

Amendment No. 395

Assembly Amendment to Assembly Bill No. 322	(BDR 56-789)
Proposed by: Assembly Committee on Revenue	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of A.B. 322 (§§ 15, 16, 21, 31, 42).

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.

SJQ/AAK



Date: 4/19/2021

A.B. No. 322—Provides for the licensure and regulation of certain events at which the sale and consumption of cannabis or cannabis products is allowed. (BDR 56-789)



ASSEMBLY BILL NO. 322—ASSEMBLYMEN C.H. MILLER, GONZÁLEZ, FLORES;
ANDERSON, BRITTNEY MILLER, MONROE-MORENO, THOMAS AND TORRES

MARCH 17, 2021

JOINT SPONSOR: SENATOR D. HARRIS

Referred to Committee on Revenue

SUMMARY—Provides for the licensure and regulation of certain events at which the sale and consumption of cannabis or cannabis products is allowed. (BDR 56-789)

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

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

AN ACT relating to cannabis; providing for the licensure and regulation by the Cannabis Compliance Board of certain events at which the sale and consumption of cannabis or cannabis products is allowed; setting forth certain requirements for the issuance of a ~~license to hold such an event;~~ cannabis event organizer license, temporary cannabis event permit and portable cannabis vendor license; setting forth certain requirements concerning the operation of ~~such an~~ a temporary cannabis event; imposing various requirements on ~~persons licensed by the Board to hold such an event; providing that persons who hold certain events at which cannabis or cannabis products are displayed for informational or educational purposes are not required to obtain a license;~~ cannabis event organizers and portable cannabis vendors; requiring the Board to take certain actions concerning applicants for certain licenses who are social equity applicants; requiring the Board to adopt regulations establishing certain fees; revising provisions relating to the consumption of cannabis in a public place; revising provisions relating to the excise tax on retail sales of cannabis and cannabis products; exempting the ~~holders;~~ holder of certain licenses issued by the Board; a cannabis event organizer license from certain provisions prohibiting a person from maintaining a place for the purpose of unlawfully selling, giving away or using any controlled substance; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the licensure and regulation of persons and establishments involved in the cannabis industry in this State by the Cannabis Compliance Board. (Title 56 of NRS) This bill provides for the licensure and regulation of ~~two types of~~ events at which the sale of cannabis or cannabis products and the consumption of cannabis or cannabis products by persons 21 years of age or older is allowed. ~~Sections 5 and~~ Section 8 of this bill ~~respectively, designate these two types of~~ designates such events as ~~portable cannabis vendor events~~ and "temporary cannabis events."

~~Sections 15-20 of this bill set forth various requirements relating to a temporary cannabis event, which is generally defined in section 8 to mean an event at which: (1) participating adult-use cannabis retail stores sell cannabis or cannabis products to persons 21 years of age or older; and (2) the consumption of cannabis or cannabis products by such persons is allowed.~~

Section 16 of this bill prohibits a person from holding a temporary cannabis event unless: (1) the person has been licensed by the Board as a cannabis event organizer; and (2) the Board has issued a temporary cannabis event ~~license~~ permit for the event. **Section 15** of this bill establishes requirements for licensure as a cannabis event organizer. **Section 16** sets forth certain requirements for a cannabis event organizer to obtain a temporary cannabis event ~~license. Section 16 also sets forth certain restrictions on the location and duration of temporary cannabis events.~~ permit.

Section 17 of this bill prohibits a person other than a participating adult-use cannabis retail store or portable cannabis vendor from selling cannabis or cannabis products at a temporary cannabis event and sets forth certain requirements for such sales. **Sections 18 and 19** of this bill impose certain requirements and restrictions on a cannabis event organizer relating to the operation of a temporary cannabis event. ~~Section 20 of this bill authorizes the Board to issue an order directing a cannabis event organizer to cease all operations of a temporary cannabis event under certain circumstances.~~

~~Sections 21-24 of this bill set forth various requirements relating to a portable cannabis vendor event, which is generally defined in section 5 of this bill to mean an event held by a portable cannabis vendor at which: (1) the portable cannabis vendor sells cannabis or cannabis products to persons 21 years of age or older; and (2) the consumption of cannabis or cannabis products by such persons is allowed.~~

~~Section 22 of this bill prohibits a person from holding a portable cannabis vendor event unless: (1) the person has been licensed by the Board as a portable cannabis vendor; and (2) the Board has issued a portable cannabis vendor event license for the event.~~ **Section 21** of this bill establishes requirements for licensure as a ~~portable~~ "portable cannabis vendor. ~~Section 22 sets forth requirements for a portable cannabis vendor to obtain a portable cannabis vendor event license.~~ vendor," which is defined by section 4 of this bill to mean a business that: (1) is licensed by the Board; and (2) purchases cannabis or cannabis products from an adult-use cannabis retail store and sells such cannabis or cannabis products at a temporary cannabis event.

Section 23 of this bill requires a portable cannabis vendor who participates in a temporary cannabis event to ~~purchase all cannabis or cannabis products for resale at a portable temporary cannabis vendor event from an adult-use cannabis retail store.~~ and (2) return any unsold cannabis or cannabis products to the adult-use cannabis retail store not later than 4 hours after the conclusion of the event. ~~Section 24 of this bill imposes certain requirements upon a portable cannabis vendor concerning the operation of a portable cannabis vendor event.~~

Section 25.3 of this bill requires the Board to give priority to a social equity applicant in: (1) processing applications for a cannabis event organizer license or portable cannabis vendor license; and (2) the issuance of such a license. **Section 14.5** defines "social equity applicant" to mean, in general, an applicant that has been adversely affected by previous laws that criminalized activity relating to cannabis. **Section 25.3** further requires the Board to adopt regulations establishing criteria to determine whether an applicant qualifies as a social equity applicant.

Section 25.6 of this bill sets forth certain requirements for the issuance of cannabis event organizer licenses and portable cannabis vendor licenses in a local governmental jurisdiction that limits the number of business licenses issued to cannabis event

organizers and portable cannabis vendors, which include, among other requirements, a requirement that a certain number of those licenses be issued to social equity applicants.

Existing law imposes an excise tax on each retail sale of cannabis or cannabis products by an adult-use cannabis retail store. (NRS 372A.290) **Section 42** of this bill ~~[(1)]~~ applies this excise tax to retail sales of cannabis or cannabis products by a portable cannabis vendor. ~~[(1) and (2) excludes from this excise tax sales of cannabis or cannabis products by an adult-use cannabis retail store to a portable cannabis vendor for the purpose of resale.]~~ **Sections 39 and 41** of this bill make conforming changes to reflect the imposition of the excise tax on retail sales of cannabis or cannabis products by a portable cannabis vendor.

Section 25 of this bill authorizes a local government to charge a cannabis event organizer ~~for portable cannabis vendor~~ a fee for holding a temporary cannabis event. ~~for portable cannabis vendor event based on the number of persons expected to attend the event.]~~ **Section 31** of this bill requires the Board to adopt regulations establishing fees associated with a cannabis event organizer license, temporary cannabis event ~~license,~~ **permit and** portable cannabis vendor license. ~~and portable cannabis vendor event license.~~

~~Section 26 of this bill provides that a person is not required to obtain a license for certain events at which cannabis or cannabis products are displayed for informational or educational purposes but are not sold or consumed.]~~ **Section 31** authorizes the Board to establish reduced fees for the initial issuance or renewal of a cannabis event organizer license and portable cannabis vendor license for social equity applicants.

Section 11 of this bill includes a cannabis event organizer and a portable cannabis vendor within the definition of “cannabis establishment” provided in existing law, thereby subjecting such businesses to the requirements of existing law applicable to cannabis establishments. (NRS 678A.095) Similarly, **section 12** of this bill includes a cannabis event organizer license, a temporary cannabis event ~~license,~~ **permit and** a portable cannabis vendor license ~~and a portable cannabis vendor event license~~ within the definition of “license” provided in existing law, thereby subjecting the holders of such licenses to the provisions of existing law applicable to holders of other licenses issued by the Board. (NRS 678A.160) **Section 13** of this bill authorizes the Board to adopt regulations providing policies and procedures under which the Board is authorized to waive any requirement applicable to a cannabis establishment that the Board determines is not appropriate for a cannabis event organizer or portable cannabis vendor. **Section 33** of this bill requires the Board to adopt regulations concerning the safe and healthful operation of ~~such~~ **temporary cannabis** events.

Section 27 of this bill provides that a license ~~or permit~~ issued by the Board pursuant to the provisions of this bill is a revocable privilege. **Sections 28 and 29** of this bill prohibit the issuance of a medical cannabis establishment license or an adult-use cannabis establishment license, respectively, if any of the persons proposed to be owners, officers or board members of the establishment have previously served in such a position for a cannabis establishment that has had a license **or permit** issued by the Board pursuant to the provisions of this bill revoked.

Existing law requires the Board to adopt regulations setting forth procedures and requirements for the transfer of a license issued by the Board from a holder to another person who is qualified to hold such a license. (NRS 678B.380) Section 30 of this bill ~~provides, with certain exceptions, that a license issued by the Board pursuant to the provisions of this bill is nontransferable.]~~ specifies that such regulations must set forth procedures and requirement for the transfer of a cannabis event organizer license or portable cannabis vendor license that is held by a social equity applicant.

Section 32 of this bill revises provisions of existing law that prohibit a person from selling or advertising the sale of cannabis or cannabis products for the purpose of authorizing the holder of a portable cannabis vendor license to engage in such activities. (NRS 678B.530) Existing law ~~generally~~ exempts **in general**, persons who hold certain licenses issued by the Board from state prosecution for the possession, delivery or production of cannabis. (NRS 678D.200) **Section 35** of this bill expands this exemption to include the holder of a portable cannabis vendor license.

Existing law ~~generally~~ prohibits **in general**, the consumption of cannabis or cannabis products in a public place. (NRS 678C.300, 678D.300, 678D.310) **Sections 34, 36 and 37** of this bill revise these provisions for the purposes of authorizing a person to consume cannabis or cannabis products in an area designated for that activity at a temporary cannabis event. ~~for portable cannabis vendor event.~~

~~Section 38 of this bill authorizes an adult-use cannabis distributor to transport cannabis and cannabis products between an adult-use cannabis retail store and a temporary cannabis event.~~

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 44** of this bill exempts a cannabis event organizer ~~[and a portable cannabis vendor]~~ whose activities are confined to those authorized under the provisions of this bill from the application of this provision.

Sections 2-9 of this bill define words and terms applicable to the provisions of this bill. **Sections 10, 27.5 and 40** of this bill make conforming changes to indicate the proper placement of new provisions in the Nevada Revised Statutes. **Section 43** of this bill makes a conforming change to reflect the addition of the provisions of **section 31**.

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

Section 1. Chapter 678A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 9, inclusive, of this act.

Sec. 2. *“Cannabis event organizer” means a business that:*

1. Is licensed by the Board pursuant to section 15 of this act; and

2. Permits, maintains, promotes, conducts, advertises, operates, undertakes, organizes, manages, sells or gives away tickets to temporary cannabis events.

Sec. 3. *“Cannabis event organizer license” means a license that is issued by the Board pursuant to section 15 of this act to authorize the operation of a cannabis event organizer.*

Sec. 4. *“Portable cannabis vendor” means a business that:*

1. Is licensed by the Board pursuant to section 21 of this act; and

2. ~~[Permits, maintains, promotes, conducts, advertises, operates, undertakes, organizes, manages, sells or gives away tickets to portable]~~ Purchases cannabis [events] or cannabis products from an adult-use cannabis retail store and sells such cannabis or cannabis products at a temporary cannabis event.

Sec. 5. ~~“Portable cannabis vendor event” means an event held by a portable cannabis vendor for which a license has been issued by the Board pursuant to section 22 of this act and at which:~~

~~1. The portable cannabis vendor sells cannabis or cannabis products to persons 21 years of age or older; and~~

~~2. The consumption of cannabis or cannabis products by persons 21 years or older is allowed.] (Deleted by amendment.)~~

Sec. 6. ~~“Portable cannabis vendor event license” means a license that is issued by the Board pursuant to section 22 of this act to authorize a portable cannabis vendor to hold a portable cannabis vendor event.] (Deleted by amendment.)~~

Sec. 7. *“Portable cannabis vendor license” means a license that is issued by the Board pursuant to section 21 of this act to authorize the operation of a portable cannabis vendor.*

Sec. 8. *“Temporary cannabis event” means an event held by a cannabis event organizer for which a ~~license~~ temporary cannabis event permit has been issued by the Board pursuant to section 16 of this act and at which:*

1. Participating adult-use cannabis retail stores or portable cannabis vendors sell cannabis or cannabis products to persons 21 years of age or older; and

2. *The consumption of cannabis or cannabis products by persons 21 years of age or older is allowed.*

Sec. 9. *“Temporary cannabis event ~~license~~” permit” means a license that is issued by the Board pursuant to section 16 of this act to authorize a cannabis event organizer to hold a temporary cannabis event.*

Sec. 10. NRS 678A.010 is hereby amended to read as follows:

678A.010 As used in this title, unless the context otherwise requires, the words and terms defined in NRS 678A.020 to 678A.240, inclusive, *and sections 2 to 9, inclusive, of this act* have the meanings ascribed to them in those sections.

Sec. 11. NRS 678A.095 is hereby amended to read as follows:

678A.095 “Cannabis establishment” means:

1. An adult-use cannabis establishment; ~~for~~
2. A medical cannabis establishment ~~for~~;
3. *A cannabis event organizer; or*
4. *A portable cannabis vendor.*

Sec. 12. NRS 678A.160 is hereby amended to read as follows:

678A.160 “License” means:

1. An adult-use cannabis establishment license; ~~for~~
2. A medical cannabis establishment license ~~for~~;
3. *A cannabis event organizer license;*
4. *A temporary cannabis event ~~license~~ permit; or*
5. *A portable cannabis vendor license . ~~for~~*
6. ~~*A portable cannabis vendor event license .*~~

Sec. 13. NRS 678A.450 is hereby amended to read as follows:

678A.450 1. The Board may adopt regulations necessary or convenient to carry out the provisions of this title. Such regulations may include, without limitation:

(a) Financial requirements for licensees.

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

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

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

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

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

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

(h) Policies and procedures governing the circumstances under which the Board may waive any requirement applicable to a cannabis establishment that

1 *the Board determines is not appropriate for a cannabis event organizer or*
2 *portable cannabis vendor.*

3 2. The Board shall adopt regulations providing for the gathering and
4 maintenance of comprehensive demographic information, including, without
5 limitation, information regarding race, ethnicity, age and gender, concerning each:

6 (a) Owner and manager of a cannabis establishment.

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

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

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

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

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

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

19 **Sec. 14.** Chapter 678B of NRS is hereby amended by adding thereto the
20 provisions set forth as sections ~~14.4~~ **14.5** to 26, inclusive, of this act.

21 **Sec. 14.5.** *"Social equity applicant" means an applicant for the issuance or*
22 *renewal of a cannabis event organizer license or portable cannabis vendor*
23 *license who has been adversely affected by provisions of previous laws which*
24 *criminalized activity relating to cannabis, including, without limitation, adverse*
25 *effects on an owner, officer or board member of the applicant.*

26 **Sec. 15. 1.** *A person shall not engage in the business of a cannabis event*
27 *organizer unless the person holds a cannabis event organizer license issued*
28 *pursuant to this section.*

29 2. *A person who wishes to engage in the business of a cannabis event*
30 *organizer must submit to the Board an application on a form prescribed by the*
31 *Board.*

32 3. *The Board shall issue a cannabis event organizer license to an applicant*
33 *if:*

34 (a) *The person who wishes to engage in the business of a cannabis event*
35 *organizer has submitted to the Board all of the following:*

36 (1) *The application fee, as set forth in NRS 678B.390;*

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

38 (I) *The legal name of the proposed cannabis event organizer;*

39 (II) *The physical address where the proposed cannabis event*
40 *organizer will be located;*

41 (III) *For the applicant and each person who is proposed to be an*
42 *owner, officer or board member of the proposed cannabis event organizer, a*
43 *complete set of the person's fingerprints and written permission of the person*
44 *authorizing the Board to forward the fingerprints to the Central Repository for*
45 *Nevada Records of Criminal History for submission to the Federal Bureau of*
46 *Investigation for its report; and*

47 (IV) *The name, address and date of birth of each person who is*
48 *proposed to be an owner, officer or board member of the proposed cannabis event*
49 *organizer;*

50 (3) *Operating procedures consistent with rules of the Board for oversight*
51 *of the proposed cannabis event organizer; and*

52 (4) *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 cannabis event organizer 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 cannabis event organizer have:~~

~~(1) Served as an owner, officer or board member for a cannabis establishment that has had its cannabis event organizer license, temporary cannabis event ~~[license]~~ permit, portable cannabis vendor license, ~~[portable cannabis vendor event license]~~ adult-use cannabis establishment license or medical cannabis establishment 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)] (c) None of the persons who are proposed to be owners, officers or board members of the proposed cannabis event organizer 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 cannabis event organizer, 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. ~~[(f)]~~ Except as otherwise provided in section 25.6 of this act, if an applicant for licensure to engage in the business of a cannabis event organizer satisfies the requirements of this section, is qualified in the determination of the Board pursuant to NRS 678B.200 and is not disqualified from being licensed pursuant to this section or other applicable law, the Board shall issue to the applicant a cannabis event organizer license. A cannabis event organizer license expires 1 year after the date of issuance and may be renewed upon:

(a) Submission of the information required by the Board by regulation; and

(b) Payment of the renewal fee set forth in NRS 678B.390.

Sec. 16. 1. A person shall not hold a temporary cannabis event unless the person:

(a) Is a cannabis event organizer; and

(b) Has been issued a temporary cannabis event ~~[license]~~ permit for the temporary cannabis event by the Board pursuant to this section.

2. A cannabis event organizer who wishes to obtain a temporary cannabis event ~~[license]~~ permit must ~~[]~~ at least 60 days before the date on which the proposed temporary cannabis event is to commence, submit to the Board the application fee, as set forth in NRS 678B.390, and an application on a form prescribed by the Board. The application must include:

(a) The name and address of the applicant;

(b) The physical address of the location at which the proposed temporary cannabis event will be held ~~;~~ ~~[]~~ the location 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 temporary cannabis event was submitted to the Board, within 300 feet of a community facility that existed on the date on which the application for the proposed temporary cannabis event was submitted to the Board, or, if the proposed temporary cannabis event will be held 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

1 ~~or 2 of NRS 463.0177 and that existed on the date on which the application for~~
2 ~~the proposed temporary cannabis event was submitted to the Board.}~~

3 ~~(c) The [name of the proposed temporary cannabis event;~~

4 ~~—(d) The] date or dates of the proposed temporary cannabis event [; the~~
5 ~~duration of which must not exceed 4 consecutive days;~~

6 ~~—(e) The hours of operation for the proposed temporary cannabis event;~~

7 ~~—(f) };~~

8 (d) The number of persons expected to attend the proposed temporary
9 cannabis event;

10 ~~{(g) A diagram of the physical layout of the proposed temporary cannabis~~
11 ~~event which clearly sets forth;~~

12 ~~—(1) The boundaries of the proposed temporary cannabis event within the~~
13 ~~location at which the event is proposed to be held;~~

14 ~~—(2) Each entrance and exit to the proposed temporary cannabis event~~
15 ~~that will be used by participants during the event;~~

16 ~~—(3) Each}~~

17 (e) A detailed description of each area within the proposed temporary
18 cannabis event designated for the sale of cannabis or cannabis products;

19 ~~{(4) The designated location within each area described in subparagraph~~
20 ~~(3) for each adult-use cannabis retail store participating in the proposed~~
21 ~~temporary cannabis event and an identifying number assigned for each such~~
22 ~~location;~~

23 ~~—(5) Each area within the proposed temporary cannabis event designated~~
24 ~~for the storage of cannabis or cannabis products; and~~

25 ~~—(6) Each}~~

26 (f) A detailed description of each area within the proposed temporary
27 cannabis event designated for the consumption of cannabis or cannabis products;

28 ~~{(h) A security plan for the proposed temporary cannabis event which,~~
29 ~~without limitation, provides for the presence of security personnel on the~~
30 ~~premises of the event during all hours of operation;~~

31 ~~—(i) Contact information for a person designated by the applicant to be the~~
32 ~~primary contact person regarding the proposed temporary cannabis event;~~

33 ~~—(j) Contact information for a person designated by the applicant to remain~~
34 ~~on the premises of the proposed temporary cannabis event during all hours of~~
35 ~~operation and who must be able to be reached by telephone during all hours of~~
36 ~~operation;~~

37 ~~—(k) }~~

38 (g) Operating procedures consistent with regulations of the Board for the
39 safe and healthful operation of temporary cannabis events;

40 (h) Evidence that the local government having jurisdiction over the location
41 in which the proposed temporary cannabis event is to be held has approved the
42 event to be held at the specified location and on the specified date or dates;

43 ~~{(4)}~~ (i) A list of each adult-use cannabis retail store, portable cannabis
44 vendor and cannabis establishment agent that will be participating in the
45 proposed temporary cannabis event; and

46 ~~{(m)}~~ (j) Such other information as the Board may require by regulation.

47 3. The Board shall issue a ~~[license]~~ temporary cannabis event permit to an
48 applicant ~~[for the issuance of a temporary cannabis event license]~~ if:

49 (a) The application satisfies the requirements of this section;

50 (b) The applicant is a cannabis event organizer who is qualified in the
51 determination of the Board pursuant to NRS 678B.200; and

52 (c) The temporary cannabis event is not disqualified from being licensed
53 pursuant to any other applicable law.

4. Each temporary cannabis event ~~license~~ permit issued pursuant to this section must set forth the location and date or dates of the temporary cannabis event for which the ~~license~~ temporary cannabis event permit is issued.

~~5. If the Board issues a temporary cannabis event license to a cannabis event organizer pursuant to this section and the list of adult-use cannabis retail stores and cannabis establishment agents participating in the event submitted to the Board pursuant to subsection 2 changes, the cannabis event organizer shall, not later than 72 hours before the temporary cannabis event is to commence, submit to the Board an updated list and an updated diagram of the physical layout of the temporary cannabis event.~~

~~6. For the purposes of paragraph (b) of subsection 2, the distance must be measured from the main entrance to the proposed temporary cannabis event to the closest point of the property line of a school, community facility or gaming establishment.~~

~~7. As used in this section, "community facility" means:~~

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

Sec. 17. 1. A person shall not sell cannabis or cannabis products at a temporary cannabis event unless the person is an adult-use cannabis retail store or a portable cannabis vendor and has been listed as a participant in the event in a list submitted to the Board pursuant to section 16 of this act.

~~2. [An adult use cannabis retail store that participates in a temporary cannabis event may conduct sales of cannabis or cannabis products only;~~

- ~~— (a) At the location within the temporary cannabis event designated for the adult use cannabis retail store; and~~
- ~~— (b) During the hours of operation for the temporary cannabis event.~~

~~3. Each adult use cannabis retail store that participates in a temporary cannabis event must prominently display at the location within the event designated for the adult use cannabis retail store:~~

- ~~— (a) The adult use cannabis establishment license of the adult use cannabis retail store; and~~
- ~~— (b) A sign which shows the identifying number assigned to the location in the diagram submitted to the Board pursuant to section 16 of this act.~~

~~4. All cannabis and cannabis products offered for sale by an adult use cannabis retail store at a temporary cannabis event must be transported to and from the event by an adult use cannabis distributor.~~

~~5. Except as otherwise provided in subsection 6, all cannabis and cannabis products offered for sale at a temporary cannabis event must be stored in a secure, locked container at the location within the event designated for the storage of cannabis or cannabis products. Cannabis or a cannabis product may only be removed from the container:~~

- ~~— (a) For the purpose of selling the cannabis or cannabis product to a consumer;~~
- ~~— (b) Immediately before the cannabis or cannabis product is sold; and~~
- ~~— (c) By a cannabis establishment agent who is employed by or volunteers at the adult use cannabis retail store which is conducting the sale and who has been~~

1 ~~listed as a participant in the temporary cannabis event in a list submitted to the~~
2 ~~Board pursuant to section 16 of this act.~~

3 ~~6. An adult-use cannabis retail store that participates in a temporary~~
4 ~~cannabis event may display small amounts of cannabis or cannabis products at~~
5 ~~the location within the event designated for the adult-use cannabis retail store.~~

6 ~~7. Except as otherwise provided by regulation adopted by the Board, and~~
7 ~~except where inconsistent with the provisions of this section, all provisions of~~
8 ~~this title and the regulations adopted pursuant thereto relating to the testing and~~
9 ~~labeling of cannabis and cannabis products and the sale of cannabis and~~
10 ~~cannabis products on the premises of an adult-use cannabis retail store also~~
11 ~~apply to cannabis and cannabis products sold at a temporary cannabis event.~~

12 **Sec. 18.** A cannabis event organizer that holds a temporary cannabis event
13 shall:

14 1. Ensure that only persons who are 21 years of age or older are allowed to
15 access areas within the temporary cannabis event designated for the sale or
16 consumption of cannabis or cannabis products;

17 2. ~~Post and maintain a conspicuous sign at each entrance to an area~~
18 ~~within the temporary cannabis event designated for the sale or consumption of~~
19 ~~cannabis or cannabis products which clearly states that persons who are under~~
20 ~~21 years of age are prohibited from entering the area;~~

21 3. ~~Ensure that each area within the temporary cannabis event designated~~
22 ~~for the consumption of cannabis or cannabis products is not viewable from a~~
23 ~~public place or from any area of the event in which persons who are under 21~~
24 ~~years of age are allowed to access;~~

25 4. ~~Ensure that intoxicating liquor or tobacco products are not sold or~~
26 ~~consumed at the temporary cannabis event;~~

27 5. ~~Comply with all procedures and requirements prescribed by regulation~~
28 ~~of the Board for the collection and disposal of cannabis or cannabis products~~
29 ~~which are left at the temporary cannabis event;~~

30 6. 3. Ensure that all sales and consumption of cannabis or cannabis
31 products at the temporary cannabis event are confined to areas within the event
32 designated for such activities;

33 7. 4. Ensure that each adult-use cannabis retail store and portable
34 cannabis vendor that participates in the temporary cannabis event complies with
35 the requirements set forth in section 17 of this act and any other requirements
36 prescribed by regulation of the Board; and

37 8. 5. Comply with any other requirements prescribed by regulation of the
38 Board.

39 **Sec. 19.** A cannabis event organizer shall not ~~fr~~

40 1. ~~Sell~~ sell cannabis or cannabis products at a temporary cannabis event
41 unless the cannabis event organizer is an adult-use cannabis retail store or
42 portable cannabis vendor and has been listed as a participant in the event in a list
43 submitted to the Board pursuant to section 16 of this act. ~~fr~~

44 2. ~~Transport cannabis or cannabis products to or from a temporary~~
45 ~~cannabis event unless the cannabis event organizer is an adult use cannabis~~
46 ~~distributor; or~~

47 3. ~~Accept compensation from an adult use cannabis retail store for~~
48 ~~participation in a temporary cannabis event that is based upon or contingent~~
49 ~~upon the sale of cannabis or cannabis products.]~~

50 **Sec. 20.** ~~[1. The Board may issue an order directing a cannabis event~~
51 ~~organizer to cease all operations of a temporary cannabis event if the Board~~
52 ~~determines such action is necessary to protect the public health and safety.~~

~~2. If the Board finds that a person is selling cannabis or cannabis products on the premises of a temporary cannabis event in violation of subsection 1 of section 17 of this act, the Board may issue an order directing the cannabis event organizer that is holding the event to expel the person from the event. If the cannabis event organizer fails to immediately expel such a person, the Board may issue an order directing the cannabis event organizer to cease all operations of the temporary cannabis event.~~

~~3. A cannabis event organizer that receives an order from the Board directing the cannabis event organizer to cease all operations of the temporary cannabis event pursuant to this section shall immediately cease all operations of the temporary cannabis event and ensure that all participants leave the event within the time frame prescribed by the Board.~~ (Deleted by amendment.)

Sec. 21. 1. A person shall not engage in the business of a portable cannabis vendor unless the person holds a portable cannabis vendor license issued pursuant to this section.

2. A person who wishes to engage in the business of a portable cannabis vendor must submit to the Board an application on a form prescribed by the Board.

3. The Board shall issue a portable cannabis vendor license to an applicant if:

(a) The person who wishes to engage in the business of a portable cannabis vendor has submitted to the Board all of the following:

(I) The application fee, as set forth in NRS 678B.390;

(2) An application, which must include:

(I) The legal name of the proposed portable cannabis vendor;

(II) The physical address where the proposed portable cannabis vendor will be located;

(III) For the applicant and each person who is proposed to be an owner, officer or board member of the proposed portable cannabis vendor, 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

(IV) The name, address and date of birth of each person who is proposed to be an owner, officer or board member of the proposed portable cannabis vendor;

(3) Operating procedures consistent with the rules of the Board for oversight of the proposed portable cannabis vendor; and

(4) 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 portable cannabis vendor 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 portable cannabis vendor have:~~

(1) Served as an owner, officer or board member for a cannabis establishment that has had its portable cannabis vendor license, ~~[portable cannabis vendor event license,~~ cannabis event organizer license, temporary cannabis event ~~[license,~~ permit, adult-use cannabis establishment license or medical cannabis establishment 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

~~1~~ ~~(c)~~ *None of the persons who are proposed to be owners, officers or*
board members of the proposed portable cannabis vendor 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 portable cannabis vendor, 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 section 25.6 of this act, if an~~
applicant for licensure to engage in the business of a portable cannabis vendor
satisfies the requirements of this section, is qualified in the determination of the
Board pursuant to NRS 678B.200 and is not disqualified from being licensed
pursuant to this section or other applicable law, the Board shall issue to the
applicant a portable cannabis vendor license. A portable cannabis vendor license
expires 1 year after the date of issuance and may be renewed upon:

(a) Submission of the information required by the Board by regulation; and

(b) Payment of the renewal fee set forth in NRS 678B.390.

~~Sec. 22. *1. A person shall not hold a portable cannabis vendor event*~~
~~*unless the person:*~~

~~*(a) Is a portable cannabis vendor; and*~~

~~*(b) Has been issued a portable cannabis vendor event license for the portable*~~
~~*cannabis vendor event by the Board pursuant to this section.*~~

~~*2. A portable cannabis vendor who wishes to obtain a portable cannabis*~~
~~*vendor event license must, at least 60 days before the date on which the proposed*~~
~~*portable cannabis vendor event is to commence, submit to the Board the*~~
~~*application fee, as set forth in NRS 678B.390, and an application on a form*~~
~~*prescribed by the Board. The application must include:*~~

~~*(a) The name and address of the applicant;*~~

~~*(b) The physical address or a detailed description of the location at which the*~~
~~*proposed portable cannabis vendor event will be held;*~~

~~*(c) The date or dates of the proposed portable cannabis vendor event;*~~

~~*(d) The number of persons who are expected to attend the proposed portable*~~
~~*cannabis vendor event;*~~

~~*(e) Procedures to ensure the health and safety of persons who attend the*~~
~~*proposed portable cannabis vendor event;*~~

~~*(f) A detailed description of the area of the proposed portable cannabis*~~
~~*vendor event designated for the consumption of cannabis or cannabis products;*~~

~~*(g) The number of cannabis establishment agents employed by the portable*~~
~~*cannabis vendor who will be operating the proposed portable cannabis vendor*~~
~~*event;*~~

~~*(h) Procedures and protocols to ensure that persons who attend the proposed*~~
~~*portable cannabis vendor event do not engage in the excessive consumption of*~~
~~*cannabis or cannabis products;*~~

~~*(i) A security plan for the proposed portable cannabis vendor event which*~~
~~*includes, without limitation, an estimate of the number of security personnel that*~~
~~*will be providing security at the event;*~~

~~*(j) Procedures and protocols for the operation of the proposed portable*~~
~~*cannabis vendor event, including, without limitation, procedures for the set up*~~
~~*and break down of the event;*~~

~~*(k) Evidence that the local government having jurisdiction over the location*~~
~~*in which the proposed portable cannabis vendor event is to be held has approved*~~

~~the event to be held at the specified location and on the specified date or dates; and~~

~~— (1) Such other information as the Board may require by regulation.~~

~~3. The Board shall issue a license to an applicant for the issuance of a portable cannabis vendor event license if:~~

~~— (a) The application satisfies the requirements of this section;~~

~~— (b) The applicant is a portable cannabis vendor who is qualified in the determination of the Board pursuant to NRS 678B.200; and~~

~~— (c) The portable cannabis vendor event is not disqualified from being licensed pursuant to any other applicable law.~~

~~4. Each portable cannabis vendor event license issued pursuant to this section must set forth the location and the date or dates of the portable cannabis vendor event for which the license is issued. (Deleted by amendment.)~~

Sec. 23. 1. A portable cannabis vendor that ~~holds~~ participates in a ~~portable~~ temporary cannabis ~~vendor~~ event shall ~~if:~~

~~— (a) Purchase~~ purchase all cannabis or cannabis products for resale at the ~~portable~~ temporary cannabis ~~vendor~~ event from an adult-use cannabis retail store. ~~if and~~

~~— (b) Not later than 4 hours after the conclusion of the portable cannabis vendor event, return to the adult-use cannabis retail store any cannabis or cannabis product that was not sold at the portable cannabis vendor event.~~

~~2. An adult-use cannabis retail store shall accept the return of any cannabis or cannabis product purchased from the adult-use cannabis retail store by a portable cannabis vendor and refund to the portable cannabis vendor the full purchase price of the cannabis or cannabis product.~~

Sec. 24. ~~1. A portable cannabis vendor that holds a portable cannabis vendor event shall:~~

~~— (a) Ensure that only persons who are 21 years of age or older are allowed to access areas of the event designated for the consumption of cannabis or cannabis products;~~

~~— (b) Ensure that no person other than the portable cannabis vendor sells cannabis or cannabis products at the portable cannabis vendor event;~~

~~— (c) Enforce appropriate procedures and protocols to ensure that persons who attend the event do not engage in the excessive consumption of cannabis or cannabis products;~~

~~— (d) Comply with all procedures and requirements prescribed by regulation of the Board for the collection and disposal of cannabis or cannabis products which are left at the portable cannabis vendor event; and~~

~~— (e) Comply with any other requirements prescribed by regulation of the Board.~~

~~2. Except as otherwise provided by regulation adopted by the Board and except where inconsistent with the provisions of this section, all provisions of this title and the regulations adopted pursuant thereto relating to the testing and labeling of cannabis and cannabis products and the sale of cannabis and cannabis products on the premises of an adult-use cannabis retail store also apply to cannabis and cannabis products sold by a portable cannabis vendor at a portable cannabis vendor event. (Deleted by amendment.)~~

Sec. 25. A local government having jurisdiction over the location in which a temporary cannabis event ~~for portable cannabis vendor event~~ is to be held may charge the cannabis event organizer ~~for portable cannabis vendor, as applicable,~~ a fee for holding the event. ~~[Such a fee must be based on the number of persons who are expected to attend the temporary cannabis event or portable cannabis vendor event.]~~

1 Sec. 25.3. 1. In processing applications for a cannabis event organizer
2 license or portable cannabis vendor license and in the issuance of such a license,
3 the Board shall give priority to a social equity applicant.

4 2. The Board shall adopt regulations establishing criteria to be used by the
5 Board for determining whether an applicant for the issuance or renewal of a
6 cannabis event organizer license or portable cannabis vendor license qualifies as
7 a social equity applicant for the purposes of this chapter.

8 Sec. 25.6. 1. If, in a local governmental jurisdiction that issues business
9 licenses, the local governmental jurisdiction limits the number of business
10 licenses issued to cannabis event organizers and portable cannabis vendors, the
11 Board shall determine the total number of cannabis event organizer licenses and
12 portable cannabis vendor licenses that will be allocated to the local governmental
13 jurisdiction.

14 2. Of the total number cannabis event organizer licenses and portable
15 cannabis vendor licenses allocated to a local governmental jurisdiction pursuant
16 to subsection 1, not less than 50 percent must be issued to social equity
17 applicants. If, at any time, there are an insufficient number of qualified social
18 equity applicants to satisfy this requirement, the Board shall hold the remaining
19 number of licenses necessary to satisfy this requirement in reserve for the
20 issuance to future social equity applicants.

21 3. Except as otherwise provided in subsection 2, if, at any time, the number
22 of qualified applicants for the issuance of cannabis event organizer licenses or
23 portable cannabis event licenses exceed the number of licenses allocated to that
24 jurisdiction pursuant to subsection 1, the Board shall issue cannabis event
25 organizer licenses and portable cannabis event licenses in the local governmental
26 jurisdiction on the basis of a separate lottery system for each type of license.

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

29 ~~Sec. 26. [1. A person is not required to obtain a license issued by the~~
30 ~~Board pursuant to this chapter to hold an event at which cannabis or cannabis~~
31 ~~products are displayed for informational or educational purposes but are not sold~~
32 ~~or consumed.~~

33 ~~2. A person who displays cannabis or cannabis products at an event~~
34 ~~described in subsection 1 must comply with the legal limits on the possession of~~
35 ~~cannabis for medical purposes, as set forth in NRS 678C.200, or adult use~~
36 ~~purposes, as set forth in 678D.200, as applicable.] (Deleted by amendment.)~~

37 **Sec. 27.** NRS 678B.010 is hereby amended to read as follows:

38 678B.010 The Legislature hereby finds and declares that:

39 1. The purpose for licensing cannabis establishments and registering cannabis
40 establishment agents is to protect the public health and safety and the general
41 welfare of the people of this State.

42 2. Any:

43 (a) Medical cannabis establishment license issued pursuant to NRS 678B.210;

44 (b) Adult-use cannabis establishment license issued pursuant to NRS
45 678B.250;

46 (c) Cannabis event organizer license issued pursuant to section 15 of this
47 act;

48 (d) Temporary cannabis event ~~[license]~~ permit issued pursuant to section 16
49 of this act;

50 (e) Portable cannabis vendor license issued pursuant to section 21 of this
51 act;

52 (f) ~~[Portable cannabis vendor event license issued pursuant to section 22 of~~
53 ~~this act;~~

1 ~~—(g)—~~ Cannabis establishment agent registration card issued pursuant to NRS
2 678B.340; and

3 ~~—(d)—~~ ~~h)~~ (g) Cannabis establishment agent registration card for a cannabis
4 executive issued pursuant to NRS 678B.350,
5 ~~↳~~ is a revocable privilege and the holder of such a license or card, as applicable,
6 does not acquire thereby any vested right.

7 Sec. 27.5. NRS 678B.020 is hereby amended to read as follows:

8 678B.020 As used in this chapter, unless the context otherwise requires, the
9 words and terms defined in NRS 678B.030 to 678B.070, inclusive, and section
10 14.5 of this act have the meanings ascribed to them in those sections.

11 Sec. 28. NRS 678B.210 is hereby amended to read as follows:

12 678B.210 1. A person shall not engage in the business of a medical
13 cannabis establishment unless the person holds a medical cannabis establishment
14 license issued by the Board pursuant to this section.

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

18 3. Except as otherwise provided in NRS 678B.220, 678B.230 and 678B.240,
19 not later than 90 days after receiving an application to engage in the business of a
20 medical cannabis establishment, the Board shall register the medical cannabis
21 establishment and issue a medical cannabis establishment license and a random 20-
22 digit alphanumeric identification number if:

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

25 (1) The application fee, as set forth in NRS 678B.390;

26 (2) An application, which must include:

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

28 (II) The physical address where the proposed medical cannabis
29 establishment will be located and the physical address of any co-owned additional
30 or otherwise associated medical cannabis establishments, the locations of which
31 may not be within 1,000 feet of a public or private school that provides formal
32 education traditionally associated with preschool or kindergarten through grade 12
33 and that existed on the date on which the application for the proposed medical
34 cannabis establishment was submitted to the Board, within 300 feet of a community
35 facility that existed on the date on which the application for the proposed medical
36 cannabis establishment was submitted to the Board or, if the proposed medical
37 cannabis establishment will be located in a county whose population is 100,000 or
38 more, within 1,500 feet of an establishment that holds a nonrestricted gaming
39 license described in subsection 1 or 2 of NRS 463.0177 and that existed on the date
40 on which the application for the proposed medical cannabis establishment was
41 submitted to the Board;

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

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

49 (V) For the applicant and each person who is proposed to be an owner,
50 officer or board member of the proposed medical cannabis establishment, a
51 complete set of the person's fingerprints and written permission of the person
52 authorizing the Board to forward the fingerprints to the Central Repository for

1 Nevada Records of Criminal History for submission to the Federal Bureau of
2 Investigation for its report; and

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

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

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

9 (II) The use of an electronic verification system and an inventory
10 control system pursuant to NRS 678C.420 and 678C.430;

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

14 (5) If the city or county in which the proposed medical cannabis
15 establishment will be located has enacted zoning restrictions, proof that the
16 proposed location is in compliance with those restrictions and satisfies all
17 applicable building requirements; and

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

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

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

24 (1) Served as an owner, officer or board member for a cannabis
25 establishment that has had its medical cannabis establishment license, ~~for~~ adult-
26 use cannabis establishment license, *cannabis event organizer license, temporary*
27 *cannabis event* ~~license,~~ *permit or portable cannabis vendor license for portable*
28 *cannabis vendor-event license* revoked;

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

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

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

35 4. For each person who submits an application pursuant to this section, and
36 each person who is proposed to be an owner, officer or board member of a
37 proposed medical cannabis establishment, the Board shall submit the fingerprints of
38 the person to the Central Repository for Nevada Records of Criminal History for
39 submission to the Federal Bureau of Investigation to determine the criminal history
40 of that person.

41 5. Except as otherwise provided in subsection 6, if an application for
42 registration as a medical cannabis establishment satisfies the requirements of this
43 section, is qualified in the determination of the Board pursuant to NRS 678B.200
44 and the establishment is not disqualified from being registered as a medical
45 cannabis establishment pursuant to this section or other applicable law, the Board
46 shall issue to the establishment a medical cannabis establishment license. A medical
47 cannabis establishment license expires 1 year after the date of issuance and may be
48 renewed upon:

49 (a) Submission of the information required by the Board by regulation; and

50 (b) Payment of the renewal fee set forth in NRS 678B.390.

51 6. In determining whether to issue a medical cannabis establishment license
52 pursuant to this section, the Board shall consider the criteria of merit set forth in
53 NRS 678B.240.

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. 29. NRS 678B.250 is hereby amended to read as follows:

678B.250 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 NRS 678B.260, 678B.270 and 678B.280, 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:

(1) The application fee, as set forth in NRS 678B.390;

(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, 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 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

1 Nevada Records of Criminal History for submission to the Federal Bureau of
2 Investigation for its report; and

3 (VI) The name, address and date of birth of each person who is
4 proposed to be an owner, officer or board member of the proposed adult-use
5 cannabis establishment;

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

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

9 (II) The use of an inventory control system;

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

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

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

19 (1) Served as an owner, officer or board member for a cannabis
20 establishment that has had its adult-use cannabis establishment license, ~~for~~
21 medical cannabis establishment license, *cannabis event organizer license,*
22 *temporary cannabis event license,* ~~license,~~ *permit or portable cannabis vendor license*
23 ~~for portable cannabis vendor event license,~~ revoked;

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

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

28 (d) None of the persons who are proposed to be owners, officers or board
29 members of the proposed adult-use cannabis establishment are under 21 years of
30 age.

31 4. For each person who submits an application pursuant to this section, and
32 each person who is proposed to be an owner, officer or board member of a
33 proposed adult-use cannabis establishment, the Board shall submit the fingerprints
34 of the person to the Central Repository for Nevada Records of Criminal History for
35 submission to the Federal Bureau of Investigation to determine the criminal history
36 of that person.

37 5. Except as otherwise provided in subsection 6, if an applicant for licensure
38 to operate an adult-use cannabis establishment satisfies the requirements of this
39 section, is qualified in the determination of the Board pursuant to NRS 678B.200
40 and is not disqualified from being licensed pursuant to this section or other
41 applicable law, the Board shall issue to the applicant an adult-use cannabis
42 establishment license. An adult-use cannabis establishment license expires 1 year
43 after the date of issuance and may be renewed upon:

44 (a) Submission of the information required by the Board by regulation; and

45 (b) Payment of the renewal fee set forth in NRS 678B.390.

46 6. In determining whether to issue an adult-use cannabis license pursuant to
47 this section, the Board shall consider the criteria of merit set forth in NRS
48 678B.280.

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

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

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

9 **Sec. 30.** NRS 678B.380 is hereby amended to read as follows:

10 678B.380 1. Except as otherwise provided by regulations adopted by the

11 Board pursuant to subsection 2, the following are nontransferable:

- 12 (a) A cannabis establishment agent registration card.
- 13 (b) A cannabis establishment agent registration card for a cannabis executive.
- 14 (c) A medical cannabis establishment license.
- 15 (d) An adult-use cannabis establishment license.
- 16 (e) *A cannabis event organizer license.*
- 17 (f) *A temporary cannabis event ~~license~~ permit.*
- 18 (g) *A portable cannabis vendor license.*
- 19 ~~(h) A portable cannabis vendor event license.~~

20 2. The Board shall adopt regulations which prescribe procedures and

21 requirements by which a holder of a license , including, without limitation, the

22 holder of a cannabis event organizer license or portable cannabis vendor license

23 who is a social equity applicant, may transfer the license to another party who is

24 qualified to hold such a license pursuant to the provisions of this chapter.

25 **Sec. 31.** NRS 678B.390 is hereby amended to read as follows:

26 678B.390 1. Except as otherwise provided in subsection ~~2, 3, 4~~, the Board

27 shall collect not more than the following maximum fees:

28		
29	For the initial issuance of a medical cannabis	
30	establishment license for a medical cannabis	
31	dispensary.....	\$30,000
32	For the renewal of a medical cannabis establishment	
33	license for a medical cannabis dispensary	\$5,000
34	For the initial issuance of a medical cannabis	
35	establishment license for a medical cannabis	
36	cultivation facility.....	3,000
37	For the renewal of a medical cannabis establishment	
38	license for a medical cannabis cultivation facility	1,000
39	For the initial issuance of a medical cannabis	
40	establishment license for a medical cannabis	
41	production facility	3,000
42	For the renewal of a medical cannabis establishment	
43	license for a medical cannabis production facility.....	1,000
44	For the initial issuance of a medical cannabis	
45	establishment license for a medical cannabis	
46	independent testing laboratory.....	5,000
47	For the renewal of a medical cannabis establishment	
48	license for a medical cannabis independent testing	
49	laboratory.....	3,000
50	For the initial issuance of an adult-use cannabis	
51	establishment license for an adult-use cannabis	
52	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:*

(a) *The issuance and renewal of a cannabis event organizer license.*

(b) *The issuance of a temporary cannabis event ~~license~~ permit.*

(c) *The issuance and renewal of a portable cannabis vendor license.*

~~[(d) The issuance of a portable cannabis vendor event license. The fees for the issuance of a portable cannabis vendor event license must be based on the number of persons who are expected to attend the portable cannabis event.]~~

3. *The Board may by regulation establish reduced fees for an applicant for the initial issuance or renewal of a cannabis event organizer license or portable cannabis vendor license that is a social equity applicant.*

4. 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.

~~3. 4.~~ 5. 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 Education Fund.

Sec. 32. NRS 678B.530 is hereby amended to read as follows:

678B.530 1. A person shall not:

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

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

➤ unless the person holds an adult-use cannabis establishment license, ~~for~~ a medical cannabis establishment license ~~or~~ *or a portable cannabis vendor license.*

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

Sec. 33. NRS 678B.650 is hereby amended to read as follows:

678B.650 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 NRS 678C.080 and 678C.070, 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 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 NRS 678B.390 may be reduced over time to ensure that the fees imposed pursuant to NRS 678B.390 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. Determine whether any provision of this chapter or chapter 678C or 678D of NRS would make the operation of a cannabis establishment by a dual licensee unreasonably impracticable; ~~and~~

9. *Set forth rules pertaining to the safe and healthful operation of temporary cannabis events ~~and portable cannabis vendor events~~, including, without limitation:*

(a) *Requirements for the testing, labeling and sale of cannabis and cannabis products at a temporary cannabis event ~~for portable cannabis vendor event~~, and*

(b) *Procedures and requirements for the collection and disposal of cannabis and cannabis products which are left at a temporary cannabis event ~~for portable cannabis vendor event~~, and*

10. Address such other matters as the Board deems necessary to carry out the provisions of this title.

Sec. 34. NRS 678C.300 is hereby amended to read as follows:

678C.300 1. A person who holds a registry identification card or letter of approval issued to him or her pursuant to NRS 678C.230 or 678C.270 is not exempt from state prosecution for, nor may the person establish an affirmative defense to charges arising from, any of the following acts:

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

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

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

(d) Possessing cannabis in violation of NRS 453.336 or possessing paraphernalia in violation of NRS 453.560 or 453.566:

(1) If the possession of the cannabis or paraphernalia is discovered because the person engaged or assisted in the medical use of cannabis in:

(I) Any public place or in any place open to the public or exposed to public view; or

(II) Any local detention facility, county jail, state prison, reformatory or other correctional facility, including, without limitation, any facility for the detention of juvenile offenders; or

(2) If the possession of the cannabis or paraphernalia occurs on school property.

(e) Delivering cannabis to another person who he or she knows does not lawfully hold a registry identification card or letter of approval issued by the Division or its designee pursuant to NRS 678C.230 or 678C.270.

(f) Delivering cannabis for consideration to any person, regardless of whether the recipient lawfully holds a registry identification card or letter of approval issued by the Division or its designee pursuant to NRS 678C.230 or 678C.270.

2. Except as otherwise provided in NRS 678C.240 and in addition to any other penalty provided by law, if the Division determines that a person has willfully violated a provision of this chapter or any regulation adopted by the Division to carry out the provisions of this chapter, the Division may, at its own discretion, prohibit the person from obtaining or using a registry identification card or letter of approval for a period of up to 6 months.

3. *For the purposes of sub-subparagraph (I) of subparagraph (1) of paragraph (d) of subsection 1, an area within a temporary cannabis event ~~for portable cannabis vendor event~~ that is designated for the consumption of*

cannabis or cannabis products is not a public place or a place open to the public or exposed to public view.

4. Nothing in the provisions of this chapter shall be construed as in any manner affecting the provisions of chapter 678D of NRS relating to the adult use of cannabis.

~~4.1~~ 5. As used in this section, "school property" means the grounds of any public school described in NRS 388.020 and any private school as defined in NRS 394.103.

Sec. 35. NRS 678D.200 is hereby amended to read as follows:

678D.200 1. Except as otherwise provided in NRS 678D.300, a person who is 21 years of age or older is exempt from state prosecution for:

- (a) The possession, delivery or production of cannabis;
 - (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:

- (a) Is 21 years of age or older;
- (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) Engages in the adult use of cannabis in accordance with the provisions of this title;
- (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) 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;
- (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) Assists another person who is 21 years of age or older in carrying out any of the acts described in paragraphs (a) to (f), inclusive.

4. If a person possesses, uses or produces cannabis in an amount which exceeds the amount set forth in paragraph (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 NRS 678B.250, *a portable cannabis vendor license issued to the person pursuant to section 21 of this act*, a cannabis establishment agent registration card issued to the person pursuant to NRS 678B.340 or a cannabis establishment agent registration card for a cannabis executive issued to the person pursuant to NRS 678B.350, and confines his or her activities to those authorized by this title, and the regulations adopted by the Board pursuant thereto, is exempt from state prosecution for:

- (a) The possession, delivery or production of cannabis;
- (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.

6. The commission of any act by a person for which the person is exempt from state prosecution pursuant to this section must not be used as the basis for the seizure or forfeiture of any property of the person or for the imposition of a civil penalty.

Sec. 36. NRS 678D.300 is hereby amended to read as follows:

678D.300 1. A person is not exempt from state prosecution for any of the following acts:

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

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

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

(d) Possessing cannabis in violation of NRS 453.336 or possessing paraphernalia in violation of NRS 453.560 or 453.566:

(1) If the possession of the cannabis or paraphernalia is discovered because the person engaged in the adult use of cannabis in:

(I) Any public place or in any place open to the public or exposed to public view; or

(II) Any local detention facility, county jail, state prison, reformatory or other correctional facility, including, without limitation, any facility for the detention of juvenile offenders; or

(2) If the possession of the cannabis or paraphernalia occurs on school property.

(e) Knowingly delivering cannabis to another person who is not 21 years of age or older unless:

(1) The recipient holds a valid registry identification card or letter of approval issued to the person by the Division of Public and Behavioral Health of the Department of Health and Human Services or its designee pursuant to NRS 678C.230 or 678C.270.

(2) The person demanded and was shown bona fide documentary evidence of the age and identity of the recipient issued by a federal, state, county or municipal government, or subdivision or agency thereof.

2. *For the purposes of sub-subparagraph (I) of subparagraph (1) of paragraph (d) of subsection 1, an area within a temporary cannabis event ~~for portable cannabis vendor event~~ that is designated for the consumption of cannabis or cannabis products is not a public place or a place open to the public or exposed to public view.*

3. As used in this section, “school property” means the grounds of any public school described in NRS 388.020 and any private school as defined in NRS 394.103.

Sec. 37. NRS 678D.310 is hereby amended to read as follows:

678D.310 1. Except as otherwise provided in chapter 678C of NRS, any person shall not:

(a) Cultivate cannabis within 25 miles of an adult-use cannabis retail store licensed pursuant to chapter 678B of NRS, 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. ~~[(A)]~~ *Except as otherwise provided in subsection 9, 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 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 chapter 678C of NRS 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 an area within a temporary cannabis event ~~for portable cannabis vendor event~~ that is designated for the consumption of cannabis or cannabis products.*

1 **Sec. 38.** ~~[NRS 678D.440 is hereby amended to read as follows:~~

2 ~~678D.440 1. An adult-use cannabis distributor may transport cannabis and~~
3 ~~cannabis products between an adult-use cannabis establishment and another adult-~~
4 ~~use cannabis establishment or between the buildings of an adult-use cannabis~~
5 ~~establishment.~~

6 ~~2. An adult-use cannabis distributor may transport cannabis and cannabis~~
7 ~~products between an adult-use cannabis retail store and a temporary cannabis~~
8 ~~event.~~

9 ~~3. An adult-use cannabis establishment shall not transport cannabis or~~
10 ~~cannabis products to an adult-use cannabis retail store unless the adult-use cannabis~~
11 ~~establishment holds an adult-use cannabis establishment license for an adult-use~~
12 ~~cannabis distributor.~~

13 ~~[3.] 4. An adult-use cannabis distributor shall not purchase or sell cannabis or~~
14 ~~cannabis products unless the adult-use cannabis distributor also holds an adult-use~~
15 ~~cannabis establishment license for a type of adult-use cannabis establishment~~
16 ~~authorized by law to purchase or sell cannabis or cannabis products.~~

17 ~~[4.] 5. An adult-use cannabis distributor may enter into an agreement or~~
18 ~~contract with an adult-use cannabis establishment for the transport of cannabis or~~
19 ~~cannabis products. Such an agreement or contract may include, without limitation,~~
20 ~~provisions relating to insurance coverage, climate control and theft by a third party~~
21 ~~or an employee.~~

22 ~~[5.] 6. An adult-use cannabis distributor, and each cannabis establishment~~
23 ~~agent employed by the adult-use cannabis distributor who is involved in the~~
24 ~~transportation, is responsible for cannabis and cannabis products once the adult-use~~
25 ~~cannabis distributor takes control of the cannabis or cannabis products and leaves~~
26 ~~the premises of an adult-use cannabis establishment [~~

27 ~~6.] or a temporary cannabis event.~~

28 ~~7. The Board may adopt regulations establishing additional requirements for~~
29 ~~the operations of an adult-use cannabis distributor.] (Deleted by amendment.)~~

30 **Sec. 39.** Chapter 372A of NRS is hereby amended by adding thereto a new
31 section to read as follows:

32 ***“Portable cannabis vendor” has the meaning ascribed to it in section 4 of this***
33 ***act.***

34 **Sec. 40.** NRS 372A.200 is hereby amended to read as follows:

35 372A.200 As used in NRS 372A.200 to 372A.380, inclusive, ***and section 39***
36 ***of this act***, unless the context otherwise requires, the words and terms defined in
37 NRS 372A.205 to 372A.250, inclusive, ***and section 39 of this act***, have the
38 meanings ascribed to them in those sections.

39 **Sec. 41.** NRS 372A.250 is hereby amended to read as follows:

40 372A.250 “Taxpayer” means a:

- 41 1. Cannabis cultivation facility; ~~{or}~~
42 2. Adult-use cannabis retail store ~~{}~~ ***;*** ***or***
43 3. ***Portable cannabis vendor.***

44 **Sec. 42.** NRS 372A.290 is hereby amended to read as follows:

45 372A.290 1. An excise tax is hereby imposed on each wholesale sale in this
46 State of cannabis by a medical cannabis cultivation facility to another cannabis
47 establishment at the rate of 15 percent of the fair market value at wholesale of the
48 cannabis. The excise tax imposed pursuant to this subsection is the obligation of the
49 medical cannabis cultivation facility.

50 2. An excise tax is hereby imposed on each wholesale sale in this State of
51 cannabis by an adult-use cannabis cultivation facility to another cannabis
52 establishment at the rate of 15 percent of the fair market value at wholesale of the

cannabis. 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 cannabis or cannabis products by an adult-use cannabis retail store *or a portable cannabis vendor* at the rate of 10 percent of the sales price of the cannabis or cannabis products. The excise tax imposed pursuant to this subsection:

(a) Is the obligation of the ~~{adult use cannabis retail store.}~~ *seller of the cannabis or cannabis product.*

(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.

4. The revenues collected from the excise tax imposed pursuant to subsection 1 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 chapter 678C of NRS; 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 Education Fund.

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 chapter 678D of NRS; 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 Education Fund.

6. For the purpose of subsections 4 and 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 subsection 2 in each fiscal year shall be deemed sufficient to pay the costs of all local governments to carry out the provisions of chapters 678C and 678D of NRS. The Board shall, by regulation, determine the manner in which local governments may be reimbursed for the costs of carrying out the provisions of chapters 678C and 678D of NRS.

7. The revenues collected from the excise tax imposed pursuant to subsection 3 must be paid over as collected to the State Treasurer to be deposited to the credit of the State Education Fund.

8. ~~[The excise tax imposed pursuant to subsection 3 does not apply to a sale of cannabis or cannabis products by an adult use cannabis retail store to a portable cannabis vendor for the purpose of resale.~~

~~9.]~~ As used in this section:

(a) "Adult-use cannabis cultivation facility" has the meaning ascribed to it in NRS 678A.025.

(b) "Cannabis product" has the meaning ascribed to it in NRS 678A.120.

(c) "Local government" has the meaning ascribed to it in NRS 360.640.

(d) "Medical cannabis cultivation facility" has the meaning ascribed to it in NRS 678A.170.

(e) "Medical cannabis establishment" has the meaning ascribed to it in NRS 678A.180.

Sec. 43. NRS 387.1212 is hereby amended to read as follows:

387.1212 1. The State Education Fund is hereby created as a special revenue fund to be administered by the Superintendent of Public Instruction for the purpose of supporting the operation of the public schools in this State. The interest

1 and income earned on the money in the Fund, after deducting any applicable
2 charges, must be credited to the Fund.

3 2. Money which must be deposited for credit to the State Education Fund
4 includes, without limitation:

5 (a) All money derived from interest on the State Permanent School Fund, as
6 provided in NRS 387.030;

7 (b) The proceeds of the tax imposed pursuant to NRS 244.33561 and any
8 applicable penalty or interest, less any amount retained by the county treasurer for
9 the actual cost of collecting and administering the tax;

10 (c) The proceeds of the tax imposed pursuant to subsection 1 of NRS 387.195;

11 (d) The portion of the money in each special account created pursuant to
12 subsection 1 of NRS 179.1187 which is identified in paragraph (d) of subsection 2
13 of NRS 179.1187;

14 (e) The money identified in subsection 1 of NRS 328.450;

15 (f) The money identified in subsection 1 of NRS 328.460;

16 (g) The money identified in paragraph (a) of subsection 2 of NRS 360.850;

17 (h) The money identified in paragraph (a) of subsection 2 of NRS 360.855;

18 (i) The money required to be paid over to the State Treasurer for deposit to the
19 credit of the State Education Fund pursuant to subsection 4 of NRS 362.170;

20 (j) The portion of the proceeds of the tax imposed pursuant to subsection 1 of
21 NRS 372A.290 identified in paragraph (b) of subsection 4 of NRS 372A.290;

22 (k) The proceeds of the tax imposed pursuant to subsection 3 of NRS
23 372A.290;

24 (l) The proceeds of the fees, taxes, interest and penalties imposed pursuant to
25 chapter 374 of NRS, as transferred pursuant to subsection 3 of NRS 374.785;

26 (m) The money identified in paragraph (b) of subsection ~~3-4~~ 5 of NRS
27 678B.390;

28 (n) The portion of the proceeds of the excise tax imposed pursuant to
29 subsection 1 of NRS 463.385 identified in paragraph (c) of subsection 5 of NRS
30 463.385;

31 (o) The money required to be distributed to the State Education Fund pursuant
32 to subsection 3 of NRS 482.181;

33 (p) The portion of the net profits of the grantee of a franchise, right or privilege
34 identified in NRS 709.110;

35 (q) The portion of the net profits of the grantee of a franchise identified in NRS
36 709.230;

37 (r) The portion of the net profits of the grantee of a franchise identified in NRS
38 709.270; and

39 (s) The direct legislative appropriation from the State General Fund required
40 by subsection 3.

41 3. In addition to money from any other source provided by law, support for
42 the State Education Fund must be provided by direct legislative appropriation from
43 the State General Fund in an amount determined by the Legislature to be sufficient
44 to fund the operation of the public schools in this State for kindergarten through
45 grade 12 for the next ensuing biennium for the population reasonably estimated for
46 that biennium. Money in the State Education Fund does not revert to the State
47 General Fund at the end of a fiscal year, and the balance in the State Education
48 Fund must be carried forward to the next fiscal year.

49 4. Money in the Fund must be paid out on claims as other claims against the
50 State are paid.

51 5. The Superintendent of Public Instruction may create one or more accounts
52 in the State Education Fund for the purpose of administering any money received
53 from the Federal Government for the support of education and any State money

required to be administered separately to satisfy any requirement imposed by the Federal Government. The money in any such account must not be considered when calculating the statewide base per pupil funding amount or appropriating money from the State Education Fund pursuant to NRS 387.1214. The interest and income earned on the money in any such account, after deducting any applicable charges, must be credited to the account.

Sec. 44. NRS 453.316 is hereby amended to read as follows:

453.316 1. A person who opens or maintains any place for the purpose of unlawfully selling, giving away or using any controlled substance is guilty of a category C felony and shall be punished as provided in NRS 193.130.

2. If a person convicted of violating this section has previously been convicted of violating this section, or if, in the case of a first conviction of violating this section, the person has been convicted of an offense under the laws of the United States or any state, territory or district which, if committed in this State, would amount to a felony under this section, the person is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$10,000.

3. This section does not apply to ~~any~~:

(a) Any rehabilitation clinic established or licensed by the Division of Public and Behavioral Health of the Department.

(b) A cannabis event organizer, as defined in section 2 of this act, that holds a temporary cannabis event, as defined in section 8 of this act, and whose activities are confined to those authorized in title 56 of NRS.

~~(c) A portable cannabis vendor, as defined in section 4 of this act, that holds a portable cannabis vendor event, as defined in section 5 of this act, and whose activities are confined to those authorized in title 56 of NRS.~~

Sec. 45. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 44, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On July 1, 2022, for all other purposes.