with respect to marijuana required to be for certain purpose; requirements for cultivation; dispensary and cultivation facility authorized to acquire marijuana from patient; allowing consumption on premises and dispensing of marijuana from vending machine prohibited; inspection; certain provisions inapplicable to dual licensee; installation of video monitoring system required; certain establishments authorized to acquire and use industrial hemp.

453A.354 Electronic verification system.

453A.356 Inventory control system.

453A.358 Duties of medical marijuana dispensaries relating to sale of medical marijuana and related products and relating to notice of legal limits on possession of medical marijuana; Department prohibited from requiring tracking of purchases; dual licensee authorized to allow any person who is at least 21 years of age on premises.

453A.360 Requirements concerning edible marijuana products and marijuana-infused products; additional duties of medical marijuana dispensary and facility for production of edible marijuana products or marijuana-infused products.

453A.362 Requirements concerning storage and removal of medical marijuana; transport of medical marijuana to another establishment or between buildings of establishment.

453A.364 Medical marijuana dispensary authorized to dispense marijuana to nonresidents of this State under certain circumstances.

453A.366 Designation of medical marijuana dispensary.

453A.368 Testing laboratories.

453A.369 Interlocal agreements.

453A.370 Regulations.

453A.400 Possession of registry identification card, letter of approval, registration certificate or registration card not permissible grounds for search or inspection; care and return of seized property.

453A.410 Forfeiture of assets seized.

453A.500 Professional licensing board prohibited from taking disciplinary action against attending provider of health care on basis of provider's participation in certain activities in accordance with chapter.

453A.510 Professional licensing board prohibited from taking disciplinary action against licensee on basis of licensee's participation in certain activities in accordance with chapter.

453A.600 Program for evaluation and research of medical use of marijuana: Establishment by University of Nevada School of Medicine; federal approval; participants and subjects; quarterly report to Interim Finance Committee.

453A.610 Program for evaluation and research of medical use of marijuana: Duties of University of Nevada School of Medicine concerning

confidentiality; certain items of information not subject to subpoena, discovery or inspection.

453A.620 Program for evaluation and research of medical use of marijuana: Authority of Department of Administration of University of Nevada School of Medicine concerning gifts, grants, donations and contributions; deposit of money in State Treasury.

453A.630 Program for evaluation and research of medical use of marijuana: Deposit, use and disposition of money; Department of Administration of University of Nevada School of Medicine to administer account.

453A.700 Duties of Division and Department concerning confidentiality; certain items of information not subject to subpoena, discovery or inspection.

453A.710 Addition of diseases and conditions to list of qualifying chronic or debilitating medical conditions: Petition; regulations.

453A.720 Authority of the Administrator of the Division or designee concerning gifts, grants, donations and contributions; deposit of money in State Treasury.

453A.730 Deposit, use and disposition of money; administration of account.

453A.740 Regulations; fees.

453A.800 Costs associated with medical use of marijuana not required to be paid or reimbursed; medical use of marijuana not required to be allowed in workplace; medical needs of employee who engages in medical use of marijuana to be accommodated by employer, other than law enforcement agency, in certain circumstances.

453A.810 State not responsible for deleterious outcomes.

453D.010 Short title. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.020 Findings and declarations. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.030 Definitions. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.100 Effect of chapter. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.110 Exemption from state or local prosecution for certain acts involving marijuana and marijuana paraphernalia. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.120 Additional exemption from state or local prosecution for certain acts involving marijuana and marijuana products. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.130 No crime for certain acts involving marijuana paraphernalia. [This section was proposed by an initiative petition and approved by the voters

at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.140 Enforcement of contracts. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.200 Duties of Department relating to regulation and licensing of marijuana establishments; information about consumers. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.205 Department or marijuana establishment authorized to require person to submit fingerprints when conducting background check or determining criminal history.

453D.210 Acceptance of applications for licensing; priority in licensing; conditions for approval of application; limitations on issuance of licenses to retail marijuana stores; competing applications. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.220 Expiration and renewal of licenses. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.230 Fees. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.300 Requirements for operation of marijuana establishment; inspection of establishment. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.310 Requirements and restrictions concerning sale and advertising of marijuana products; requirements on marijuana product manufacturing facility and retail marijuana store; local government not prohibited from adopting more restrictive regulation concerning advertising.

453D.320 Marijuana establishment prohibited from dispensing marijuana or marijuana products from vending machine.

453D.400 Violations and penalties. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.500 Imposition of tax on wholesale sales of marijuana by marijuana cultivation facility. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.510 Use of proceeds of tax, fees and penalties. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore is not subject to legislative amendment or repeal until after November 22, 2019.]

453D.600 Severability. [This section was proposed by an initiative petition and approved by the voters at the 2016 General Election and therefore

is not subject to legislative amendment or repeal until after November 22, 2019.]